



**Contra
Costa
County**

To: Board of Supervisors
From: Julia R. Bueren, Public Works Director/Chief Engineer
Date: March 31, 2015

Subject: Third-party Lease/Purchase Agreement with IBM Credit, LLC, for Public Library Copiers

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Purchasing Agent, or designee, to execute, on behalf of the Public Works Director, a third-party lease/purchase agreement with IBM Credit, LLC, in an amount not to exceed \$199,000 for the financing of equipment in the Library's public copier fleet for the period April 1, 2015 through March 30, 2018.

FISCAL IMPACT:

Revenue from copying and printing fees offsets a significant portion of the cost.

BACKGROUND:

On May 7, 2013, the Board of Supervisors approved a board order authorizing the Purchasing Agent to execute a rental/lease agreement with Sharp Business Systems for public printer and copier devices. The current request would authorize the Purchasing Agent to enter into a lease/purchase with IBM Credit, LLC, for the financing of equipment in the Library's public copier fleet. This transaction will reduce the Library's costs by as much as \$110,000 in rental fees.

Purchasing Services has negotiated the pre-payment of equipment costs with Sharp

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **03/31/2015** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: Candace Andersen, District II
Supervisor
Mary N. Piepho, District III
Supervisor
Karen Mitchoff, District IV
Supervisor

ABSENT: John Gioia, District I
Supervisor
Federal D. Glover, District V
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 31, 2015

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Chris Heck, Deputy

Contact: David Gould (925)
313-2151

cc:

Business Systems. The pre-payment of \$177,730

BACKGROUND: (CONT'D)

will be financed through IBM Credit, LLC, at an interest rate not to exceed 2.3% over three years. The total of payments is not to exceed \$199,000. In addition, no additional equipment costs will be incurred if the Library retains underutilized equipment beyond three years. Savings for the remaining 42 months of the initial lease-rental is \$34,436. If the Library retains the equipment for years four and five, the savings could increase to \$110,000.

CONSEQUENCE OF NEGATIVE ACTION:

Failure to approve the request will not result in operational savings.

CHILDREN'S IMPACT STATEMENT:

Not applicable.