

Essex Westford SD
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51 Park Street
Essex Jct, VT 05452
Five-Year Basis beginning with the 2017/2018 Fiscal Year

Copies-per-Year: 13,243,573

Present vs. Proposed Recommendations as of 8/2/2017

PRESENT SITUATION

- 1) Guarantees on Photocopiers...**Two Year (CCSU)**
- 2) Annual Price Ceilings Left... **Two Year (CCSU)**
- 3) High Volume Console Units...**21**
- 4) Units to be Traded...**130**
- 5) Photocopiers...**49**
- 6) Color Photocopiers Networked ...**20**
- 7) MFP's...5, 1 Ink Jet MFP
- 8) Network Printers... 315 **w/31 Color**

Total number of Units...**369**

- 9) Duplex's...**341**
- 10) Finisher's...41

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...**21**
- 4) Replaced **110 New**
- 5) Photocopiers...**49 with Secure Print/Confidential Mailbox**
- 6) Low Cost Color Photocopiers Networked...**20**
- 7) MFP's...6
- 8) Network Printers...295 **w/30 Color**

Total number of Units...**348 (Closing out 21 low volume locations)**

- 9) Duplex's... **348**
- 10) Finisher's... **42**

Overall Description of Equipment Fleet:

Presently, you have **Five different Manufacturers & 19 different Models**. **The new arrangement will shift to two vendors servicing everything**. This will greatly reduce cost and improve reliability.

Capital:

Presently, you have **two leases**: One with SU 13, a Municipal Lease and One Commercial Lease for Essex Town SD that will both be paid off on August 2nd, 2017. Your first of five annual lease payments will be due on **August 1st 2018**. The municipal lease will have a non-appropriation clause. A legal opinion from SPC's bond counsel (John Larouche in Augusta ME) will be done on this lease transaction. This will assure that all documents are prepared correctly and signed by the appropriate City and bank officials, and that the lease purchase is a tax-exempt obligation with no premium payable by the school district. At your own expense, you can have your own bond counsel also review the documents which would simply duplicate this service.

Service & Supplies:

Considering all of your consumable cost centers including service you are averaging **\$0.004990 for black and \$0.053802 for Color**. The new contract will come in at a CPC of **\$0.004502 for Black and \$0.049210 for Color**.

Vendor Packages:

SPC has brought to you multiple different vendor combinations, matching up the best technology available to meet your needs. We would like to highlight the most qualified bid combination for your School District.

| | <u>Cost Center</u> | <u>Present EWSD</u> | <u>EWSD FY18</u> | <u>EWSD FY19</u> |
|----|--------------------|---------------------|------------------|------------------|
| 1. | S&S Color only | \$51,610.68 | \$47,205.49 | \$47,205.49 # |
| 2. | S&S Black only | \$61,293.14 | \$55,309.99 | \$55,309.99 # |
| a. | Annual Lease | \$109,329.31 | \$109,329.31 | \$117,042.33* |
| 3. | F. Upgrade (#53) | <u>\$28,800.00</u> | <u>\$00.00</u> | <u>\$00.00</u> |
| | Totals | \$251,033.13 | \$211,844.79 | \$219,557.81 |

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 2018**. **#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: Wiping out old data on trade out units has been included in the package.

*This includes an estimate for the buyout of the DLG Fair Market Value Lease. Actual buyout with ownership came in at \$4,090.83 higher per year. SPC will provide an in-house lease for this amount that will be co-terminus since the board has only approved the \$117,042.33.

