

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Authorize the City Manager to Execute a Purchase Order with Canon Financial Services Inc. in the Amount of \$75,709.92 for a 60-Month Lease for Two Copiers
DEPARTMENT:	Administrative Services
PRESENTED BY:	Karen Mast, Information Technology Manager
ACTION:	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

The City's 2016, 60-month lease for 11 copiers expired early in 2021. In July, the City entered a new 60-month lease with Canon Financial Services Inc. for six (6) copiers to replace the 11 copiers. The cost of this lease agreement is \$73,187.80 over the life of the lease, which is within the City Manager's authority for approval. The six copiers are only the first installment of copiers needed to meet the business needs of Shoreline's staff and volunteers.

Staff has determined that two (2) additional copiers are needed. The 60-month lease with Canon Financial Services Inc. for these two additional copiers is \$75,709.92. As the cost of both contracts will be \$148,897.72 over the life of the 60-month leases, which is over the City Manager's authority for approval, the additional lease requires Council approval. The cost for these leases is based on the Washington State NASPO (National Association of State Procurement Officials) contract.

In addition to the lease agreements, the City will enter into support agreements for these copiers which include maintenance and toner based on copy counts. These charges are variable but far less than the lease agreements.

Canon Financial Services Inc. is an approved vendor on the Washington State NASPO contract. Staff is requesting Council authorization for the City Manager to execute the second lease with Canon Financial Services Inc.

RESOURCE/FINANCIAL IMPACT:

The cost of the original lease agreement is \$73,187.80. The cost of the additional lease agreement is \$75,709.92. The two leases combined will total \$148,897.72. Funding for this contract will be from the ongoing operating budget for the Information Technology Division within the Administrative Services Department. The Division has sufficient funds in the operating budget for these lease and maintenance costs.

RECOMMENDATION

Staff recommends that the City Council authorize the City Manager to execute a 60-month lease with Canon Financial Services Inc. in the amount of \$75,709.92 for two additional copiers.

Approved By: City Manager ***DT*** City Attorney ***MK***