

**APPROVED**  
BY THE CITY COUNCIL

**DEC 16 1997**

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DEPARTMENT OF  
FINANCE  
  
PROCUREMENT SERVICES DIVISION

CITY OF SACRAMENTO  
CALIFORNIA

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December 5, 1997  
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City Council  
Sacramento, California

Honorable Members in Session:

**SUBJECT: LEASE-PURCHASE OF XEROX DOCUTECH MODEL NP1353 HIGH-SPEED PHOTOCOPIER FOR CENTRAL SERVICES**

**LOCATION AND COUNCIL DISTRICT:** City Hall (Central Services) - All Districts

**RECOMMENDATION:**

This report recommends that the City Council adopt the attached Resolution which suspends formal competitive bidding for the lease-purchase of a Xerox DocuTech Model NP1353 high-speed photocopier for Central Services. The Resolution also authorizes the City Manager to execute the necessary purchase documents with Xerox Corporation, 2485 Natomas Park Drive, Ste. 250, Sacramento, for a total five-year amount of \$171,226.17 for the equipment, and for maintenance services for the copier in an amount not to exceed \$50,000.00 per contract year.

**CONTACT PERSON:** Maria Buenaventura, Central Services Supervisor, 264-5364  
Bob Holbrook, Procurement Services Manager, 433-6202

**FOR COUNCIL MEETING OF:** December 16, 1997

**SUMMARY:**

Central Services provides photocopying services for all City departments. The current inventory of copiers includes one Xerox high-speed copier (Model 5090), one Kodak high-speed copier (Model 110), a Kodak medium-speed copier (Model IS-70), and a Kodak color copier (Model C-150). This report recommends replacing the oldest of those copiers, the Xerox Model 5090, with a new Xerox DocuTech Model NP1353 high-volume copier. The total five-year equipment cost, including taxes and finance charges, will be \$171,226.17. Annual maintenance costs vary with copy volume, and will not be greater than \$50,000.00 per year, based on current copy volume and anticipated growth over the term of the contract.

**BACKGROUND:**

In 1991, Central Services eliminated offset printing and converted fully to high-speed photocopying to fulfill the needs of City departments. This change allowed Central Services to make productivity improvements and at the same time eliminate processes that utilized petroleum-based solvents which required special methods of disposal. In December 1991, the City Council authorized a five-year lease-purchase of Central Services' Xerox Model 5090 high-speed copier. This machine was paid off in FY-97, and is now fully owned by the City. While this machine has proven to be productive and reliable, it is at the end of its rated life, and has recently been requiring service more frequently. Xerox Corporation, through a special year-end promotion, has offered to replace the Model 5090 copier with a state-of-the-art DocuTech Model NP1353 copier at a significant savings when compared with regular pricing.

The DocuTech Model NP1353 will provide Central Services with the following advantages:

- ❖ High-quality laser printing with 600 dots-per-inch resolution
- ❖ Ability to perform multiple operations concurrently, to complete different aspects of several jobs simultaneously
- ❖ Digital scanning input, with the ability to scan once and then print multiple "originals"
- ❖ Electronic cut-and-paste for document modification and enhancement
- ❖ Job storage, to allow for on-demand re-printing of stored work, and for advance programming of large jobs with repetitive formats (e.g., Council Agenda)
- ❖ Future networking capacity (when combined with additional networking equipment)

No other manufacturers offer a photocopier with the capabilities of the Xerox DocuTech Model NP1353, and this model is only available directly from Xerox Corporation. An offer was received from another vendor, Danka Office Imaging Co., to provide an older refurbished Xerox DocuTech Model NP1352. This is the model that preceded the model now offered to the City by Xerox Corporation. The cost of the refurbished unit offered is \$159,955.44, including taxes and finance charges. The potential savings that would be achieved over the five year lease-purchase term is believed by staff to be outweighed by the benefits of obtaining new, state-of-the-art equipment instead of older refurbished equipment. Therefore, staff recommends that the Council adopt the attached Resolution which authorizes suspension of formal competitive bidding and the lease-purchase of the Xerox DocuTech Model NP1353 copier from Xerox Corporation.

**FINANCIAL CONSIDERATIONS:**

The Xerox GSA list price for the Xerox DocuTech is \$235,235.00 (plus taxes and finance charges). Xerox Corporation has offered the City a total of \$107,790.00 in trade-in and promotional incentives for trading the Xerox Model 5090 for the DocuTech NP1353, resulting in a price of \$129,095.00 plus tax and finance costs. The total five-year cost to the City, including sales taxes, finance charges, and training of one

operator, will be \$171,226.17. Annual maintenance costs will not exceed \$50,000.00 per year. Sufficient funds for the lease payments and maintenance costs are available in the Central Services budget, and no budget augmentation is requested. All lease and maintenance costs incurred are recovered from City departments through chargebacks for copy work performed.

**ENVIRONMENTAL CONSIDERATIONS:**

Ongoing administrative and maintenance activities, such as purchase of supplies, equipment or materials which are not made for purposes of a public works construction project, do not constitute a "project" and are exempt from the California Environmental Quality Act (CEQA). CEQA Guidelines, Sections 15061(b)(1), 15378(b)(3).

**POLICY CONSIDERATIONS:**

The recommendations in this report are in accordance with the provisions of City Code Section 57.04.401(c), which authorizes the suspension of formal competitive bidding upon a two-thirds vote of the City Council.

**MBE/WBE EFFORTS:**


Xerox Corporation is not an M/WBE firm. As noted above, there are no other manufacturers which currently produce a copier with the features offered by the Xerox DocuTech Model NP1353. Because this copier is available only directly from Xerox Corporation, no M/WBE firms are available for this acquisition.

Respectfully Submitted,



Robert B. Holbrook  
Procurement Services Manager

**RECOMMENDATION APPROVED:**



WILLIAM H. EDGAR  
City Manager

1 Attachment

**APPROVED**  
BY THE CITY COUNCIL

**DEC 16 1997**

OFFICE OF THE  
CITY CLERK

**RESOLUTION NO. 97-673**

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

**A RESOLUTION SUSPENDING FORMAL COMPETITIVE BIDDING  
FOR THE LEASE-PURCHASE OF A XEROX DOCUTECH MODEL NP1353  
HIGH-SPEED PHOTOCOPIER FOR CENTRAL SERVICES**

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:**

1. In the best interest of the City of Sacramento, formal competitive bidding is hereby suspended for the lease-purchase of a Xerox DocuTech Model NP1353 high-speed photocopier for Central Services; and
2. The City Manager is hereby authorized to issue the necessary purchase documents to Xerox Corporation, 2485 Natomas Park Drive, Ste. 250, Sacramento, for a total five-year amount of \$171,226.17 for equipment lease-purchase costs, and for maintenance services for the copier in an amount not to exceed \$50,000.00 per contract year.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

**FOR CITY CLERK USE ONLY**

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_