

CITY COUNCIL
Mayor Bill Stankiewicz
Reginald Jackson, Post 1
Jimmy Norred, Post 2
Fred Higgins, Post 3
George Bailey, Post 4
Theresa Strickland, Post 5

City of Hogansville



David Milliron, City Manager
Lisa Kelly, City Clerk
Jeff Todd, City Attorney

400 E Main St
Hogansville GA 30230-1196
706-637-8629 | cityofhogansville.org

COUNCIL ACTION FORM

MEETING DATE: March 2, 2020 **SUBMITTED BY:** Lisa Kelly

AGENDA TITLE: Ricoh Lease

CLASSIFICATION (City Attorney must approve all ordinances, resolutions and contracts as to form)

- | | | | |
|--|--|--|---|
| <input type="checkbox"/> Ordinance (No. ____) | <input checked="" type="checkbox"/> Contract | <input type="checkbox"/> Information Only | <input type="checkbox"/> Public Hearing |
| <input type="checkbox"/> Resolution (No. ____) | <input type="checkbox"/> Ceremonial | <input type="checkbox"/> Discussion/Action | <input type="checkbox"/> Other |

BACKGROUND (Includes description, background, and justification)

The City currently leases a multi-function printer, scanner, fax machine through Ricoh for City Hall and has historically leased machines in order to "trade them in" in order to keep up with technology. The current cost is \$291 monthly and the existing lease is up.

A new proposal has been presented to the City to enter into a new lease for a machine with new technology in the amount of \$269.52 monthly, creating a savings of \$257.76 annually. A second quote was obtained from another vendor at a cost of \$283.40 per month.

BUDGETING & FINANCIAL IMPACT (Includes project costs and funding sources)

STAFF RECOMMENDATION (Include possible options for consideration)

Replace existing machine and enter into a new 5-year lease with Ricoh.

City of Hogansville Investment Scenario

Monthly Cost Comparison

	Current	Proposed
Lease	\$291.00	\$269.52
Supplies	\$0.00 (included)	\$0.00 (included)
Service	\$.0080 per page, black and white \$.048 per page, color	\$.0074 per page, black and white \$.048 per page, color

Included in Monthly Fee

Current MPC5503 = 55 page per minute multi-function, black and white, color

New MFP = IMC6000 - 60 page per minute multi-function, black and white, color

Gold Plan service agreement includes:

- Toner, parts, labor and staples

Notes:



Ricoh USA, Inc.
300 Eagleview Blvd
Suite 200
Exton, PA 19341

U.S. Communities Product Schedule

Product Schedule Number:
Master Lease Agreement Number: 1024932

This U.S. Communities Product Schedule (this "Schedule") is between Ricoh USA, Inc. ("we" or "us") and CITY OF HOGANSVILLE, as customer or lessee ("Customer" or "you"). This Schedule constitutes a "Schedule," "Product Schedule," or "Order Agreement," as applicable, under the U.S. Communities Master Lease Agreement (together with any amendments, attachments and addenda thereto, the "Lease Agreement") identified above, between you and _____ . All terms and conditions of the Lease Agreement are incorporated into this Schedule and made a part hereof. If we are not the lessor under the Lease Agreement, then, solely for purposes of this Schedule, we shall be deemed to be the lessor under the Lease Agreement. It is the intent of the parties that this Schedule be separately enforceable as a complete and independent agreement, independent of all other Schedules to the Lease Agreement.

CUSTOMER INFORMATION

CITY OF HOGANSVILLE				Lisa Kelly			
Customer (Bill To)				Billing Contact Name			
400 E MAIN ST				400 E MAIN ST			
Product Location Address				Billing Address (if different from location address)			
HOGANSVILLE	TROUP	GA	30230-1136	HOGANSVILLE	TROUP	GA	30230-1136
City	County	State	Zip	City	County	State	Zip
Billing Contact Telephone Number (706)637-8629			Billing Contact Facsimile Number		Billing Contact E-Mail Address lisa.kelly@cityofhogansville.org		

PRODUCT/EQUIPMENT DESCRIPTION ("Product")

Qty	Product Description: Make& Model	Street Address/City/State/Zip
1	RICOH IMC6000 CONFIGURABLE PTO MODEL	400 E MAIN ST, HOGANSVILLE, GA, 30230-1136, US

PAYMENT SCHEDULE

<table border="1"> <tr> <th>Minimum Term (months)</th> </tr> <tr> <td>60</td> </tr> </table>	Minimum Term (months)	60	<table border="1"> <tr> <th>Minimum Payment (Without Tax)</th> </tr> <tr> <td>\$269.52</td> </tr> </table>	Minimum Payment (Without Tax)	\$269.52	<table border="1"> <tr> <th>Minimum Payment Billing Frequency</th> </tr> <tr> <td> <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Other: _____ </td> </tr> </table>	Minimum Payment Billing Frequency	<input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Other: _____	<table border="1"> <tr> <th>Advance Payment</th> </tr> <tr> <td> <input type="checkbox"/> 1st Payment <input type="checkbox"/> 1st & Last Payment <input type="checkbox"/> Other: _____ </td> </tr> </table>	Advance Payment	<input type="checkbox"/> 1 st Payment <input type="checkbox"/> 1 st & Last Payment <input type="checkbox"/> Other: _____
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Minimum Payment Billing Frequency											
<input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Other: _____											
Advance Payment											
<input type="checkbox"/> 1 st Payment <input type="checkbox"/> 1 st & Last Payment <input type="checkbox"/> Other: _____											

Sales Tax Exempt: YES (Attach Exemption Certificate)

Customer Billing Reference Number (P.O. #, etc.)

Addendum(s) attached: YES (check if yes and indicate total number of pages:)


TERMS AND CONDITIONS

- The first Payment will be due on the Effective Date. If the Lease Agreement uses the terms "Lease Payment" and "Commencement Date" rather than "Payment" and "Effective Date," then, for purposes of this Schedule, the term "Payment" shall have the same meaning as "Lease Payment," and the term "Effective Date" shall have the same meaning as "Commencement Date."
- You, the undersigned Customer, have applied to us to rent the above-described Product for lawful commercial (non-consumer) purposes. **THIS IS AN UNCONDITIONAL, NON-CANCELABLE AGREEMENT FOR THE MINIMUM TERM INDICATED ABOVE**, except as otherwise expressly provided in any provision of the Lease Agreement. If we accept this Schedule, you agree to rent the above Product from us, and we agree to rent such Product to you, on all the terms hereof, including the terms and conditions of the Lease Agreement. **THIS WILL ACKNOWLEDGE THAT YOU HAVE READ AND UNDERSTAND THIS SCHEDULE AND THE LEASE AGREEMENT AND HAVE RECEIVED A COPY OF THIS SCHEDULE AND THE LEASE AGREEMENT.**



3. Additional Provisions (if any) are: Per US Communities Contract 4400003732

THE PERSON SIGNING THIS SCHEDULE ON BEHALF OF THE CUSTOMER REPRESENTS THAT HE/SHE HAS THE AUTHORITY TO DO SO.

CUSTOMER	Accepted by: RICOH USA, INC.
By:  X _____ Authorized Signer Signature	By: X _____ Authorized Signer Signature
Printed Name: _____	Printed Name: _____
Title: _____ Date: _____	Title: _____ Date: _____





EQUIPMENT REMOVAL/BUYOUT AUTHORIZATION

Customer Name:	CITY OF HOGANSVILLE		
Contact Name:	Lisa Kelly	Phone:	(706)637-8629
Address:	400 E MAIN ST	City:	HOGANSVILLE
State:	GA	Zip:	30230-1136
		Fax/Email:	lisa.kelly@cityofhogansville.org

Make	Model	Serial Number
	MPC5503	E184M810618/C83073333

This Authorization applies to the equipment identified above and to the following Removal/Buy Out Option

This Authorization will confirm that Customer desires to engage Ricoh USA, Inc. ("RicoH") to pick-up and remove certain items of equipment that are currently (i) owned by Customer or (ii) leased from Ricoh or other third party (as specified below), and that you intend to issue written or electronic removal requests (whether such equipment is identified in this Authorization, in a purchase order, in a letter or other written form) to Ricoh from time to time for such purpose. Such removal request will set forth the location, make, model and serial number of the equipment to be removed by Ricoh. By signing below, you confirm that, with respect to every removal request issued by Customer (1) Ricoh may rely on the request, (2) the request shall be governed by this Authorization, and (3) Ricoh may accept this Authorization by either its signature or by commencing performance (e.g. equipment removal, initiating Services, etc.). Each party agrees that electronic signatures of the parties on this Authorization will have the same force and effect as manual signature. Notwithstanding the foregoing, the parties acknowledge and agree that Ricoh shall have no obligation to remove, delete, preserve, maintain or otherwise safeguard any information, images or content retained by, in or on any item of equipment serviced by Ricoh, whether through a digital storage device, hard drive or similar electronic medium ("Data Management Services"). If desired, Customer may engage Ricoh to perform such Data Management Services at its then-current rates. Notwithstanding anything in this Authorization to the contrary, (i) Customer is responsible for ensuring its own compliance with legal requirements pertaining to data retention and protection, (ii) it is the Customer's sole responsibility to obtain advice of competent legal counsel as to the identification and interpretation of any relevant laws and regulatory requirements that may affect the customer's business or data retention, and any actions required to comply with such laws, (iii) Ricoh does not provide legal advice or represent or warrant that its services or products will guarantee or ensure compliance with any law, regulation or requirement, and (iv) the selection, use and design of any Data Management Services, and any and all decisions arising with respect to the deletion or storage of any data, as well as any loss of data resulting therefrom, shall be the sole responsibility of Customer, and Customer shall indemnify and hold harmless Ricoh and its subsidiaries, directors, officers, employees and agents from and against any and all costs, expenses, liabilities, claims, damages, losses, judgments or fees (including reasonable attorneys' fees) (collectively, "Losses") arising therefrom or related thereto.

Equipment Removal (Leased by Customer). In addition to the terms and conditions set forth above, the following terms and conditions shall apply for equipment removals of equipment leased by Customer: Except for the obligations of Ricoh to pick up and remove the identified equipment, Ricoh does not assume any obligation, payment or otherwise, under any lease agreement, which shall remain Customer's sole responsibility. As a material condition to the performance by Ricoh, Customer hereby releases Ricoh from, and shall indemnify, defend and hold Ricoh harmless from and against, any and all claims, liabilities, costs, expenses and fees arising from or relating to any breach of Customer's representations or obligations in this Authorization or of any obligation owing by Customer under its lease agreement.

CUSTOMER

Signature: _____
 Name: _____
 Title: _____
 Date: _____

RICOH USA, INC.

Signature: _____
 Name: _____
 Title: _____
 Date: _____

W1\Initials





Ricoh USA, Inc.
70 Valley Stream Parkway
Malvern, PA 19355

THIS ADDENDUM (this "Addendum"), dated as of the ____ day of _____, _____, is to that certain US Communities Master Lease Agreement no. _____ (the "Agreement"), dated as of the ____ day of _____, _____, between Ricoh USA, Inc. ("we" or "us") and _____, City of Hogansville, _____, as customer ("Customer" or "you").

The parties, intending to be legally bound, agree that the Agreement shall be modified as follows:

1. Section 11 of the Agreement shall be amended by adding the following sentence at the end of such Section: "The failure to renew any Schedule in accordance with Section 18(b) hereof shall not be an event of Default."

2. Section 14 of the Agreement shall be amended by amending and restating the third sentence of such Section to read as follows:

"At the end of or upon termination of each Schedule, including, without limitation, termination resulting from a failure to renew such Schedule in accordance with Section 18(b) hereof, you will immediately make arrangements to have the Product subject to such expired or terminated Schedule picked up by us (or our designee) in as good condition as when you received it, except for ordinary wear and tear."

3. Section 18(b) of the Agreement shall be amended and restated to read as follows:

"(b) Non-Appropriation. You intend to remit all Payments and other payments to us for the entire term of this Lease Agreement and all Schedules to this Lease Agreement if funds are legally available. Each Schedule to this Lease Agreement shall be in effect for a Lease Term consisting of an initial term commencing on the Effective Date of such Schedule and continuing until the end of your current fiscal year (the "Original Term") and for each Additional Term (as herein defined). "Additional Terms" shall consist of fiscal periods, the first of which shall commence at the end of the Original Term or the preceding Additional Term, and continue until the end of such fiscal period or shorter period within which all Payments and other amounts under a Schedule are paid in full. Not less than 90 days before the end of the Original Term or any Additional Term of any Schedule, you may give written notice to us of your intention to discontinue such Schedule, and in such event such Schedule shall terminate and expire at the end of the Original Term or Additional Term then in effect on the date of your notice of discontinuation. Each Schedule shall otherwise be automatically renewed for the ensuing Additional Term unless you take affirmative action to terminate such Schedule by the passage of a specific ordinance or resolution so terminating any Schedule. If you terminate any Schedule as provided above, you may not purchase, lease or rent, during such fiscal period equipment performing functions similar to those performed by the Product for a period of twelve (12) months. This Section 18(b) shall not permit you to terminate any Schedule in order to acquire any other Product or to allocate funds directly or indirectly to perform essentially the application for which the Product is intended."

4. Section 18(d) of the Agreement shall be amended by deleting the word "and" immediately following clause (C) of subsection (i) of such Section and adding the following clauses (E) and (F) at the end of such subsection:

“; and (E) no Product subject to this Lease Agreement or any Schedule to this Lease Agreement has been the subject of a referendum which failed to receive the approval of your voters within the immediately preceding four calendar years; and (F) if you are a school system, your total annual payments for contracts under the Constitution and Official Code of the State of Georgia in the calendar year of each Schedule do not exceed 7.5 percent of the total local revenue collected for maintenance and operation of your school system in the most recently completed fiscal year, and shall comply with this 7.5 percent limitation throughout the remainder of the Term.”

- 5. Except to the extent modified by this Addendum, the terms and conditions of the Agreement will remain unchanged and shall continue in full force and effect.

IN WITNESS WHEREOF, each party has caused its duly authorized officer to execute this Addendum, as of the date first written above.

CUSTOMER

Ricoh USA, Inc.

X

Authorized Signature

Date

Authorized Signature

Date

Print Authorized Signer Name

Title

Print Authorized Signer Name

Title



Ricoh USA, Inc.
70 Valley Stream Parkway
Malvern, PA 19355

THIS ADDENDUM (this "Addendum"), dated as of the _____ day of _____, _____, is to that certain Product Schedule no. _____ (the "Agreement"), dated as of the _____ day of _____, _____, between Ricoh USA, Inc. ("we" or "us") and _____ City of Hogansville _____, as customer ("Customer" or "you").

The parties, intending to be legally bound, agree that the Agreement shall be modified as follows:

- 1. The Agreement shall be amended by adding the following new Section at the end thereof, consecutively numbered:

"Total Payments

January 1, 2020 through December 31, 20 20	\$ 2964.72
January 1, 2021 through December 31, 20 21	\$ 3234.24
January 1, 2022 through December 31, 20 22	\$ 3234.24
January 1, 2023 through December 31, 20 23	\$ 3234.24
January 1, 2024 through December 31, 20 24	\$ 3234.24
January 1, 2025 through December 31, 20 25	\$ 269.52 "

- 2. Except to the extent modified by this Addendum, the terms and conditions of the Agreement will remain unchanged and shall continue in full force and effect.

IN WITNESS WHEREOF, each party has caused its duly authorized officer to execute this Addendum, as of the date first written above.

CUSTOMER

Ricoh USA, Inc.

X

Authorized Signature Date

Authorized Signature Date

Print Authorized Signer Name Title

Print Authorized Signer Name Title