



CITY OF WASHINGTON, ILLINOIS
City Council Agenda Communication

Meeting Date: January 19, 2021

Prepared By: Joanie Baxter, Finance Director *JB*

Agenda Item: Acceptance of Copier Replacement Proposal

Explanation: The copy machine at City Hall is a Konica-Minolta Bizhub C458. It has served the City well for the last five years and has made almost 500,000 copies and scans. The lease expired at the end of December and I was told by several sources that there were some very attractive year-end deals that would reduce our lease/maintenance annual costs.

This past year the volume of copies has increased which has caused our costs to increase due to overages on the maintenance contract. We are currently spending an average of \$629 per month for the lease payment and maintenance. I received proposals for another 5-year lease and maintenance contract from four vendors and I requested both a lease-purchase option and FMV option including trade-in of the current machine. All copy machines quoted have similar features and specifications.

The incumbent vendor, Konica-Minolta offers a flat-rate, all-inclusive maintenance contract which is more advantageous the higher the volume of copies. Utilizing this option as compared to the overage costs for actual copies results in the following monthly costs:

	Konica-Minolta	R K Dixon	CDS Technologies	GFI Digital
5-year lease-purchase				
Lease	200.64		203.00	189.00
Maintenance	270.00		327.58	348.51
Lease incl. in Mtnce.		607.50		
	470.64	607.50	530.58	537.51
5-year FMV lease				
Lease	192.39		183.00	142.00
Maintenance	270.00		327.58	348.51
Lease incl. in Mtnce.		637.12		
	462.39	637.12	510.58	490.51

Fiscal Impact: The fiscal impact is a savings of approximately \$500 for FY20-21 and \$2,000 for FY21-22.

Recommendation/Committee Discussion Summary: Because we don't tend to keep the machines and it represents a slight savings, I would recommend accepting the 5-year FMV lease option from Konica-Minolta as indicated above.

Action Requested: Approval of the Consent Agenda item.

Date Prepared: 1/15/2021