





Staff Report

City of Manhattan Beach

TO: Honorable Mayor Cohen and Members of the City Council

THROUGH: Geoff Dolan, City Manager 

FROM: Bruce Moe, Finance Director 
Leilani Emnace, Information Systems Manager
Gwen Eng, General Services Manager

DATE: November 17, 2009

SUBJECT: Consideration of a Five-Year Lease Agreement with Xerox Corporation for Two Multifunction (Scan, Fax, Copy) Machines for City Hall (Approximate Annual Cost of \$24,306)

RECOMMENDATION:

Staff recommends that the City Council award RFB #780-09 to Xerox Corporation for a five-year budgeted lease valued at \$24,306 annually.

FISCAL IMPLICATION:

The total cost for the lease, copy charges, and sales tax is \$24,306 per year, or \$121,530 for five years. Sufficient funds are available in the FY 2009-2010 budget, and will be provided for in future budgets.

DISCUSSION:

The two units to be leased will replace units located at City Hall for which leases have expired. Presently, Xerox units are installed on the network in various City departments with excellent results. In addition, all maintenance and some consumable materials are included in the lease agreement to further reduce City costs. As a result, staff specified Xerox for these replacement copiers.

Staff solicited bids and received four responses from three vendors; one vendor provided two bids offering different monthly lease rates and per copy charges. The comparison below shows the aggregate annual cost including sales tax and estimated copy charges:

<u>Bidder</u>	<u>Estimated Annual Cost</u>
1. JB Print Solutions	\$24,306
2. Document Consulting Services	\$24,408
3. Document Consulting Services	\$26,210
4. Canon	No bid

In order to procure the Xerox units, the City must use an authorized Xerox dealer; however, the lease will be directly with Xerox Corporation. In reviewing the bid submittals, JB Print Solutions, an authorized dealer of Xerox, offered the lowest overall bid for the two units. JB Print Solutions has assisted the City in nine previous Xerox installations and is familiar with the City's network infrastructure, which will result in efficient installations of the units. This vendor has performed well, is responsive, and has provided excellent support. As a result, staff recommends that JB Print Solutions be the authorized dealer for installation purposes for this requirement.

If approved, the lease will be in the form of a purchase order issued to Xerox Corporation and the new units will arrive in approximately 45 days.