From:
 Jacob Patterson

 To:
 City Clerk

 Cc:
 Whippy, Isaac

Subject: Public Comment -- 4/14/25 CC Mtg., Item No. 5D, Toshiba Printers

**Date:** Friday, April 11, 2025 2:40:57 PM

## City Council [via BCC] & Manager,

This consent calendar item seems rather simple on first blush but it is more complex if you actually look into the details. I note the following concerns for your consideration:

- 1. Why is this showing up on the Consent Calendar without first going to the Finance & Admin Committee? they easily could have reviewed it at the meeting they just had a few days ago to go over the options and provide direction, which should be a normal practice for larger expenses like this one (it will be well-over \$100K). I think this merits being pulled for discussion and direction or referred to Finance & Admin for their review.
- 2. Was any consideration made to purchase rather than lease these printers? I would like to know the costs for a purchase rather than lease alternative. I did an online search and each unit costs between \$5K and \$7K depending on the vendor (one unit is only around \$1K). There are six units so the total purchase price would be around \$40K, which is less than half of the rental costs without the cost per page printed. The total lease cost for four years of printing is \$98K with an additional cost per page. The per page cost is approximately one cent for B&W and four cents for color (most prints involve color so nearly all prints will be four cents per page). Where are the comparable numbers?
- 3. A purchase option would likely involve a service contract for repair and maintenance, which is included in the lease, but the overall situation might be more economical in the long run even if we have to pay for the maintenance at their professional rates of \$200 per hour.
- 4. Their blank form has a line for the number of pages per month that is included in the base lease price, indicating that is a negotiated term, but all of those lines are filled with zeros. This is concerning because we appear to not be good at negotiating terms if it is standard practice for a set number of pages to be included in the lease price and we aren't getting any. Our costs may end up being quite high under the terms of this proposed lease. Do we have an estimated cost based on prior print volumes? I'd like to know that amount if I were asked to approve this lease.
- 5. I also don't like the lease term that allows Toshiba to increase the monthly rent by up to 15% (at their discretion). Why would we let them do that?
- 6. They are disclaiming any warranties, including the "merchantability" of the printers, which is rather disfavorable to the City. Merchantability means that the leased machines are at least of average quality and fit for their intended use. How can we not expect them to meet that minimal standard? We are basically saying it is OK if these machines can't even perform their basic functions. I would strike out that provision before signing the agreement.
- 7. One provision I like is that the toner is included so we only have to buy paper but that cost might still be less if we buy the equipment rather than lease. We would need to run those calculations, which should be provided for your consideration rather than assuming that staff took care of those details. We don't make other decisions of this financial magnitude without some basic information in an accompanying staff report so why is that the case for this lease?
- 8. John isn't currently the Acting City Manager so the signatory line should reflect Isaac

rather than John.

As you can see, there are many considerations that probably should be factored into your decision-making but we are not being provided any of this relevant information (or maybe I am just more detail-oriented than most...). Please try to address them when you consider adopting the consent calendar.

Regards,

--Jacob