

Saco, City of
Ryan Pinheiro
300 Main Street
Saco, ME 04072
Five-Year Basis beginning with the 2018/2019 Fiscal Year

Copies-per-Year: 818,735

Present vs. Proposed Recommendations as of 8/2/2018

PRESENT SITUATION

- 1) Guarantees on Photocopiers...<One Year
- 2) Annual Price Ceilings Left... <One Year
- 3) High Volume Console Units...0
- 4) Units to be Traded...32
- 5) Photocopiers...16
- 6) Color Photocopiers...10
- 7) MFP's... 3
- 8) Printers....12

Total number of Units...32

- 9) Duplex's...30
- 10) Finisher's...14 w/ 5 Saddle Stitch

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...0
- 4) Replaced 26 New
- 5) Photocopiers...11 with Secure Print/Confidential Mailbox
- 6) Color Photocopiers...7 (1 of which is the Wide Format Printer)
- 7) MFP's... 10
- 8) Printers...6

Total number of Units...28 closing out 5

- 9) Duplex's... 26
- 10) Finisher's... 11

Overall Description of Equipment Fleet:

Presently, you have Three different Manufacturers, 17 different Models & Two vendors. **The new arrangement will shift to one vendor & Two Manufacturers servicing everything with as few models as possible.** This will greatly reduce cost and improve reliability.

Capital:

Presently, you have one municipal lease that will be paid off on August 1st 2018. With the new arrangement, you will again have one 'municipal' master lease at 3.69% interest. Your first of five annual lease payments will be due on August 1st 2019. 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 your consumable cost centers including service you are averaging \$0.00503 for black and \$0.06102 for Color. The new contract will come in at a CPC of \$0.006292 for Black and \$0.03953 for Color including Printers!

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 for your School District.

	<u>Cost Center</u>	<u>Present</u>	<u>KMBS</u>
1.	Service & Supplies Color Photo only	\$11,351.41	\$7,543.35
2.	Service & Supplies Black Photo only	\$3,089.57	\$3,950.98
3.	Annual Muni Lease *	\$22,947.32 *	\$25,758.88*
4.	Forced Upgrades (#13 Owned Machines)	\$13,777.00	\$00.00
	Totals	\$51,165.30	\$37,253.21

Wide Format Copier: Currently Owned, New HP DesignJet T830 Lease Cost is included in the Total.

***The Last Lease acquired 20 Machines while the new lease is bringing in 27 new Machines including a Wide Format Printer!**

Includes #5 HP's: (1) MICR & (4) Tyler Form Printers which were not part of the previous package.

& Without Forced Upgrades total cost = \$37,388.

The successful bidders will have a blanket servicing contract that includes all consumables excluding only staples and paper for all 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, 2019**. 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.