



CITY OF WHEATLAND

CITY COUNCIL MEETING

STAFF REPORT

October 22, 2024

SUBJECT: Consideration and Adoption of Resolution Authorizing Execution of Agreement with Global Office Inc. for Lease of Office Copier Equipment

PREPARED BY: Bill Zenoni, City Manager

Recommendation

Staff recommends that the City Council consider adoption of a resolution authorizing execution of an agreement with Global Office Inc. for the lease of office copier equipment.

Background

City of Wheatland staff utilize office copiers to perform daily work functions. Copiers are located in City Hall, the Police Department and at the Public Works Corporation Yard. In December 2019, the City executed an agreement with Ray Morgan Company for the lease of three copiers for a five-year period.

Discussion

The current copier lease agreement will expire on December 4, 2024. Staff has explored several copier lease alternatives and recommends that the City Council authorize the City Manager to execute a five-year lease agreement with Global Office Inc. for office copiers in City Hall, the Police Department and the Public Works Corporation Yard. Global Office Inc. is able to provide copiers at a favorable lease rate under a competitively bid national government contract. The base monthly lease payment for three copiers is \$395.23 plus copy charges of \$.0060 and \$.050 for black and white and color copies, respectively.

Fiscal Impact

Funding is available in the Fiscal Year 2024-25 Budget for the continued lease of copier equipment.

Attachments

1. Resolution
2. Lease Agreement

**WHEATLAND CITY COUNCIL
RESOLUTION NO. 46-24**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHEATLAND
AUTHORIZING EXECUTION OF AN AGREEMENT WITH GLOBAL OFFICE INC. FOR
THE LEASE OF OFFICE COPIER EQUIPMENT**

WHEREAS, City of Wheatland staff utilize office copiers to perform daily work functions;
and

WHEREAS, the current copier lease agreement will expire on December 4, 2024; and

WHEREAS, Global Office Inc. is able to provide copiers at a favorable lease rate under a competitively bid national government contract; and

WHEREAS, funding is available in the Fiscal Year 2024-25 budget to fund the continued lease of copier equipment.

NOW, THEREFORE, BE IT RESOLVED AND DETERMINED by the City Council of the City of Wheatland that:

- A. The foregoing recitals are true and correct.
- B. The City Council of the City of Wheatland hereby authorizes the City Manager to execute a five-year agreement with Global Office Inc. for the lease of three office copy machines.

PASSED AND ADOPTED by the City Council of City of Wheatland on this 22nd day of October 2024, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVED:

Rick West, Mayor

ATTEST:

Lisa Thomason, City Clerk



Lease Agreement

APPLICATION NO.

AGREEMENT NO.

1905 Notre Dame Blvd. Ste. 230 Chico CA 95926 • Phone: 877.287.5033

The words **Lessee, you and your** refer to **Customer**. The words **Lessor, we, us and our** refer to **GLOBAL OFFICE, INC.**

CUSTOMER INFORMATION					
FULL LEGAL NAME City of Wheatland			EQUIPMENT LOCATION (IF DIFFERENT)		
STREET ADDRESS 111 C Street		PHONE 530-633-2761	CITY	STATE	ZIP
CITY Wheatland	STATE CA	ZIP 95692	FAX	FEDERAL TAX I.D. #	

EQUIPMENT DESCRIPTION	
MAKE/MODEL/ACCESSORIES 3qy Canon imageRUNNER ADVANCE DX C5840i units with accessories	SERIAL NO.
<input checked="" type="checkbox"/> CHECK HERE FOR MULTIPLE PLACEMENTS - SEE ATTACHED SCHEDULE "A"	

TERM AND PAYMENT SCHEDULE		
Months 60	Monthly Payment* \$395.22	(The lease contract payment ("Payment") period is monthly unless otherwise stated.) *plus applicable taxes
INSURANCE & TAXES	You are required to provide and maintain insurance related to the Equipment, and to pay any property, use, and other taxes related to this Agreement or the Equipment (see paragraphs 2 and 4 on page 2 of this Agreement). If you are tax-exempt, you agree to furnish us with satisfactory evidence of your exemption.	
UCC & MISCELLANEOUS	You agree that we will file Uniform Commercial Code ("UCC") documents and obtain credit bureau reports. You authorize us to sign any documents in connection with the Uniform Commercial Code on your behalf. You agree to pay a one-time fee, not to exceed \$159.00 for the purpose of filing the UCC documents.	

END OF LEASE OPTIONS
You will have the following option at the end of the original term, provided that no event of default under the Agreement has occurred and is continuing. To the extent that any purchase option indicates that the purchase price will be the "Fair Market Value" (or "FMV"), such term means the value of the Equipment in continued use. 1) Purchase all but not less than all the Equipment for the Fair Market Value per paragraph 1, 2) Renew the Agreement per paragraph 1, or 3) Return the Equipment per paragraph 3.

THIS IS A NONCANCELABLE / IRREVOCABLE AGREEMENT; THIS AGREEMENT CANNOT BE CANCELED OR TERMINATED.

CUSTOMER ACCEPTANCE			
By signing below, you certify that you have reviewed and do agree to all terms and conditions of this Agreement on this page and on page 2 attached hereto.			
City of Wheatland	X		
CUSTOMER (as referenced above)	SIGNATURE	TITLE	DATED
PRINT NAME			

ACCEPTANCE OF DELIVERY			
The undersigned hereby certifies that: (i) all of the above-described equipment (the "Equipment") has been delivered to the above-named customer (the "Customer") at the address indicated above, (ii) the Equipment has been installed, is fully operational and in good condition, and is unconditionally accepted.			
City of Wheatland	X		
CUSTOMER (as referenced above)	SIGNATURE	TITLE	DATE OF DELIVERY

LESSOR ACCEPTANCE			
GLOBAL OFFICE, INC.			
LESSOR	SIGNATURE	TITLE	DATED

1. AGREEMENT: For business purposes only, you agree to lease from us the goods, together with all replacements, parts, repairs, additions, and accessions incorporated therein or attached thereto and any and all proceeds of the foregoing, including, without limitation, insurance recoveries (the "Equipment") and/or to finance certain licensed software and services ("Financed Items", which are included in the word "Equipment" unless separately stated), all as described on page 1 of this Agreement, excluding equipment marked as not financed under this Agreement, as it may be supplemented from time to time. You agree to all of the terms and conditions contained in this Agreement and any supplement, which (with the acceptance certification) is the entire agreement regarding the Equipment ("Agreement") and which supersedes any purchase order or invoice. You authorize us to correct or insert missing Equipment identification information and to make corrections to your proper legal name and address. This Agreement becomes valid upon execution by us and will start on the date we pay the supplier. Interim rent/due date adjustments will be in an amount equal to 1/30th of the Payment, multiplied by the number of days between the Agreement start date and the first Payment due date. Unless otherwise stated in an addendum hereto, this Agreement will renew for 3-month term(s) unless you send us written notice at least 90 days (before the end of any term) that you want to purchase or return the Equipment. All of the provisions of this Agreement shall continue to apply, including, without limitation, your obligations to remit Payments and other charges, until all of the Equipment is either returned to us or purchased by you. If any provision of this Agreement is declared unenforceable in any jurisdiction, the other provisions herein shall remain in full force and effect in that jurisdiction and all others. You understand and agree that we have no right, title or interest in intangible property or associated services such as periodic software licenses and prepaid database subscription rights (such intangible property "Software") and you will comply throughout the term of this Agreement with any license and/or other agreement entered into with the supplier of the Software.

2. **RENT, TAXES AND FEES:** You will pay the monthly Payment (as adjusted) when due, plus any applicable sales, use and property taxes. The base Payment will be adjusted proportionately upward or downward: (1) by up to 10% to accommodate changes in the actual Equipment cost; (2) if the shipping charges or taxes differ from the estimate given to you; and (3) to comply with the tax laws of the state in which the Equipment is located. If we pay any taxes, insurance or other expenses that you owe hereunder, you agree to reimburse us when we request and to pay us a processing fee for each expense or charge we pay on your behalf. We may charge you for any filing fees required by the Uniform Commercial Code (UCC) or other laws, which fees vary state-to-state. By the date the first Payment is due, you agree to pay us an origination fee of \$150, as shown on our invoice or addendum, to cover us for all closing costs. We will have the right to apply all sums, received from you, to any amounts due and owed to us under the terms of this Agreement. If for any reason your check is returned for nonpayment, you will pay us a bad check charge of \$30 or, if less, the maximum charge allowed by law. We may make a profit on any fees, estimated tax payments and other charges paid under this Agreement.

3. **MAINTENANCE AND LOCATION OF EQUIPMENT; SECURITY INTEREST:** You agree to keep the Equipment: (1) in good repair, condition and working order, in compliance with applicable manufacturers' and regulatory standards; (2) free and clear of all liens and claims; and (3) only at your address shown on page 1, and you agree not to move it unless we agree. As long as you have given us the written notice as required in paragraph 1 prior to the expiration or termination of this Agreement's term, if you do not purchase the Equipment, you will return all but not less than all of the Equipment and all related manuals and use and maintenance records to a location we specify, at your expense, in retail re-saleable condition, full working order and complete repair. You are solely responsible for removing any data that may reside in the Equipment you return, including but not limited to hard drives, disk drives or any other form of memory. You grant us a security interest in the Equipment to secure all amounts you owe us under any agreement with us, and you authorize us to file a financing statement (UCC-1). You will not change your state of organization, headquarters or residence without providing prior written notice to us so that we may amend or file a new UCC-1. You will notify us within 30 days if your state of organization revokes or terminates your existence.

4. **COLLATERAL PROTECTION; INSURANCE; INDEMNITY; LOSS OR DAMAGE:** You agree to keep the Equipment fully insured against risk and loss, with us as lender's loss payee, in an amount not less than the original cost until this Agreement is terminated. You also agree to obtain a general public liability insurance policy with such coverage and from such insurance carrier as shall be satisfactory to us and to include us as an additional insured on the policy. Your insurance policy(s) will provide for 10 days advance written notice to us of any modification or cancellation. You agree to provide us certificates or other evidence of insurance acceptable to us. If you fail to comply with this requirement within 30 days after the start of this Agreement, you agree to one of the following options, the selection of which is at our sole discretion: (1) we may obtain insurance covering our interest (and only our interest) in the Equipment for the Agreement term and renewals. Any insurance we obtain will not insure you against third party or liability claims and may be cancelled by us at any time. You may be required to pay us an additional amount each month for the insurance premium and an administrative fee. The cost may be more than the cost of obtaining your own insurance; or (2) we may charge you a monthly property damage surcharge of up to .0035 of the Equipment cost as a result of our credit risk and administrative and other costs, as would be further described on a letter from us to you. We may make a profit on this program. NOTHING IN THIS PARAGRAPH WILL RELIEVE YOU OF RESPONSIBILITY FOR LIABILITY INSURANCE ON THE EQUIPMENT. We are not responsible for, and you agree to hold us harmless and reimburse us for and to defend on our behalf against, any claim for any loss, expense, liability or injury caused by or in any way related to delivery, installation, possession, ownership, use, condition, inspection, removal, return or storage of the Equipment, although we reserve the right to participate in the defense and to select or approve defense counsel. You are responsible for the risk of loss or for any destruction of or damage to the Equipment. You agree to promptly notify us in writing of any loss or damage. If the Equipment is destroyed and we have not otherwise agreed in writing, you will pay to us the unpaid balance of this Agreement, including any future rent to the end of the term plus the anticipated purchase price of the Equipment (both discounted at 3%). Any proceeds of insurance will be paid to us and credited, at our option, against any loss or damage. You authorize us to sign on your behalf and appoint us as your attorney-in-fact to endorse in your name any insurance drafts or checks issued due to loss or damage to the Equipment. All indemnities will survive the expiration or termination of this Agreement.

5. **ASSIGNMENT: WE ARE THE OWNER OF THE EQUIPMENT. YOU HAVE NO RIGHT TO SELL, TRANSFER, ASSIGN OR SUBLEASE THE EQUIPMENT OR THIS AGREEMENT,** without our prior written consent. Without our prior written consent, you shall not reorganize or merge with any other entity or transfer all or a substantial part of your ownership interests or assets. You agree that we may sell or assign the Agreement without notice and the new Lessor will have the same rights that we have now and will not have to perform any of our obligations. You agree that the new Lessor will not be subject to any claims, defenses, or offsets that you may have against us.

6. **DEFAULT AND REMEDIES:** You will be in default if: (a) you do not pay any Payment or other sum due to us or any other person when due or if you fail to perform in accordance with the covenants, terms and conditions of this Agreement or any other agreement with us or any of our affiliates or any material agreement with any other lender, (b) you make or have made any false statement or misrepresentation to us, (c) you or any guarantor dies, dissolves or terminates existence, (d) there has been a material adverse change in your or any guarantor's financial, business or operating condition, or (e) any guarantor defaults under any guaranty for this Agreement. If any part of a Payment is more than 5 days late, you agree to pay a late charge of 10% of the Payment which is late or if less, the maximum charge allowed by law. If you are ever in default, at our option, we can terminate this Agreement and require that you pay the unpaid balance of this Agreement, including any future Payments to the end of the term plus the anticipated purchase price of the Equipment (both discounted at 3%). We may recover default interest on any unpaid amount at the rate of 12% per year. Concurrently and cumulatively, we may also use any or all of the remedies available to us under Articles 2A and 9 of the UCC and any other law, including requiring that you: (1) return the Equipment to us to a location we specify; and (2) immediately stop using any Financed Items. In addition, we will have the right, immediately and without notice or other action, to set-off against any of your liabilities to us any money, including depository account balances, owed by us to you, whether or not due. In the event of any dispute or enforcement of rights under this Agreement or any related agreement, you agree to pay our reasonable attorney's fees (including any incurred before or at trial, on appeal or in any other proceeding), actual court costs and any other collection costs, including any collection agency fee. If we have to take possession of the Equipment, you agree to pay the costs of repossession, moving, storage, repair and sale. The net proceeds of the sale of any Equipment will be credited against what you owe us under this Agreement. YOU AGREE THAT WE WILL NOT BE RESPONSIBLE TO PAY YOU ANY CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES FOR ANY DEFAULT, ACT OR OMISSION BY ANYONE. Any delay or failure to enforce our rights under this Agreement will not prevent us from enforcing any rights at a later time. You agree that this Agreement is a "Finance Lease" as defined by Article 2A of the UCC and your rights and remedies are governed exclusively by this Agreement. You waive all rights under sections 2A-508 through 522 of the UCC. If interest is charged or collected in excess of the maximum lawful rate, we will not be subject to any penalties.

7. **FAXED OR SCANNED DOCUMENTS, OR E-SIGNATURE, MISC.:** This Agreement may be executed in counterparts. The executed counterpart which has our original signature and/or is in our possession shall constitute chattel paper as that term is defined in the UCC and shall constitute the original agreement for all purposes, including, without limitation: (i) any hearing, trial or proceeding with respect to this Lease; and (ii) any determination as to which version of this Agreement constitutes the single true original item of chattel paper under the UCC. If you manually or electronically sign and transmit this Agreement to us by facsimile or other electronic transmission, the transmitted copy shall be binding upon the parties. You agree that the facsimile or other similar electronic transmission of this Agreement manually signed by us, when attached to the facsimile or other electronic copy signed by you (manually or electronically), shall constitute the original agreement for all purposes. The parties further agree that, for purposes of executing this Agreement, and subject to our prior approval and at our sole discretion: (a) a document signed and transmitted by facsimile or other electronic transmission shall be treated as an original document; (b) the manual or electronic signature of any party on such document shall be considered as an original signature; (c) the document transmitted shall have the same effect as a counterpart thereof containing original signature; and (d) at our request, you, who executed this Lease and transmitted its signature by facsimile or other electronic transmission shall provide the counterpart of this Lease containing your original manual signature to us. No party may raise as a defense to the enforcement of this Agreement that a facsimile or other electronic transmission was used to transmit any signature of a party to this Lease. You agree to execute any further documents that we may request to carry out the intent and purposes of this Agreement. All notices shall be mailed or delivered by facsimile transmission or overnight courier to the respective parties at the addresses shown on this Agreement or such other address as a party may provide in writing from time to time. By providing any telephone number, now or in the future, for a cell phone or other wireless device, you are expressly consenting to receiving communications, regardless of their purpose, at that number, including, but not limited to, prerecorded or artificial voice message calls, text messages, and calls made by an automatic dialing system from us and our affiliates and agents. These calls and messages may incur access fees from your provider. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. What this means to you: when you open an account, we will ask for your name, address and other information that will allow us to identify you. We may also ask to see identifying documents. You authorize us to furnish your information, including credit application, payment history and account information, to credit reporting agencies and our assignees, purchasers or investors.

8. **WARRANTY DISCLAIMERS:** YOU AGREE THAT YOU HAVE SELECTED THE SUPPLIER AND EACH ITEM OF EQUIPMENT BASED UPON YOUR OWN JUDGMENT AND YOU DISCLAIM ANY RELIANCE UPON ANY STATEMENTS OR REPRESENTATIONS MADE BY US. WE DO NOT TAKE RESPONSIBILITY FOR THE INSTALLATION OR PERFORMANCE OF THE EQUIPMENT. THE SUPPLIER IS NOT AN AGENT OF OURS AND WE ARE NOT AN AGENT OF THE SUPPLIER, AND NOTHING THE SUPPLIER STATES OR DOES CAN AFFECT YOUR OBLIGATION UNDER THIS AGREEMENT. YOU WILL CONTINUE TO MAKE ALL PAYMENTS UNDER THIS AGREEMENT REGARDLESS OF ANY CLAIM OR COMPLAINT AGAINST ANY SUPPLIER, LICENSOR OR MANUFACTURER, AND ANY FAILURE OF A SERVICE PROVIDER TO PROVIDE SERVICES WILL NOT EXCUSE YOUR OBLIGATIONS TO US UNDER THIS AGREEMENT. THIS AGREEMENT IS A NET AGREEMENT, YOU HAVE AN UNCONDITIONAL OBLIGATION TO MAKE ALL PAYMENTS AND YOU CANNOT WITHHOLD, SET OFF OR REDUCE SUCH PAYMENTS FOR ANY REASON. WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, OF, AND TAKE ABSOLUTELY NO RESPONSIBILITY FOR, MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, CONDITION, QUALITY, ADEQUACY, TITLE, DATA ACCURACY, SYSTEM INTEGRATION, FUNCTION, DEFECTS, OR ANY OTHER ISSUE IN REGARD TO THE EQUIPMENT, ANY ASSOCIATED SOFTWARE AND ANY FINANCED ITEMS.

9. **LAW, JURY WAIVER:** Agreements, promises and commitments made by Lessor, concerning loans and other credit extensions must be in writing, express consideration and be signed by Lessor to be enforceable. This Agreement may be modified only by written agreement and not by course of performance. This Agreement will be governed by and construed in accordance with the law of the state of the principal place of business of Lessor or its assignee. You consent to jurisdiction and venue of any state or federal court in the state the Lessor or its assignee has its principal place of business and waive the defense of inconvenient forum. For any action arising out of or relating to this Agreement or the Equipment, YOU AND WE WAIVE ALL RIGHTS TO A TRIAL BY JURY.

Municipal Fiscal Funding Addendum

Lessor Agreement Number:
Lessor Agreement Date:

GOVERNMENTAL ENTITY

Complete Legal Name:

("Customer")

THIS ADDENDUM WILL BE OF NO FORCE OR EFFECT IF THE CUSTOMER IS NOT A STATE OR A POLITICAL SUBDIVISION OF A STATE WITHIN THE MEANING OF SECTION 103(C) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

The Customer warrants that it has funds available to pay the lease payments ("Payments") payable pursuant to the agreement, whether designated a lease, rental, master lease together with any schedules, or otherwise (the "Agreement") between Customer, Global Office, Inc., and _____ ("Lessor") until the end of its current appropriation period and warrants that it presently intends to make Payments in each appropriation period from now until the end of the Agreement. The officer of the Customer responsible for preparation of Customer's annual budget shall request from its legislative body or funding authority funds to be paid to Lessor under the Agreement. If notwithstanding the making in good faith of such request in accordance with appropriate procedures and with the exercise of reasonable care and diligence, such legislative body or funding authority does not appropriate funds to be paid to Lessor for the Equipment, Customer may, upon prior written notice to Lessor, effective upon the exhaustion of the funding authorized for the then current appropriation period, return the Equipment to Lessor, at Customer's expense and in accordance with the Agreement, and thereupon, Customer shall be released of its obligations to make Payments to Lessor due thereafter, provided: (1) the Equipment is returned to Lessor as provided for in the Agreement, (2) the above described notice states the failure of the legislative body or funding authority to appropriate the necessary funds as the reason for cancellation; and (3) such notice is accompanied by payment of all amounts then due to Lessor. In the event Customer returns the Equipment pursuant to the terms of this Addendum and the Agreement, Lessor shall retain all sums paid by Customer. Customer's Payment obligations under this Agreement in any fiscal year shall constitute a current expense of Customer for such fiscal year, and shall not constitute indebtedness or a multiple fiscal year obligation of Customer under Customer's state constitution, state law or home rule charter. Nothing in this Agreement shall constitute a pledge by Customer of any taxes or other monies, other than as appropriated for a specific fiscal year for this Agreement and the Equipment.

The undersigned represents and warrants to Lessor that all action required to authorize the execution and delivery of this Addendum on behalf of the above referenced Customer by the following signatory has been duly taken and remains in full force and effect. Lessor may accept a facsimile copy of this Addendum as an original for all purposes.

ACCEPTED	
Lessor: _____	Customer: _____
By: _____	By: _____
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Effective Date: _____	Date: _____