



**COUNTY ADMINISTRATIVE OFFICE
GENERAL SERVICES
PRINT & MAIL SERVICES
COUNTY OF TULARE
AGENDA ITEM**

BOARD OF SUPERVISORS

ALLEN ISHIDA
District One
PETE VANDER POEL
District Two
PHILLIP A. COX
District Three
J. STEVEN WORTHLEY
District Four
MIKE ENNIS
District Five

AGENDA DATE: August 11, 2015 - **REVISED**

Public Hearing Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Published Notice Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Advertised Published Notice	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Meet & Confer Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Personnel Resolution attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>

CONTACT PERSON: Art Arreola PHONE: 624-7230

SUBJECT: Terminate Agreements 25706, 25707, 26296, 26300, and Approve New Copier Maintenance Agreement with Stanton Office Machines and a Lease-Purchase Agreement with US Bank

REQUEST(S):
That the Board of Supervisors:

1. Terminate Agreements 25706, 25707, 26296, 26300;
2. Approve Agreement for Copier Service With Stanton Office Machines for a Term of 60 Months for the period of August 11, 2015 to August 11, 2020;
3. Approve a Lease-Purchase Agreement with US Bank effective, August 11, 2015 for a term of 60 months for the period of August 11, 2015 to August 11, 2020; and
4. Authorize the Chairman to sign the Agreements and all documents related to the agreement and financing.

SUMMARY:
On September 25, 2012 the County entered into Agreement No. 25706 with Stanton Office Machines and Agreement No. 25707 with US Bank to lease-purchase and maintain a Micropress Copier System that included two high-speed 135 page-per-minute black and white copiers with extensive finishing capabilities and a 65 page-per-minute color copier. On October 1, 2013 the County entered into Agreement 26296 with Stanton Office Machines, and Agreement 26300 with US Bank that included two black and white high speed copiers and one 65 page-per-minute color copier. The Agreements replaced old copiers with very high usage. However, the two black and white replacement copiers from Agreements 26296 & 26300 have not preformed to the satisfaction and expectations of the Print

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Shop management. There was a meeting arranged with Stanton Office Supply in February 2015 to discuss the options available to the Print Shop. Stanton Office Machines returned with a proposal to replace all four of the black and white copiers with fully equipped high-end 135 page-per-minute copiers with very low copy counts. All terms, costs, and conditions of current Agreements will transfer to the new Agreement(s) for a term of five years. This proposal also includes one 65 page-per-minute color copier at no cost to the county beyond the cost per copy for maintenance. This is an outstanding offer for the County and the management of the Print Shop highly recommends the offer and new Agreement(s). Stanton Office Supply is a local authorized Konica Minolta and Ricoh distributor providing the ongoing maintenance to the Micropress System and six networked copiers. The new Agreement(s) will replace two high volume usage copiers and the two poor performing copiers with four high-end black and white and one color copier in our Print Shop.

The Micropress System that drives these printers has been specifically programmed to produce several specialized projects such as the daily CalWIN mailings, utility and tax bills, and the County budget book. The Micropress System is also utilized for daily department printing needs and is the production backbone of the Print Shop. Currently the County pays \$3,485.20 and \$3,185.20 for two separate lease Agreements. The total proposed monthly cost to operate the new combined Micropress Copier System is \$6,670.40 (annual cost of \$80,044.80) plus tax and maintenance for 60 months. We request a bid waiver to contract with Stanton Office Machines to address the printers not performing to expectations and to allow the Print Shop to continue to receive the same level of service with the same line of existing equipment currently provided by Stanton Office Machines.

Print and mail Services is only able to terminate the old agreements because new agreements are being entered into. US Bank has offered to terminate the old agreements, referenced in the Non-Appropriations Agreement. Stanton Office Supply has offered to terminate the old agreements referenced in their letter dated July 7, 2015.

Please note the following deviations from County agreement protocol: 1) This agreement cannot be cancelled or terminated during the initial term, 2) While equipment is in County's possession, County bears the risk of loss and indemnifies Lessor and 3) This agreement contains a Judicial Reference Agreement by which the County waives the right to jury trial in any dispute. Disputes will be resolved by a referee, defined by this agreement.

FISCAL IMPACT/FINANCING:

The total proposed cost for the four copiers under this Agreement is \$6,670.40 per month (annual cost of \$80,044.80) plus tax and maintenance for 60 months and is included in the FY 2015/2016 budget, under budget line 079-079-7500-7117. No Net County Cost to the General Fund.

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LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

The County's strategic plan includes the Organizational Performance Initiative to continuously improve organizational effectiveness and fiscal stability. The recommended Board action helps fulfill this initiative by ensuring continuous organizational performance without interruption of service.

ADMINISTRATIVE SIGN-OFF:

Art Arreola
Print & Mail Services Manager

Cc: Auditor-Controller
County Counsel
County Administrative Office (2)

Attachment(s)
Stanton Office Machines Micropress System Maintenance Agreement
US Bank Lease-Purchase Agreement
US Bank Lease-Purchase Agreement – Non-Appropriation Addendum
US Bank Lease-Purchase Agreement – California Judicial Reference Addendum
US Bank Lease-Purchase Agreement – Lessee's Certificate Addendum
Certificate of Liability Insurance
Lessee's Counsel Opinion
Stanton Office Supply termination letter

**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF TULARE, STATE OF CALIFORNIA**

**IN THE MATTER OF TERMINATE)
AGREEMENTS 25706, 25707, 26296, AND) Resolution No. _____
APPROVE NEW COPIER MAINTENANCE) Agreement No. _____
AGREEMENT WITH STANTON OFFICE)
MACHINES AND A LEASE-PURCHASE)
AGREEMENT WITH US BANK)**

UPON MOTION OF SUPERVISOR _____, SECONDED BY
SUPERVISOR _____, THE FOLLOWING WAS ADOPTED BY THE
BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD _____
_____, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: JEAN M. ROUSSEAU
COUNTY ADMINISTRATIVE OFFICER/
CLERK, BOARD OF SUPERVISORS

BY: _____
Deputy Clerk

* * * * *

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4. Authorized the Chairman to sign the Agreements and all documents related to the agreement and financing.



TO: COUNTY OF TULARE

FROM: Stanton Office Machine Company

July 7, 2015

Art,

This letter guarantees that the two current leases between Stanton/Lanier and County of Tulare will terminate when the County of Tulare Board of Supervisors approves the new lease program and the signed lease documents for the new lease program are received by Stanton Office Machine Company. Stanton/Lanier will be solely responsible for the pickup and return to US Bancorp of the four old copiers currently located the County of Tulare Print and Mail office. Please let me know if there are any further questions. Thank you.

A handwritten signature in black ink, appearing to read "M. Mosby", written in a cursive style.

Mike Mosby

Major Accounts Sales Manager

Stanton Office Machine Company



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/31/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER BUCKMAN MITCHELL, INC. P.O. BOX 628 500 North Santa Fe Street VISALIA, CA 93278 Linda N. Loffin, CIC	CONTACT NAME: Linda N. Loffin, CIC PHONE (A/C No. Ext): 559-733-1181 FAX (A/C No.): 559-736-5517 E-MAIL: Linda@bmitc.com ADDRESS: Linda@bmitc.com													
	<table border="1"> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: Ohio Security Insurance Co.</td> <td>24002</td> </tr> <tr> <td>INSURER B: State Compensation Ins. Fund</td> <td>35078</td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Ohio Security Insurance Co.	24002	INSURER B: State Compensation Ins. Fund	35078	INSURER C:		INSURER D:		INSURER E:		INSURER F:
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INSURER C:														
INSURER D:														
INSURER E:														
INSURER F:														
INSURED: All Net of California, Inc. DBA: Stanton Office Machines 4312 N. Salland Ave. Fresno, CA 93722														

COVERAGES	CERTIFICATE NUMBER	REVISION NUMBER
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THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

TYPE	TYPE OF INSURANCE	ADDITIONAL	POLICY NO.	POLICY EFF	POLICY EXP	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PER SOF <input type="checkbox"/> LOC OTHER:	X	8281655902929	01/01/2016	01/01/2016	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (per occurrence) \$ 500,000 MED EXP (any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPEN AGL \$ 2,000,000 Emp Ben \$ 1,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	X	8481655902926	01/01/2016	01/01/2016	COMBINED SINGLE LIMIT (per occurrence) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per occurrence) \$ 1,000,000 PROPERTY DAMAGE (Per occurrence) \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTIONS <input type="checkbox"/> CLAIMS-MADE					EACH OCCURRENCE \$ AGGREGATE \$ \$
B	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER AND UMBREY (Mandatory in RM) <input type="checkbox"/> Yes, describe under DESCRIPTION OF OPERATIONS below	N/A	902654452016	01/01/2016	01/01/2016	EL. EACH ACCIDENT \$ 1,000,000 EL. DISEASE - SA EMPLOYEES \$ 1,000,000 EL. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS (LOCATIONS / VEHICLES (ACORD 107, Additional Remarks Schedule, may be attached if more space is required):
BE: Maintenance service for copiers.
The County, its officers, agents, officials, employees and volunteers are named as Additional Insured as respects liability arising out of work or operations performed by or on behalf of the Named Insured, or automobiles owned, leased, hired or borrowed by the Named Insured. Workers Comp Waiver

CERTIFICATE HOLDER County of Tulare Attn: General Services 6653 S. Mooney Blvd Visalia, CA 93277	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Linda N. Loffin</i>
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NOTEPAD:

ENCLOSURE CODE
INSURED'S NAME All Net of California, Inc.

STANT-3
CP ID: NG

PAGE 2
Date 12/31/2014

of Subrogation applies.

POLICY NUMBER:

BUSINESSOWNERS
BP 04 48 07 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):

County of Tulare

Attn: General Services

5953 S Mooney Blvd

Visalia, CA 93277

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section II - Liability is amended as follows:

A. The following is added to Paragraph C. Who Is An Insured:

3. Any person(s) or organization(s) shown in the Schedule is also an additional insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf in the performance of your ongoing operations or in connection with your premises owned by or rented to you

However:

- a. The insurance afforded to such additional insured only applies to the extent permitted by law; and
- b. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Paragraph D. Liability And Medical Expenses Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits Of Insurance shown in the Declarations; whichever is less.

This endorsement shall not increase the applicable Limits Of Insurance shown in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CA 20 48 02 98

DESIGNATED INSURED ENDORSEMENT

The endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the WHO IS AN INSURED provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective	Policy Number
Named Insured	Countersigned by

(Authorized Representative)

SCHEDULE

Name of Person(s) or Organization(s)

County of Tulare, The County, its officers,
agents, officials, employees and volunteers
Attn: General Services
5953 S Mooney Blvd
Visalia, CA 93277

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

Each person or organization shown in the Schedule is an "insured" for LIABILITY COVERAGE, but only to the extent that person or organization qualifies as an "insured" under the WHO IS AN INSURED provision contained in SECTION II of the Coverage Form.