



Agenda Item Summary

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Submitted By

Steven Drazner, CFO

Reviewed By

LKS

Agenda Item Title

A Resolution Approving a Three Year Lease Agreement, Maintenance Agreement and Addendum with Xerox Financial Services LLC for Copier and Printer Equipment at a Cumulative Three Year Cost Not to Exceed \$108,000 and Authorizing Their Execution

Overview

The Village's existing three year lease agreement with Toshiba Business Solutions (TBS) is scheduled to expire on April 30, 2017 and all equipment in our possession under this lease must be returned to TBS no later than this date. This existing agreement covers the lease of twenty-five units of copier/printer equipment used throughout the village located at Village Hall, Public Works, and the Fire Stations.

Staff Recommendation

Approve the Resolution

Fiscal Impact

Approximately \$36,000 in annual lease payments and copy costs. This amount includes an estimate in the copy costs as well as maintenance/repairs of the leased equipment.

The estimated annual \$36,000 in expense under this contract includes \$2,033 per month in lease payments and approximately \$1,000 per month in copy charges, or \$3,000 per month.

In comparison, the existing Toshiba Business Solutions lease for similar equipment was for \$2,600 per month and averaged \$1,700 per month for copies, for a total monthly cost of \$4,300, or \$51,600 per year. Thus, it is estimated that this new lease and maintenance agreement with Xerox/COTG will save the the Village \$15,600 per year.

Background

In anticipation of the approaching lease expiration date with TBS, a request for proposal was prepared for the replacement of the existing leased equipment with similar equipment. The RFP was directly distributed to certain vendors as well as placed on the Village's website and Demand Star. There was a great deal of interest in this RFP and a total of eleven responses were received from the following vendors:

Black Dog Solutions (Xerox)

Proven Business Solutions
COTG
DesPlaines Office Equipment
Impact Networking
Image Systems & Business Solutions
Martin Whelan (Xerox)
Toshiba Business Solutions
Ricoh, USA
Sharp Business Systems
Canon Solutions

Each proposal was thoroughly reviewed and rated in areas such as cost, responsiveness, ability to perform, vendor financial stability, and an in-depth interview (for the finalists). Three finalists were selected for an interview.

Each proposal was evaluated and rated on several variables mentioned earlier and a weighted average of all ratings was calculated for each response. Based on a review of the proposals, of the eleven responses, three vendors were invited to the Village for an in-person interview to expand in areas determined to be of primary importance by the evaluation team. The three finalists were:

Ricoh, USA
Sharp Business Systems
COTG

Based on the proposals, in-person interviews, and reference checks, it is recommended that the Village execute a three year lease agreement with COTG which will provide Xerox replacement equipment equal to or better than the Toshiba equipment under the current lease. At no additional cost, COTG will ship the existing equipment back to Toshiba if delivery is within Illinois and provide unlimited training to Village staff on using the machines. For the leased units of Xerox equipment, the agreement is an operating lease and thus, there is no buyout clause and the equipment would be returned upon lease termination/expiration.

Alternatives

Selection of a different vendor

Previous Board Action

2014

Citizen Advisory Commission Action

N/A

Anticipated Future Actions/Commitments

N/A

Intergovernmental Cooperation Opportunities

N/A

Performance Management (MAP) Alignment

N/A