

**TOWN OF  
APPLE VALLEY, CALIFORNIA**

**AGENDA MATTER**

**Subject Item:**

**AUTHORIZE BUYOUT OF XEROX COPIERS AND ENTER INTO LEASE AGREEMENT WITH KONICA MINOLTA.**

**Summary Statement:**

The Town of Apple Valley Information Systems has an opportunity to eliminate some significant operational overhead by buying out our existing lease agreements with Xerox and entering into lease agreements with Konica Minolta for our entire fleet of copiers, printers and faxes. The Town would piggyback on local government pricing with Konica Minolta, and if approved, the move would bring down our operating costs for printing, copying and faxing from an average of approximately \$11,000 per month to approximately \$1,500 per month, or a reduction of about 86%. Additionally, the Town's cost per print would be reduced by approximately 68%. The Town will realize a significant savings in both the monthly lease as well as the cost to print to the devices.

The initial buyout would cost the Town approximately, \$144,000, which was budgeted for in the approved Fiscal Year 2010-2011 budget. Even with the buyout, the Town would realize an immediate monthly cost savings and as well as a return on investment by September 2011.

Additionally, by entering into the lease agreement by June 30, 2010, the Town has the opportunity to take advantage of rebates on most of the newly leased copy machines. The rebates awarded to the Town would be applied back to the Information Systems budget (1001.1090.7330.0000) so that the Town's Information Systems staff may reinvest in upgrades to other systems.

**Recommended Action:**

Authorize the buyout of the Xerox copiers and enter into the lease agreement with Konica Minolta. Approve the allocation of rebate funds to 1001-1090-7330-0000 for purchase of additional system upgrades.

**Proposed by:** Jason Hall, Information Systems Supervisor **Item Number** \_\_\_\_\_

**T. M. Approval:** \_\_\_\_\_ **Budgeted Item**  **Yes**  **No**  **N/A**