



MEMO

Office of the City Clerk

To: Melissa Marsh, City Manager
From: Cheryl Rottmann, Deputy City Manager/City Clerk
Date: November 13, 2024
RE: City-wide Copy Machine Replacement

The City's IT contractor, Skynet, has conducted a thorough review and analysis of the City's copier fleet including inventorying, compiling monthly costs, and helping staff identify the correct number of machines necessary to efficiently conduct business. Skynet had both Ricoh and Xerox study the city's current inventory and propose new assets for the city. Each vendor has provided State contract pricing.

Currently, the city has 64 copy machines with 9 different manufacturers in City Hall, the Library and the Police Department, most of which are at the end of their practical lifecycle. The average age of the equipment is over 7 years old, with 70% being over 10 years old. Each city department is currently paying for their supply of toner and the cost for maintenance since most of these copiers are past being covered by maintenance contracts. The cost for toner for this equipment in FY 23/24 was \$6,662.53. The cost for continuing to lease the current equipment, maintenance and copies in FY 23/24 was \$28,264.84, for a total annual cost of \$34,927.37 or an average monthly cost of \$2,910.61

Ricoh provided a quote for the replacement of 11 devices at a monthly cost of \$1395.57 and a cost per copy for both black and white (.01) and color (.05) and includes the cost of toner and service for 60 months. They would, however, charge \$250 for each device they need to remove. Xerox proposes replacing 21 of the existing copiers with a monthly cost of \$2,408.90 for 60 months. This solution would allow the city to reduce the number of copy machines and manufacturers, have a shared print allowance of 28,983 copies between devices, includes the maintenance agreement that covers the cost of toner, drums, and waste containers for these devices, and provide for the removal and recycling of the machines being replaced. Overage rates above 28,983 copies will be .005 for black and white and after 7,925 will be .009 for color copies up to legal size. Overage costs are slightly higher for tabloid or larger sizes.

After reviewing the proposed options, Skynet and staff conclude that Xerox provides more equipment, better maintenance and is a better overall solution to the city's needs. Therefore, Skynet and staff recommend that the City approve a 60-month lease agreement with Xerox Business Solutions Midwest in the amount of \$2,408.90 for 21 copy machines and maintenance and allow the City Manager to sign on behalf of the City.