

NHSAU 49 – Gov. Wentworth Regional School Department
Mary Patry
140 Pine Hill Road
Wolfeboro Falls, NH 03896
Five-Year Basis beginning with the 2016/2017 Fiscal Year
Copies-per-Year: 6,377,407

Present vs. Proposed Recommendations as of 8/2/2016

PRESENT SITUATION

- 1) Guarantees on Photocopiers...**One Year**
- 2) Annual Price Ceilings Left... **One Year**
- 3) High Volume Console Units...**11**
- 4) Units to be Traded...**253**
- 5) Photocopiers...**33**
- 6) Color Photocopiers Networked ...**15**
- 7) MFP's...16 with 1 Color MFP
- 8) Network Printers....**218 w/ 111 Color**

Total number of Units...**268**

- 9) Duplex's...**222**
- 10) Finisher's...**14**

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...**11**
- 4) Replaced **250 New**
- 5) Photocopiers...**41 with Secure Print/Confidential Mailbox**
- 6) Low Cost Color Photocopiers Networked...**15**
- 7) MFP's...24 with 8 Color MFP
- 8) Network Printers...**209 w/ 104 Color**

Total number of Units...**264 CO 3 Due to Combining**

- 9) Duplex's... **250**
- 10) Finisher's... **17**

Overall Description of Equipment Fleet:

Presently, you have **Two different Manufacturers & Forty-Two of different Models of Low end Network Printers. The new arrangement will shift to One manufacturer...Konica Minolta servicing everything and only 13 new models. All supplies will be OEM except the MICR toner unit.** This will greatly reduce cost and improve reliability. Your Google Cloud Print will be managed by 'Lantronix Print Servers'.

Capital:

Presently, you have **one** municipal lease that will be paid off on 8/2/2016 (One Payment Remaining). With the new arrangement, you will again have **one** 'municipal' master lease at 3.04% interest. Your first of five annual lease payments will be due on August 1'st 2017. 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 school and bank officials, and that the lease purchase is a tax-exempt obligation with no premium payable by the school district for prepayment. 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 **\$0.004664 for black and \$0.074770 for Color.** The new contract will come in at a CPC of **\$0.003658 for Black and \$0.053458 for Color.**

Vendor Packages:

SPC has brought to you **Six** different vendor combinations, matching up the best technology available to meet your needs. We would like to highlight the most qualified bid combination, which is **KMBS with Konica Minolta.**

<u>Cost Center</u>	<u>Present</u>	<u>Proposed</u>
1. Service & Supplies Color Photo only	\$47,835.14	\$34,200.68
2. Service & Supplies Black Photo only	\$26,757.81	\$20,989.31
3. Annual Muni Lease	\$87,162.17	\$106,519.22 *
4. Forced Upgrade	\$27,850.00	\$00.00
Totals	\$189,605.12	\$161,709.21

*Although the lease cost does go up the service and supply cost savings offsets the increase. Note that with the last upgrade only **171 New units were purchased while 250 New units** are part of the lease.

Annual Cost Savings	\$27,895.91
Five-Year Cost Savings	\$139,479.55

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 2017**. 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.