

NHSAU 45 – Moultonborough
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Five-Year Basis beginning with the 2019/2020 Fiscal Year
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Present vs. Proposed Recommendations as of 7/1/2019

PRESENT SITUATION

- 1) Guarantees on Photocopiers...**1 Year**
- 2) Annual Price Ceilings Left... **1 Year**
- 3) High Volume Console Units with 3 Million plus.....**5**
- 4) Units to be Traded...**44**
- 5) Photocopiers...**6**
- 6) Color Photocopiers...**0**
- 7) MFP's... **1**
- 8) Printers....**43 with 7 Color Units**
- Total number of Units...**51**
- 9) Duplex's...**21**
- 10) Finisher's...**6**

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...**6**
- 4) Replaced... **20 New**
- 5) Photocopiers...**8 with Secure Print/Confidential Mailbox**
- 6) Color Photocopiers...**5**
- 7) MFP's... **3**
- 8) Printers...**15 with 2 Color Units**
- Total number of Units...**26 closing out 25 (Right Sizing)**
- 9) Duplex's... **22**
- 10) Finisher's... **8**

Overall Description of Equipment Fleet:

Presently, you have Four different Manufacturers & Twenty-Five different Models that are costing you \$0.025 per black print & \$0.15 for Color with some units not under a CPC agreement. The new arrangement will shift to one manufacturer 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 Two commercial leases with two separate leasing companies that are not coterminous. They will be paid off on July 1st 2019 and the equipment shipped back by SPC. (SPC has calculated the cost of returning leased equipment into the final numbers below.) With the new arrangement, you will have one 'municipal' master lease at 3.75% interest to be assigned to Franklin Savings Bank. Your first of five annual lease payments will be due on August 1st 2019.

Service & Supplies:

Considering all of your consumable cost centers including service you are averaging \$0.007289 for black and \$0.15 for Color. The new contract will come in at a CPC of \$0.004081 for Black and \$0.039332 for Color.

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 bid KMBS with Konica Minolta (Best Package) for your School District.

| <u>Cost Center</u> | <u>Present</u> | <u>KMBS with Konica Minolta</u> |
|--|---------------------|---------------------------------|
| 1. Service & Supplies Color Photo only | \$12,865.50 | \$3,416.59 |
| 2. Service & Supplies Black Photo only | \$11,235.95 | \$6,161.33 |
| 3. Annual Muni Lease | \$13,863.64 > 6 New | \$20,584.74 > 20 New |
| 4. Potential Upgrades (#14 Owned Printers) | \$4,900.00 | \$00.00 |
| Totals | \$42,865.09 | \$30,162.66 |
| Annual Cost Savings | | \$12,702.43 |

* Note that with the last upgrade only 6 New units were purchased while 20 New units are part of the lease. Over 5 years, SPC will save the district \$63,512.15.

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, 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.