

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

105



FROM: Cooperative Extension Department

SUBMITTAL DATE:
December 6, 2011

SUBJECT: Risograph Machine Value Lease Agreement

RECOMMENDED MOTION: That the Board of Supervisors:
Ratify the multiyear lease agreement with US Bancorp for a 60 month period and authorize the Purchasing Agent to issue a contract for the balance of the lease period.

BACKGROUND: In September, 2008, the Cooperative Extension Department determined they needed the use of a Risograph machine, which is similar to copier but allows a lower cost per copy on high volume runs and use of multi-color toner. The Department signed an agreement with Burtronics Business Systems for the lease of a Risograph machine on 9/5/2008 for 60 months with an initial monthly lease of \$556 plus applicable taxes including an annual property tax. The lease agreement was assigned to US Bancorp by Burtronics Business Systems. The lease also states annual increases and fees for Overages and Cost Adjustments according to paragraph 16 as follows: "At the end of the first year of this Agreement and once each successive twelve month period, we may increase the base usage charge per copy and the per copy charge over the base minimum by a maximum of 15% of the existing charge". The current monthly payment is \$606.27 (\$562.66 + \$43.61 tax). The yearly property tax \$140.13 was paid on October 11, 2011. The total cost estimate of leases, fees and taxes at the end of the lease term (9/4/2013) will be about \$37,077.

Etaferahu Takele

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Etaferahu Takele, Department Head

FINANCIAL DATA	Current F.Y. Total Cost:	\$ \$7,415	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ \$7,415	Budget Adjustment:	No
	Annual Net County Cost:	\$ \$7,415	For Fiscal Year:	FY 11/12

SOURCE OF FUNDS: Cooperative Extension Department Budget

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

Michael R Shetter
BY: Michael R. Shetter

Purchasing: *[Signature]* Mark Seiler, Assistant Director
 Departmental Concurrence:

Dept't Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.:

District:

Agenda Number:

3.9

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FORM-11: RISOGRAPH VALUE LEASE AGREEMENT
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BACKGROUND (Continued)

In the past, we used to get the monthly invoices processed through the Auditor/Controller Office without creating a purchase order. Effective August, 2011, we were asked by the Auditor/Controller Office to create a purchase order. We contacted the Purchasing Department for assistance and they determined the department had entered into a 60 month, non-cancelable agreement, which required Board approval. Therefore we are requesting Board ratification of the existing agreement and authorize the Purchasing Agent to issue contract for the balance of the lease period.

PRICE REASONABLENESS: The original vendor, Burtronics Business Systems, was an awarded vendor for the County for this type of equipment at the time of the lease commenced. Pricing offered on this lease agreement is the same pricing offered all state and local governments for this type of equipment .