


CITY OF MARYSVILLE AGENDA BILL

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: April 13, 2015

AGENDA ITEM: Authorizing the lease of two copiers from Copiers Northwest using KCDA contract # 11-213	
PREPARED BY: Worth Norton	DIRECTOR APPROVAL: 
DEPARTMENT: Finance / Information Services	
ATTACHMENTS: Copiers Northwest Program Agreement Copiers Northwest Sales Order Wells Fargo Financial Leasing Amendment to Agreement Wells Fargo Financial Leasing Non-Appropriation Addendum Copiers Northwest Equipment Removal Form	
BUDGET CODE: 00104110.545000	AMOUNT: \$ 80,160.96
SUMMARY:	

The Police Records and Patrol departments have two multifunction copiers that need to be replaced. Currently, the two copiers are failing on a regular basis and have occasionally failed at the same time and at least 5 times on weekends when service was not available. These copiers are also used for critical faxes including warrants and being out of services is a public safety issue.

After evaluation, both Records staff and IS staff believe the current Ricoh copiers are not suitable for use in such a demanding 24/7 environment. After looking at multiple options, Canon copiers were chosen to replace the existing copiers. These Canon copiers have an exception duty cycle and Copiers Northwest offers additional service options.

The existing Ricoh copiers have 6 months left on their lease. By using the King County Director's Association (KCDA) contract # 11-213 and leasing from Copiers Northwest, we are able to get a buyout for the remaining lease and the best price for the new lease. The lease is for 48 months and includes toner for 40,500 copies per month before an additional per copy charge begins.

RECOMMENDED ACTION: City staff recommends that the City Council authorizes the Mayor to sign agreements with Copiers Northwest and Wells Fargo Leasing for the lease of two multifunction copiers for deployment to the Police Records and Patrol Departments.
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PROGRAM AGREEMENT

Supplier: Copiers Northwest, Inc. Customer: City of Marysville
(Full Legal Name) (Full Legal Name)

601 Dexter Ave. N 1049 State Avenue
(Street Address) (Street Address)

Seattle WA. 98109 King Marysville WA. 98270 Snohomish
(City) (State) (Zip) (County) (City) (State) (Zip) (County)

PLEASE CHECK ONE: Per Machine Minimum Consolidated Minimum

Make / Model / Accessories	Serial Number	Minimum Number of Impressions	Minimum Monthly Payment	Excess Per Copy Charge
1. <u>Canon IRC7260</u>	_____	<u>33,000 (B/W)</u>	<u>\$1,670.02</u>	<u>\$0.0045</u>
2. <u>Canon IR6265</u>	_____	<u>7,500 (Color)</u>	<u>Inc.</u>	<u>\$0.045</u>
3. _____	_____	_____	_____	_____

Color Print Controller Extended Warranty: Yes No TOTALS: _____

TRANSACTION TERMS: 1 MONTH ADVANCE PAYMENT: \$0.00
(plus applicable taxes)

Term 48 Months

METER READING PREFERENCE (monthly if not checked) Quarterly Other (_____)

Equipment Location: 1635 Grove St. City: Marysville State: WA. Zip: 98270
(if different from Customer address above)

Customer Contact: Worth Norton Telephone: 360.363.8029 Email: wnorton@marysvillewa.gov

We have written this Agreement in plain language because we want you to understand its terms. Please read your copy of this Agreement carefully and feel free to ask us any questions you may have. The word "Agreement" means this FlexPlan Program Agreement. The words "you" and "your" mean the Customer named above. The words "we," "us", and "our" refer to the Owner named below. The abbreviation "CNW" refers to Copiers Northwest, Inc.

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT (INCLUDING THOSE ON THE REVERSE SIDE) SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. TERMS OR ORAL PROMISES WHICH ARE NOT CONTAINED IN THIS WRITTEN AGREEMENT MAY NOT BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT BETWEEN YOU AND US. YOU AGREE TO COMPLY WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT. PROVIDED THAT YOU ARE NOT IN DEFAULT UNDER THE AGREEMENT, YOU WILL HAVE THE OPTION TO UPGRADE THE EQUIPMENT INTO A NEW AGREEMENT. THE BALANCE DUE ON THIS AGREEMENT WILL BE REFINANCED INTO A NEW AGREEMENT WITH SUCH BALANCE DETERMINED BY US BUT NOT TO INCLUDE AN EARLY TERMINATION PENALTY. THE UPGRADE REQUEST WILL ALSO BE SUBJECT TO YOU ACQUIRING THE NEW EQUIPMENT FROM COPIERS NORTHWEST, INC. AND SUBJECT TO OUR CREDIT APPROVAL. YOU AGREE THAT THE EQUIPMENT WILL BE USED FOR BUSINESS PURPOSES ONLY AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.

YOU CERTIFY THAT ALL THE INFORMATION GIVEN IN THIS AGREEMENT AND YOUR APPLICATION WAS CORRECT AND COMPLETE WHEN THIS AGREEMENT WAS SIGNED. THIS AGREEMENT IS NOT BINDING UPON US OR EFFECTIVE UNTIL AND UNLESS WE EXECUTE THIS AGREEMENT. THIS AGREEMENT WILL BE GOVERNED BY THE LAWS OF THE STATE WHERE OWNER HAS ACCEPTED AND EXECUTED THIS AGREEMENT. YOU AGREE TO THE JURISDICTION AND VENUE OF FEDERAL AND STATE COURTS LOCATED WHERE THIS AGREEMENT IS ACCEPTED AND EXECUTED BY OWNER.

ACCEPTED BY: _____ **CUSTOMER:** _____
(Legal Name) (Legal Name)

BY: _____ **BY: X** _____
(Signature of Authorized Signer) (Signature of Authorized Signer)

TITLE: _____ **TITLE:** Mayor
(Print Name and Title) (Print Name and Title)

DATE: _____ **DATE:** _____ **FED TAX ID#:** 91-6001459

UNCONDITIONAL GUARANTY

In consideration of Owner entering into the above Agreement in reliance on this guaranty, the undersigned, together and separately, unconditionally and irrevocably guarantee to Owner, its successors and assigns, the prompt payment and performance of all obligations under this Agreement. We agree that (a) this is a guaranty of payment and not of collection, and that Owner can proceed directly against us without disposing of any security or seeking to collect from Customer, (b) we waive all defenses and notices, including those of protest, presentment and demand, (c) Owner may renew, extend or otherwise change the terms of the Agreement without notice to us and we will be bound by such changes and (d) we will pay all of Owner's costs of enforcement and collection. This guaranty survives the bankruptcy of Customer and binds our administrators, successors and assigns. Our obligations under this guaranty continue even if Customer becomes insolvent or bankrupt or is discharged from bankruptcy and we agree not to seek to be repaid by Customer in the event we must pay Owner. THIS GUARANTY WILL BE GOVERNED BY THE SAME STATE LAW AS THE AGREEMENT. WE AGREE TO JURISDICTION AND VENUE IN THE STATE AND FEDERAL COURTS IN THE SAME STATE AND COUNTY.

PERSONAL: _____ **PERSONAL:** _____

By: _____, Individually By: _____, Individually

Address: _____ Address: _____

Social Security Number: _____ Social Security Number: _____

Witness: _____ Witness: _____

TERMS AND CONDITIONS

- 1. AGREEMENT.** Copiers Northwest, Inc. (CNW) has agreed to provide **FULL SERVICE AND SUPPLY MAINTENANCE DURING NORMAL BUSINESS HOURS, INCLUDING ALL TONER (EXCEPT FOR FAXES AND WIDE FORMAT DEVICES), DEVELOPER AND PARTS NECESSARY TO PRODUCE COPIES. YOU MUST PURCHASE PAPER AND STAPLES, IF APPLICABLE, SEPARATELY.**
- 2. MAINTENANCE.** Program Agreement service covers normal wear and tear on the Equipment. You agree to provide adequate power for the Equipment. You acknowledge that (a) we are not responsible for any service, repair, or maintenance of the Equipment, and (b) we are not a party to any maintenance service agreement. You agree to provide meter readings at the request of CNW. You agree to pay for maintenance service outside of CNW's normal business hours or service required by your negligence or misuse of the Equipment at the CNW's customary rates. Connected products (peripherals) of any type are not included with this Agreement unless customer has selected connection monthly base fee. **ONCE WE ACCEPT THIS AGREEMENT, YOU MAY NOT CANCEL AT ANY TIME DURING THE TERM.** You agree to be bound by all the terms of this Agreement.
- 3. DELIVERY AND ACCEPTANCE OF EQUIPMENT:** Acceptance of the Equipment occurs upon delivery. This lease commences upon delivery of the Equipment to you. When you receive the Equipment, you agree to inspect it and to verify by telephone or in writing such information as we may require. Delivery and installation costs are your responsibility. If you have signed a purchase contract for the Equipment, by signing this Agreement you assign your rights, but none of your obligations under it, to us. As you will have possession of the Equipment from the date of its delivery and acceptance, if we accept and sign this Agreement you will pay us interim rent for the period from the date the Equipment is delivered and accepted by you until the Commencement Date. The payment for this interim period will be based on the Minimum Monthly Payment, the number of days in that period, and based on a month of 30 days.
- 4. COPY CHARGES.** Each month during the Term of this Agreement, you agree to pay us the applicable Minimum Monthly Payment (plus applicable taxes) for each unit of Equipment on the date we tell you. In return for the Minimum Monthly Payment you are entitled to use the Minimum Number of Copies each month. You also agree to pay us the Excess Per Copy Charge for each metered copy which exceeds the Minimum Number of Copies (plus applicable taxes). We may estimate the number of copies used if you do not provide us with meter readings within seven (7) days of request. We will adjust the estimated charge for excess copies upon receipt of actual meter readings. Notwithstanding any adjustments, you will never pay less than the Minimum Monthly Payment. **You agree that we may increase the Minimum Monthly Payment and/or Excess Per Copy Charge each year during the Term of this Agreement by an amount not to exceed seven percent (7%) of the Minimum Monthly Payment, and/or the Excess Per Copy Charge in effect at the end of the prior annual period, or the maximum percentage permitted by law, whichever is lower.** At our option you will: (a) provide us by telephone or facsimile the actual meter reading when requested by us, (b) allow us (or our agent) access to the Equipment to obtain meter reading, or (c) allow us (or our agent) to attach an automatic meter reading device to the Equipment. We may audit the automatic reading device periodically.
The Minimum Monthly Payment is due whether or not you receive an invoice from us. If you have a dispute with us regarding the Equipment, you will continue to pay us all Minimum Monthly Payments and Excess Per Copy Charges without deduction or withholding any amounts. You will pay us any required Advance Payment or Security Deposit when you sign this Agreement. Security Deposits and Advance Payments may be commingled and do not earn interest. Provided you are not in default, we may apply your Security Deposit to the last Minimum Monthly Payment or we may refund the Security Deposit to you when the Term expires and the Equipment is returned in accordance with Section 17. If we collect more than one payment as Advance Payment, we may apply such Advance Payment to the Minimum Monthly Payment(s) due at the end of the Term. Restrictive endorsements on checks you send to us will not reduce your obligations to us. **Unless a proper exemption certificate is provided, applicable sales and use taxes will be added to the Minimum Monthly Payments and Excess Per Copy Charges.**
- 5. UNCONDITIONAL OBLIGATION. YOU AGREE THAT YOU ARE UNCONDITIONALLY OBLIGATED TO PAY ALL MINIMUM MONTHLY PAYMENTS DUE UNDER THIS AGREEMENT AND ANY OTHER AMOUNTS DUE FOR THE FULL TERM, EVEN IF THE EQUIPMENT IS DAMAGED OR DESTROYED, IF IT IS DEFECTIVE OR IF YOU HAVE TEMPORARY OR PERMANENT LOSS OF ITS USE. YOU ARE NOT ENTITLED TO REDUCE OR SET-OFF AGAINST MINIMUM MONTHLY PAYMENTS OR OTHER AMOUNTS DUE UNDER THIS AGREEMENT FOR ANY REASON WHATSOEVER.**
- 6. DISCLAIMER OF WARRANTIES. THE EQUIPMENT IS BEING PROVIDED TO YOU IN AS-IS CONDITION. NO INDIVIDUAL IS AUTHORIZED TO CHANGE ANY PROVISION OF THIS AGREEMENT. YOU AGREE THAT WE HAVE NOT MANUFACTURED THE EQUIPMENT AND THAT YOU HAVE SELECTED THE EQUIPMENT BASED UPON YOUR OWN JUDGEMENT. YOU HAVE NOT RELIED ON ANY STATEMENTS WE OR OUR EMPLOYEES HAVE MADE. WE HAVE NOT MADE AND DO NOT MAKE ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES WHATSOEVER, INCLUDING WITHOUT LIMITATION, THE EQUIPMENT'S MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, DESIGN, CONDITION, DURABILITY, OPERATION, QUALITY OF MATERIALS OR WORKMANSHIP, OR COMPLIANCE WITH SPECIFICATIONS OR APPLICABLE LAW.** You are aware of the name of the Equipment manufacturer and you will contact the manufacturer for a description of your warranty rights. Provided you are not in default under this Agreement, you may enforce all warranty rights directly against the manufacturer of the Equipment. You agree to settle any dispute you may have regarding performance of the Equipment directly with the supplier.
- 7. TITLE.** The Equipment is and shall remain our sole property.
- 8. USE, MAINTENANCE AND REPAIR.** You will not move the Equipment from the Equipment Location without our advance written consent. If we grant you written permission to relocate the Equipment to a new Equipment Location, any maintenance, service and supply costs which may be included in the Minimum Monthly Payment or any Excess Per Copy Charges, may be increased by us at our sole discretion. You will give us reasonable access to the Equipment Location so that we can check the Equipment's existence, condition and proper maintenance. You will use the Equipment in the manner for which it was intended, as required by all manuals and instructions and keep it eligible for any manufacturer's certifications. You will keep the Equipment in good repair, condition and working order, ordinary wear and tear excepted. All replacement parts and repairs will become our property. You will not make any permanent alterations to the Equipment.
- 9. TAXES.** You agree to pay when due all sales and use taxes, personal property and all other taxes and charges, license and registration fees, relating to the ownership, leasing, rental, sale, purchase, possession or use of the Equipment as part of this Lease or as billed by us. You agree to pay us any estimated property taxes when we request payment. You agree that if we pay any taxes or charges on your behalf in excess of the estimated taxes previously collected, you shall reimburse us for all such payments and shall pay us a late charge (as described in the paragraph titled Collection Expenses, Overdue Payment) on such payments if applicable with the next payment. You agree to pay us a monthly fee or an annual fee if billed annually, to reimburse us for our costs of preparing, reviewing and filing any such returns. You agree, and we have the right to (i) bill monthly or annually the estimated applicable personal property taxes together with the fees described herein and (ii) bill any remaining estimated amount due upon assessment of such taxes. Your estimated monthly payment will be based on the full amount of such taxes, without regard to any discounts we may obtain. You also agree to appoint us a your attorney-in-fact to sign your name to any document for the purpose of such filing, so long as the filing does not interfere with your right to use.
- 10. INDEMNITY.** We are not responsible for any injuries, damages, penalties, claims or losses, including legal expenses, incurred by you or any other person caused by the transportation, installation, manufacture, selection, purchase, agreement, ownership, possession, modification, maintenance, condition, operation, use, return or disposition of the Equipment. You agree to reimburse us for and defend us against any claims for such losses, damages, penalties, claims, injuries, or expenses. This indemnity continues even after the Agreement has expired for acts of omissions which occurred during the Terms of this Agreement.
- 11. IDENTIFICATION.** You authorize us to insert or correct missing information on this Agreement, including your official name, serial numbers and any other information describing the Equipment. We will send you copies of such changes. You will attach to the Equipment any name plates or stickers we provide you.
- 12. LOSS OR DAMAGE.** You are responsible for any loss of the Equipment from any cause at all whether or not insured, from the time the Equipment is shipped to you until it is returned to us. If any item or Equipment is lost, stolen or damaged, you will promptly notify us of such event. Then, at our option, you will either (a) repair the Equipment so that it is in good condition and working order, eligible for any manufacturer's certification, or (b) pay us an amount equal to the Net Book Value (as defined in Section 15) of the lost, stolen or damaged Equipment. If you have satisfied your obligations under this Section 12, we will forward to you any insurance proceeds which we receive for lost, damaged, or destroyed Equipment. If you are in default, we will apply any insurance proceeds we receive to reduce your obligations under Section 15 of this Agreement.
- 13. INSURANCE.** You agree to keep the Equipment fully insured against loss with us as loss payee, and (b) obtain a general public liability insurance policy covering both personal injury and property damage in amounts not less than we may tell you, naming us as additional insured, until you have met all of your obligations under this Agreement. We are under no duty to tell you if your insurance coverage is adequate. The policies shall state that we are to be notified of any proposed cancellation at least 15 days prior to the date set for cancellation. Upon our request, you agree to provide us with certificates or other evidence of insurance acceptable to us. If you do not provide us with evidence of proper insurance within 10 days of our request or we receive notice of policy cancellation, we may (but we are not obligated to) obtain insurance on our interest in the Equipment at your expense, or we may charge you a monthly charge due to the increased credit risk to us as well as to cover our increased internal overhead costs of requesting proof of physical damage insurance from you in the event that we obtain insurance as stated above, you will pay all insurance premiums and related charges.
- 14. DEFAULT.** You will be in default under this Agreement if any of the following happens: (a) we do not receive any Monthly Minimum Payment and Excess Per Copy Charges or other payment due hereunder within 10 days after its due date, or (b) you or any of your guarantors become insolvent, are liquidated or dissolved, merge, transfer substantially all stock or assets, stop doing business, or assign rights or property for the benefit of creditors, or (c) a petition is filed by or against you or any of your guarantors under any bankruptcy or insolvency law, or (d) (for individuals) you or any of your guarantors die, or have a guardian appointed, or (e) any representation you have made in this Agreement shall prove to have been false or misleading in any material respect, or (f) you or any of your guarantors break any promise made in this Agreement or any guaranty and do not correct the default within 10 days after we send you written notice of the default, or (g) you default on any other Agreement between you and us (or our affiliates).
- 15. REMEDIES.** Upon the occurrence of a default, we may, in our sole discretion, do any or all of the following: (a) provide written notice to you of default; (b) as liquidated damages for loss of a bargain and not as a penalty, declare due and payable, the present value of (i) any and all amounts which may be then due and payable by you to us under this Agreement, plus (ii) all Minimum Monthly Payments remaining through the end of the Term, discounted at the higher of 8% or the lowest rate allowed by law, plus (iii) the fair market value of the Equipment (collectively, the "Net Book Value"). We have the right to require you to make the Equipment available to us for repossession during reasonable business hours or we may repossess the Equipment, so long as we do not breach the peace in doing so, or we may use legal process in compliance with applicable law pursuant to court order to have the Equipment repossessed. You will not make any claims against us or the Equipment for trespass, damage or any other reason. If we take possession of the Equipment we may (a) sell or lease the Equipment at public or private sales or lease, and/or (b) exercise such other rights as may be allowed by applicable law. Although you agree we have no obligation to sell the Equipment, if we do sell the Equipment, we will reduce the Net Book Value by the amounts we receive. You will immediately pay us the remaining Net Book Value. You agree (a) that we only need to give you 10 days advance notice of any sale and no notice of advertising, (b) to pay all of the costs we incur to enforce our rights against you, including attorney's fees, and (c) that we will retain all of our rights against you even if we do not choose to enforce them at the time of your default.
- 16. YOUR OPTIONS AT END OF TERM.** No more than ninety (90) days but not less than thirty (30) days prior to the expiration of the Term or any Renewal Term (as such term is defined below), you shall give us written notice of your intention at the end of the Term or such Renewal Term to either (a) continue paying Minimum Monthly Payments and Excess Per Copy Charges until the Equipment is received and accepted by us pursuant to Section 17, or (b) return the Equipment to us at the end of the Term or Renewal Term pursuant to Section 17. If you fail to provide us with written notice in the time frame referenced above, or having notified us, you fail to return the Equipment in accordance with Section 17, the Term of this Agreement shall automatically renew for an additional twelve (12) months (each, a "Renewal Term") and all of the provisions of this Agreement shall continue to apply, including your obligation to pay the Minimum Monthly Payments and Excess Per Copy Charges. We reserve the right to limit the number of Renewal Terms available to you.
- 17. RETURN OF EQUIPMENT.** CNW will pick up Equipment at your location at the end of the term or at the time of upgrade in accordance with Section 26, provided the Equipment is located within CNW's service area. If (a) a default occurs, or (b) if the Equipment is not located within CNW's service area, you will immediately return the Equipment to any location(s) and aboard any carrier(s) we may designate in the continental United States. The Equipment must be properly packed for shipment in accordance with the manufacturer's recommendations or specifications, freight prepaid and insured, maintained in accordance with Section 8, and in "Average Saleable Condition." "Average Saleable Condition" means that all of the Equipment is immediately available for use by a third party buyer, user or lessee, other than yourself, without the need for any repair or refurbishment. All Equipment must be free of markings. You will pay us for any missing or defective parts or accessories. You will continue to pay Minimum Monthly Payments and Excess Per Copy Charges until the Equipment is received and accepted by us.
- 18. YOUR REPRESENTATIONS.** You state for our benefit that as of the date of this Agreement (a) you have the lawful power and authority to enter into this Agreement, (b) the individuals signing this Agreement have been duly authorized to do so on your behalf, (c) by entering into this Agreement you will not violate any law or other Agreement to which you are a party, (d) you are not aware of anything that will have a material negative effect on your ability to satisfy your obligations under this Agreement, and (e) all financial information you have provided us is true and accurate and provides a good representation of your financial condition.
- 19. YOUR PROMISES.** In addition to the other provisions of this Agreement, you agree that during the Term of this Agreement (a) you will promptly notify us in writing if you move your principal place of business, if you change the name of your business, or if there is a change in your ownership, (b) you will provide to us such financial information as we may reasonably request from time to time, and (c) you will take any action we reasonably request to protect our rights in the Equipment and to meet your obligations under this Agreement.
- 20. ASSIGNMENT. YOU WILL NOT SELL, TRANSFER, ASSIGN, PLEDGE, SUB-AGREEMENT OR PART WITH POSSESSION OF THE EQUIPMENT, OR FILE OR PERMIT A LIEN TO BE FILED AGAINST THE EQUIPMENT.** You will not attach any of the Equipment to any real estate. We may, without notifying you, sell, assign, or transfer this Agreement and our interests in the Equipment. You agree that if we do so, the new owner (and any subsequent owners) will have the same rights and benefits that we now have, but will not have to perform any of our obligations. You agree that the rights of the new owner will not be subject to any claims, defenses, or set-offs that you may have against us. However, any such assignment, sale, or transfer of this Agreement of the Equipment will not relieve us of any obligations we may have to you under this Agreement. If you are given notice of a new owner of this Agreement, you agree to respond to any requests about this Agreement and to pay the new owner all Minimum Monthly Payments and Excess Per Copy Charges and other amounts due under this Agreement.
- 21. COLLECTION EXPENSES, OVERDUE PAYMENT, TERMINATION.** You agree that we can, but do not have to, take on your behalf any action which you fail to take as required by this Agreement, and our expenses will be in addition to the Minimum Monthly Payments and Excess Per Copy Charges which you owe us. We may charge you a late charge to cover our collection costs equal to the higher of 10% of any late payment or \$22, but not more than the highest legal rate. To the extent allowed by law, any late payment or non-payment of any past due amount will accrue interest at the lower of 18% per annum or the highest legal rate from the due date until paid. If you so request and we permit the early termination of this Agreement, you agree to pay a fee for such privilege.
- 22. MISCELLANEOUS.** This Agreement contains our entire Agreement and supersedes any conflicting provision of any Equipment purchase order or any other Agreement. TIME IS OF THE ESSENCE IN THIS AGREEMENT. If a court finds any provision of this Agreement to be unenforceable, the remaining terms of this Agreement shall remain in effect. You authorize us (or our agent) to (a) obtain credit reports, (b) make such other credit inquiries as we may deem necessary, and (c) furnish payment history information to credit reporting agencies. To the extent permitted by law, we may charge you a fee of up to \$79.00 to cover our documentation and investigation costs.
- 23. NOTICES.** All of your written notices to us must be sent by certified mail or recognized overnight delivery service, postage prepaid, to us at our address stated in this Agreement, or by facsimile transmission to our facsimile telephone number, with oral confirmation of receipt. All of our notices to you may be sent first class mail, postage prepaid, to your address stated in this Agreement. At any time after this Agreement is signed, you or we may change an address or facsimile telephone number by giving notice to the other of the change.
- 24. WAIVERS. WE AND YOU EACH AGREE TO WAIVE AND TO TAKE ALL REQUIRED STEPS TO WAIVE ALL RIGHTS TO A JURY TRIAL.** To the extent you are permitted by applicable law, you waive all rights and remedies conferred upon a lessee by Article 2A (Sections 508-522) of the Uniform Commercial Code including but not limited to your rights to: (a) cancel or repudiate this Agreement, (b) reject or revoke acceptance of the Equipment; (c) recover damages from us for any breach of warranty or for any other reason; and (d) grant a security interest in any Equipment in your possession. To the extent you are permitted by applicable law, you waive any rights you now or later may have under any statute or otherwise which require us to sell or otherwise use any Equipment to reduce our damages, which require us to provide you with notice of default, intent to accelerate amounts becoming due or acceleration of amounts becoming due, or which may otherwise limit or modify any of our rights or remedies. **ANY ACTION YOU TAKE AGAINST US FOR ANY DEFAULT, INCLUDING BREACH OF WARRANTY OR INDEMNITY, MUST BE STARTED WITHIN ONE (1) YEAR AFTER THE EVENT WHICH CAUSED IT.** We will not be liable for specific performance of this Agreement or for any losses, damages, delay or failure to deliver Equipment.
- 25. UCC FILINGS.** You grant us a security interest in the Equipment if this Agreement is deemed a secured transaction and you authorize us to record a UCC-1 financing statement or similar instrument, and appoint you our attorney-in-fact to execute and deliver such instrument, in order to show our interest in the Equipment.
- 26. UPGRADE OPTION.** You may upgrade any item of Equipment provided (a) at least 30 days prior to such upgrades, you notify us in writing of your intention to upgrade the Equipment and the serial number of each item of Equipment to be upgraded, (b) we credit appropriate the new transaction, (c) we and you sign a new Program Agreement covering the new Equipment, (d) the new Equipment is acquired from Copiers Northwest, Inc., (e) you return the upgraded item(s) of Equipment to us in accordance with Section 17 of this Agreement, and (f) no default shall have occurred under this Agreement.



SALES ORDER

601 Dexter Ave N Seattle, WA 98109
 P: (206) 282-1200 F: (206) 282-2010
 www.copiersnw.com

Sales Order No:
Date: 2/25/2015
Account No:

Bill to: City of Marysville
 1049 State Avenue
 Marysville, WA 98270

Ship To: City of Marysville
 1049 State Avenue
 Marysville, WA 98270

Phone: (360) 363-8000

Phone: (360) 363-8000

Account Manager	P.O. Number	Sale Type	Payment Terms	Requested Delivery Week
Christian Colasono		Lease		
Delivery Contact	Delivery Contact Email	IT Contact	IT Contact Email	
Sandra Gyurkovics	sgyurkovics@marysvillewa.gov	Sandra Gyurkovics	sgyurkovics@marysvillewa.gov	

Delivery Instructions: CNW WILL CONTACT CUSTOMER WITH SPECIFIC DELIVERY DATE.
 Customer has been approved for KCDA pricing; Contract # 11-213. Customer will receive a check for lease satisfaction on current Ricoh 6001 & C6501 for \$6,214.03 to satisfy current lease. CNW will pick-up & store Ricoh's until ~ 60 days before lease termination. CNW will ship Ricoh's back to the leasing company's specified return address. Customer will pay no fees for storage & return.

Qty	Item Number	Model	Description	Unit Price	Total Amount
1	5988B013AA	IR6265STAPL	imageRUNNER ADVANCE 6265 w/ Staple Finishr P1 *BUNDLE*		Se lease for details
1	3674B004AA	IR6265STAPL	Direct Print Kit (for PDF/XPS)-H1 eLan <13>		
1	5595B001AA	IR6265STAPL	Additional Memory Type D (512MB) <12>		
1	5992B002AA	IR6265STAPL	Super G3 FAX Board-AL1		
1	6001B005AA	IR6265STAPL	PCL Printer Kit-AV1 <1> eLan		
1	6002B006AA	IR6265STAPL	PS Printer Kit-AV1 <1> eLan		
1	5775B014AA	IRC7260STAPL	imageRUNNER Advance C7260 Base w/Staple Finisher *BUNDLE*		
1	3674B004AA	IRC7260STAPL	Direct Print Kit (for PDF/XPS)-H1 elan <3> <14>		
1	3723B002AA	IRC7260STAPL	Utility Tray-A2		
1	3732B009AA	IRC7260STAPL	Super G3 FAX Board-AD2		
1	5595B001AA	IRC7260STAPL	Additional Memory Type D (512MB)		
1	5798B003AA	IRC7260STAPL	PCL Printer Kit-AS1 elan <1>		
1		PDF Pro Office			
10	6315AE15AA	PDF Pro Office	Volume License (5-39) 1 year M&S		

TERMS: COPIERS NORTHWEST, INC., (Seller) retains title to all equipment and supplies listed above until purchase price is paid in full. This is a binding and non-cancelable contract. In the event Buyer defaults on payment the Buyer remains liable for this debt and the payment of any legal fees or other cost incurred in any action to collect this debt. Buyer gives Seller security interest in the property purchased in this agreement. Refer to warranty on reverse side. Changes to the original terms on the back side of this Sales Order are not valid unless initialed by an officer of Copiers Northwest.

Subtotal	Se lease for details
Delivery	
Sales Tax	Enter Sales Tax
TOTAL	
LESS DEPOSIT	
TOTAL DUE	\$0.00

Customer has completed: Equipment Removal Form No Pickup Associated with Sale

ACCEPTED BY COPIERS NORTHWEST

ACCEPTED BY CUSTOMER

✓

 Copiers Northwest Officer Date

✓

 Authorized Signature Required Date

 Printed Name Title

 Printed Name Title

Revision 1410a

Copiers Northwest Sales Order Terms and Conditions

Copiers Northwest, Inc warrants that new equipment sold pursuant to this equipment order will be free of defects in workmanship and materials for a period of ninety (90) days from the date of delivery. This warranty does not cover defects or damage resulting from in-transit handling, negligence or improper operation or maintenance of equipment.

Should any failure to conform with this warranty appear within ninety (90) days, Copiers Northwest, Inc. shall, upon notification, correct such nonconformity. Said correction, at Copiers Northwest, Inc.'s option, shall be made either by repairing any defective part or parts, or by making available a repaired or replaced part.

THIS WARRANTY IS IN LIEU OF ALL WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHER WARRANTIES, EXPRESS OR IMPLIED, EXCEPT FOR THE WARRANTY OF THE TITLE AND THE WARRANTY AGAINST PATENT INFRINGEMENT. THIS WARRANTY DOES NOT COVER CONSEQUENTIAL DAMAGES.

Buyer warrants that they have examined the above described goods or a sample or model thereof. Buyer does not rely on any warranty with regard to defects which said examination, under the circumstances thereof, ought to have been revealed to them.

No warranties have been made by Seller in reference to the above described goods unless expressly included in this written sales agreement between Buyer and Seller.

Copiers Northwest, Inc. shall have no obligation to install equipment accessories or to repair or replace equipment in the event that repair or replacement are required due to abuse, accident, theft, or damage to the machine caused by repairs performed by someone other than an authorized Copiers Northwest, Inc representative.

All software installed at Customer's location is governed by software manufacturer's licensing agreement. Maintenance of the licensing agreement is the Customer's responsibility.

Changes in the operating environment, (including, but not limited to changes to operating system, network software, software application changes, hardware and software upgrades, etc.) may result in the need for configuration adjustments or other network services to restore functional capabilities. Such services shall be billed at the then current Copiers Northwest, Inc. digital service rate or deducted from the customer's pre-paid block time program purchased separately when applicable.

Customer acknowledges that it is Customer's responsibility to maintain a current backup of their program and data files to restore any lost data. Customer agrees that under no circumstances shall Copiers Northwest, Inc. be held responsible for any loss of data or any consequential damages.

Copiers Northwest, Inc. will provide phone support for a period of 30 days after installation of product at no charge. After the 30 day period phone support will be billed the current rate of \$25.00 for each 15 minute increment.

All requests for installation services or training not covered under this agreement shall be billable at the then current Copiers Northwest, Inc. digital service rates.

Copiers Northwest, Inc. is under no circumstances responsible for any data, documents, images, or any other information stored on or in the device, the device hard drive(s), or any memory module(s).

Standard connectivity installation will include up to a maximum of up to 2 hours of onsite support. The standard installation includes the supplied print drivers and/or any scan software included. Subsequent visits for any reason after the initial connection will be billed at the then current digital service rate (currently \$175.00/hr) unless customer has purchased Professional Services blocks of time. Customer will provide an active network port, adequate space for the MFP device(s), and a key individual for installation support, workstation setup and print driver overview training. This print driver overview training is provided at no charge at the time of the initial installation with this package. Customer also agrees to provide print server access for server based printer applications as well as all required network protocol information pertaining to the purchased options.

Customer Initials

AMENDMENT TO AGREEMENT

This amendment is dated _____ and is entered into by and among Wells Fargo Financial Leasing, Inc. (“WFFL”), Copiers Northwest, Inc. (“Dealer”) and CITY OF MARYSVILLE (“Customer,” “You” or “Your”).

RE: Program Agreement app # 859349 (the “Agreement”)

Customer hereby acknowledges Dealer’s assignment of the Agreement to WFFL. Customer has requested that Dealer invoice Customer for all amounts due under the Agreement. As an administrative convenience to you, WFFL hereby authorizes Dealer to invoice you and collect amounts due from You under the Agreement. You agree that the amounts due under the Agreement are and shall be unconditionally due and not subject to any holdback, defense or set-off for any reason. You may pay the amounts due under the Agreement directly to Dealer for Dealer’s remittance back to WFFL. You further acknowledge that WFFL, may, at any time, in its sole discretion, bill you directly for the payments due pursuant to the Agreement. WFFL or its assigns may do this in the event Dealer no longer desires or is capable of transmitting payments to us or for any other reason in WFFL’s or its assigns’ sole discretion.

WFFL may assign its rights under the Agreement to a third party without notice to Customer and Customer agrees that it will pay any such assignee the payments due under the Agreement upon any demand therefore from the assignee. The Customer agrees that the rights of WFFL’s assignee will not be subject to any claims, defenses or set-offs that the Customer may have against WFFL or Dealer.

AGREED AND ACKNOWLEDGED:

Wells Fargo Financial Leasing, Inc.

Copiers Northwest, Inc.

Signature

Signature

Print Name

Print Name

Title

Title

Date

Date

Customer: CITY OF MARYSVILLE

X_____
Signature

X_____
Print Name

X_____
Title

X_____
Date**

NON-APPROPRIATION ADDENDUM TO LEASE NO. _____

BETWEEN

Wells Fargo Financial Leasing, Inc

AS "LESSOR"

AND

City of Marysville

AS "LESSEE"

DATE OF LEASE: _____

If Lessee requests from its legislative body of funding authority funds to be paid to Lessor under this Lease and,

1. Notwithstanding the making of such request in accordance with appropriate procedures, such legislative body or funding authority does not appropriate funds to be paid to Lessor in the next occurring renewal term; and
2. Such non-appropriation did not result from any act or failure to act of Lessee; and
3. Lessee has exhausted all funds legally available for obligations under the Lease; and
4. There is no other legal procedure by which payment can be made to Lessor; then

Lessee may, upon prior written notice to Lessor effective 60 days after the giving of such notice or upon the exhaustion of the funding authorized for the then current appropriation period, whichever is later, return the equipment to Lessor at Lessee's expense and thereupon be released from its obligation to make any further rental payments to Lessor, provided:

- (a) Lessor has received a written opinion from Lessee's counsel verifying items 1 through 4 above; and
- (b) the equipment is returned to lessor in compliance with the terms of the Lease; and
- (c) the notice is accompanied by payment of all amounts then due to Lessor under this Lease; and
- (d) Lessee does not directly or indirectly purchase, lease or in any way acquire any services or equipment which in whole or part are essentially the same services or equipment supplied or provided hereunder, for the balance of the appropriation period following Lessee's exercise of its termination rights provided herein and also for the next following appropriation period.

Lessor's remedies following such termination shall be to retain all sums paid hereunder by Lessee including any advance rental payments and security deposit, take possession of the equipment, and/or sell, dispose of, hold, use or lease the equipment as Lessor in its sole discretion may desire, without any duty to account to Lessee.

Lessee agrees that the terms and conditions of this Lease and this Addendum conform with the terms and conditions of any purchase order, bid or other specifications issued regarding the equipment covered by the Lease or, if they do not conform, that the terms and conditions of this Lease and this Addendum shall prevail over any conflicting terms of a purchase order bid or other specifications. Lessee verifies that the Lease is a valid and binding obligation of the Lessee and that Lessee has consulted with its legal counsel and confirmed that the terms of the Lease are not violative of any applicable state or federal law.

This Addendum is hereby made a part of and incorporated into the Lease referred to above as of this _____ Day _____ of 20 15.

City of Marysville

(Lessee)

Wells Fargo Financial Leasing, Inc.

(Lessor)

By _____

By _____

Title _____

Title _____



601 Dexter Ave N Seattle, WA 98109
 P: (206) 282-1200 F: (206) 282-2010
 www.copiersnw.com

Equipment Removal Form

Customer: City of Marysville
Address: 1049 State Avenue
 Marysville, WA 98270
Phone: (360) 363-8000
Account Rep: Christian Colasono

This document must be completed prior to authorizing and scheduling any equipment pickups. Please list the equipment and complete the "Trade In Section" OR- the "Lease Return Section". Additional equipment can be listed on page two of this form.

	Make	Model	Serial	Lease Return or Trade In
1	Ricoh	MP6001	V691560049	Lease Return
2	Ricoh	MPC6501	V7610700517	Lease Return

Trade In Section

By initialing the box to the left, I the undersigned agree that all equipment marked "Trade In" "TI" or "Customer Owned" is free and clear of any liens or encumbrances. The title and ownership of this equipment is transferred to Copiers NW, Inc. Copiers NW is under no circumstance responsible for any data, documents, images, or other information stored on or in the device, the device hard drive(s), or any memory module(s).

Initials

Lease Return Section

Please fill out a separate copy of this form for each different lease. If you are trading in customer owned equipment, you do not need to complete this section. Additional equipment on the same lease can be listed on page two of this form.

Copiers NW Leased Equipment - Copiers Northwest will manage my equipment return as part of the lease upgrade and/or buyout as the originating dealer of the returned equipment.

Non-Copiers NW Leased Equipment - Customer must fill out the following sections as a requirement of CNW picking up the equipment and returning it to the leasing company.

A Lease Copy - Please submit a copy of the lease for the equipment listed above and/or on page two of this form. It contains important terms and conditions that may dictate ownership and return information.

B Letter of Intent - A letter of intent is usually sent 30 to 120 days prior to lease end, and **it is Customer's responsibility to notify Leasing Company of their intention to return the equipment.** It is important that you check the terms and conditions of your lease for specific requirements.

Customer Contact 1 Email: emiranda@marysvillewa.gov

Customer Contact 2 Email: sgyurkovics@marysvillewa.gov

C Shipping Instructions - **Return shipping instructions must be forwarded immediately upon receipt to CNW via certified mail to the address above ATTN: LEASING or via email to equipmentreturns@copiersnw.com.**

Expected Return Date: 9/1/2015

D Buyout Check - The Buyout Check to you, Customer, is intended to offset the remaining stream of payments due under the existing lease contract. Customer is solely responsible for this lease contract(s) and Copiers Northwest accepts no responsibility for any additional charges unless specifically noted.

Maximum Buyout Amount: \$6,214.03

No buyout check

Check Options: Buyout to be paid by Copiers Northwest to Customer who will pay Leasing Company.

Buyout to be paid by Copiers Northwest to Leasing Company. A copy of the buyout invoice from the Leasing Co must be provided to CNW to select this option.

Notes:

Copiers NW agrees to remit any buyout check included in the new lease within 30 business days of the funding of the new lease unless Customer has failed to provide sufficient documentation including: lease copy, letter of intent, shipping instructions and/or signed lease buyout letter. Copiers NW agrees to store said equipment at Customer's request for a period not to exceed 90 days from removal from Customer's location. After 90 days, Copiers NW reserves the right to charge storage fees until the equipment is shipped back to Leasing Company. Copiers NW is not responsible for damaged or stolen equipment. Customer must maintain insurance coverage on equipment until said equipment is received by Leasing Company or Leasing Company's agent. Copiers NW is under no circumstance responsible for any data, documents, images, or any other information stored on or in the device, the device hard drive(s), or any memory module(s).

ACCEPTED BY COPIERS NORTHWEST

ACCEPTED BY CUSTOMER

 Authorized Signature Required / Date

 Authorized Signature Required / Date

Printed Name / Title

Revision 1410a

Printed Name / Title