

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Authorize City Manager to Execute a Purchase Order for the Purchase and Lease of New Copiers
<b>DEPARTMENT:</b>	Finance
<b>PRESENTED BY:</b>	Debbie Tarry, Finance Director Cathy Robinson, Purchasing Officer

**PROBLEM/ISSUE STATEMENT:**

The City currently has 11 black and white copiers purchased in 2002. The copiers have gone beyond the end of their projected lifespan and need to be replaced. Each year beginning in 2003, money has been placed into the City's equipment replacement fund to replace the copiers. The monies paid into this fund are sufficient to cover the purchase of the new copiers.

With the move into the new City Hall, the City will need to acquire an additional new copier for the Park & Recreation department. Currently, the Park Department and the City Clerk's area share one large copier. The Clerk's office will have access to a large copier on the first floor of the new City Hall. The Park Department will now be located on the fourth floor and currently there is no copier available for their work area. There are adequate funds available in the equipment replacement account to purchase the additional copier. Seven of the new copiers will be located at City Hall, 2 at the Police Station, 1 at each of the Police storefronts, and 1 at Spartan Gym.

The City currently has one leased color copier. The lease on the color copier expires in 8 months. With the purchase of the new black and white copiers, the City has the option to end the current lease and begin a new lease of a newer model color copier. The color copier will be located on the second floor of the new City Hall. The City Clerk's office processes various licenses that require the license to be issued in color. The City will be leasing an additional small color copier for the Clerk's area of the first floor of City Hall. The current budget for the lease of one copier is \$7,479 annually. The new lease for two copiers will be \$6,900, a \$579 annual savings.

The City's purchasing policies require Council authorization of purchase orders for equipment exceeding \$100,000.

**ALTERNATIVES ANALYZED:**

In 2001 staff reviewed the cost options of leasing or purchasing black and white copiers and determined that there would be an annual operating savings by purchasing copiers instead of leasing. The cost savings to purchase black and white copiers is still the best alternative at this time.

The technology for color copiers changes more frequently than black and white copiers. For this reason color copiers are better suited to being leased rather than purchased due to the emerging technology changes.

**FINANCIAL IMPACT:**

The equipment replacement fund has \$153,000 allocated for the purchase of new copiers. The City utilizes copier contracts established by various purchasing cooperatives. Using the King County Director's Association (KCDA) copier contract the cost to purchase 12 black and white copiers is \$106,795.35. In addition to this staff recommends that we add \$5,000 to the purchase order for contingency costs for set-up costs related to the copiers.

Under this same contract, the City will lease a new color copier. The new lease pricing under the KCDA contract will have a monthly cost savings of \$290.00. This monthly cost savings will allow the City to lease a smaller color copier for the Clerk's area. The monthly lease cost is budgeted in city wide operations.

**RECOMMENDATION**

Staff recommends that Council authorize the City Manager to sign a purchase order issued to Copiers Northwest for up to \$111,795.35 to purchase 12 black and white copiers and lease two color copiers for four years with a monthly lease cost of \$575.00.

Approved By:      City Manager  City Attorney \_\_\_\_\_