

CITY COUNCIL MEMORANDUM

AGENDA ITEM

Authorize a Lease agreement with Xerox Corporation

ORIGINATING DEPARTMENT

Support Services / Printing Services Division

BACKGROUND INFORMATION

Printing Services has two (2) Xerox duplicating machines that need to be replaced. These machines were leased in 2011 and maintenance requirements are increasing due to extensive daily use.

DISCUSSION/CONCLUSION

Staff requests authorization to enter into a new lease/maintenance agreement with Xerox Corporation for a five (5) year period. This agreement allows Printing Services to secure replacement machines that are more capable at a reduced cost. The lease agreement cost is \$3,839.55 per month for a total cost of \$230,373.00. This lease agreement will also save the city \$3,820.80 over the life of the contract. The City of Killeen is a member of several Cooperative Purchasing Networks, and per law we can leverage the State of Texas Contract, contract # 072715300.

FISCAL IMPACT

The lease cost per fiscal year is \$46,074.60 and funds are budgeted in account 010-2134-460.44-10. Copy click costs are fluid and are projected to total \$10,000.00 per FY.

RECOMMENDATION

Staff recommends that council approve the lease agreement with Xerox Corporation for the five (5) year contract and authorize the city manager to execute required change orders.