

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

**BOARD OF DIRECTORS MEETING  
FEBRUARY 14, 2019  
ITEM 10c**

**DISTRICT COPY MACHINE: PROPOSED NEW LEASE AND TERMS**

**BACKGROUND**

On June 22, 2019, the District's current five-year Sharp MX-5141N copier lease with Smile Business Products, Inc. will terminate. In anticipation of this, the District Administrator met with Smile representative, Connie Smith, on January 24, 2019 to discuss the District's options. Ms. Smith recommended that the District enter into a new five-year agreement for a Sharp 5070v copier. I've searched online for reviews of this machine and have found them to be excellent. A comparison of the proposed and current lease is below.

	<u>Proposed Lease</u>	<u>Current Lease</u>
Term of contract	5 yrs.	5 yrs.
Monthly lease payment	\$219.31	\$191.66
Monthly maint. Fee	129.86	194.46
Nbr. of pages/mo	2,500/1,400	6,000/2,000
Overage per Page	\$0.0105/\$0.0669	\$0.0115/\$0.0600
Pgs. print/min.	50	51

The total monthly cost of the proposed copier (MX-5070v) would be \$329.17, as compared to the current monthly fee of \$386.12, and the interest rate for the proposed lease would be 2.2%.

The proposed agreement would include paying off the residual value of the current copier and the cost of hauling it away. The proposed lease includes the cost of delivering the new copier.

For a fee of about \$600, Smile would provide and install a security kit in the current copier to remove data from the hard drive. The proposed new copier would come with "standard security and end-of-lease erase feature."

The features of the proposed machine are the same as those on the current machine, so the transition from one to the other should be easy.

Ms. Smith noted that, although the District was using close to the maximum number of copies allowed in the current lease in 2014-15, the District has been making far fewer copies per month in recent months. Therefore, Ms. Smith recommended reducing the

maximum number of copies for 2,500 black and white and 1,400 color, which reflects the fewer number of copies the District's been making recently.

District staff has found Smile Business Products, Inc. easy to work with and its maintenance crew has responded quickly and has ably fixed whatever needed attention.

**RECOMMENDATION:**

Approve the proposed lease agreement and authorize the General Manager to sign the agreement subject to the approval of the District's Legal Counsel, Ann Danforth as to form.

**ATTACHMENTS:**

1. Smile Business Products, Inc.
2. Standard Lease

**SUBMITTED BY:** Lynn Wolter, District Administrator