

**Augusta, City of
Ralph St. Pierre
16 Cony Street
Augusta, ME 04330
Five-Year Basis beginning with the 2019/2020 Fiscal Year**

Copies-per-Year: 1,191,001

Present vs. Proposed Recommendations as of 8/2/2019

PRESENT SITUATION

- 1) Guarantees on Photocopiers...**One Year**
- 2) Annual Price Ceilings Left... **One Year**
- 3) High Volume Console Units with 3 Million plus.....**3**
- 4) Units to be Traded...**54**
- 5) Photocopiers...**21**
- 6) Color Photocopiers...**11**
- 7) MFP's... **2**
- 8) Printers....**43**
- Total number of Units...**66**
- 9) Duplex's...**61**
- 10) Finisher's...**11**

PROPOSED SITUATION

- 1) Guarantees for both New, Recons & Used Photo's...**Five+ Years**
- 2) 5% or CPI Annual Ceilings, whichever is less...**Five+ Years**
- 3) High Volume Console Units with 3 Million plus...**3**
- 4) Replaced...**49 New**
- 5) Photocopiers...**18 with Secure Print/Confidential Mailbox**
- 6) Color Photocopiers...**11**
- 7) MFP's... **6 with 4 Color**
- 8) Printers...**37 with 5 Color**
- Total number of Units...**66 closing out 5 due to consolidation**
- 9) Duplex's... **61**
- 10) Finisher's... **13**

Overall Description of Equipment Fleet:

Presently, you have **Five different Manufacturers & Thirty different Models of Low end Network Printers that are costing you \$0.035 per black print with some units not under a CPC agreement. The new arrangement will shift to one or two manufacturers with one Vendor servicing everything.** This will greatly reduce cost and improve reliability. In addition, we will implement google cloud print on all devices that will continue to cut back on your overall printing.

Capital:

Presently, you have **one** municipal lease that will be paid off on August 2nd 2019. With the new arrangement, you will again have **one** 'municipal' master lease at 3.95% interest. Your first of five annual lease payments will be due on **August 1st 2020.**

Service & Supplies:

Considering all your consumable cost centers including service you are averaging **\$0.005651 for black and \$0.048840 for Color.** The new contract will come in at a CPC of **\$0.006353 for Black and \$0.05039 for Color with Budget.**

Vendor Packages:

SPC will bring you multiple different vendor combinations, matching up the best technology available to meet your needs. We would like to highlight the most qualified bids combination.

	<u>Cost Center</u>	<u>Present</u>	<u>Budget Konica Minolta (Low Bid)</u>
1.	Service & Supplies Color Photo only	\$7,777.07	\$8,023.86
2.	Service & Supplies Black Photo only	\$5,301.19	\$5,959.26
3.	Annual Muni Lease	\$30,949.78	\$23,934.48
4.	Forced Upgrades (#11 Owned Units)	\$9,975.00	\$00.00
	Totals	\$54,003.04	\$37,917.60

* Note that with the last upgrade only **38 New units** were purchased while **49 New units** are part of the lease. Over 5 years, based off low bid, SPC will save the City **\$80,427.21.**

The successful bidders will have a blanket servicing contract that includes all consumables excluding only staples and paper for all of the equipment that is under their factory authorized ability to service. They will provide one easy 'Cost per Copy' billing plan done twice a year in July & January with a reconciliation invoice in June. Your service contract will be fixed through **June 30th 2020.** A contract extension has been negotiated for four more years, which will have an annual price ceiling of five percent or CPI, whichever is less. You however, only commit funds for one-year at a time to the servicing vendor. And even this scenario allows you to upgrade, lowering the service costs, if it is to your advantage to go out to bid at any time. SPC will set up both the service- supply contracts and the warranty cards with the successful bidding vendors.

Security package: Hard Drive Wipes are included in these prices.