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**MEMORANDUM - OFFICE OF THE BOARD OF SELECTMEN**

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**TO:** Board of Selectmen  
**FROM:** Michael Branley, Administrative Coordinator (MTB)  
**RE:** Copier Lease  
**DATE:** March 11, 2013  
**CC:**

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Our primary lease for our copy machines with Ricoh is set to expire on March 28; we also have a separate lease for the copier downstairs in the Town Offices which will expire on 12/31/13. Over the past month I have met with four firms to discuss potential options for a new five-year lease for all three of our machines. These firms were Hallmark Copiers, Ricoh (Ikon), Canon, and Conway (Xerox). At current, we have two Canon copiers (one located in the Town Clerk's Office and the other at the Library) and one Ricoh (downstairs). All of our current copiers are relatively similar to each other in terms of features, even though they see varying degrees of use.

A review of average per month print counts over the term of our lease emphasized what seemed logical: the Town Clerk's copier gets by far the most use (3,000 average prints per month) compared to the Library (850) and downstairs (450). Our current leases include 2,000 images for the two Canon copiers combined for \$305 per month and 2,000 images for the Ricoh for \$148.<sup>1</sup> A Hard Disk Drive was also added to the Ricoh for \$5 per month, bringing that base monthly bill to \$153. Ricoh charges us for prints above the guaranteed minimum quarterly; as expected, we never get above the minimum images on the Ricoh and nearly every quarter have additional charges on the Canons (sometimes a significant expense). As such, the current applications of minimum images is not working in the Town's favor, having us leave prints unused on one lease and always exceeding our base images on the other.

Throughout the process I was able to tailor the specifications of our new equipment based on costs, with a few constraints in mind:

- The copier downstairs needed to have the capability to copy and print 11x17 documents;
- The Library copier does not have a demonstrated need for 11x17 size capabilities and would need to be cost effective to justify its light use as primarily a public courtesy;
- Increasing print speeds and other features at the Library and downstairs were not a priority since users of both expressed interest in having something comparable; and
- The Town Clerk copier could stand to be a bit faster (especially for when we have large print jobs), needs scanning to desktop capabilities, and preferably would be able to fax so we can eliminate our aging stand-alone fax machine. While color copying was not

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<sup>1</sup> Prints above the minimum are charged at \$0.0198 for the Canons and \$0.0175 for the Ricoh.

considered due to cost constraints, when we replace my desktop printer I would like to explore adding color so we have it as an option.

Any specific variations between machines were on the margins. This ability to make apples to apples comparisons for similar machines made it easy to focus almost entirely on cost. For all of the vendors all service and supplies (other than paper and staples) are included in the costs.

The four companies proposed different pricing structures including combinations of minimum images, base charges, and costs per print. I took into account these various pricing plans and based on our average historic prints per month put together estimated annual costs. It became clear that Canon and Conway would be the most cost effective options. Hallmark's proposal came in slightly higher than our current costs and Ricoh was almost double Canon's price. The estimated annual costs, which show Canon ahead, are: Canon at \$2,673, Conway at \$3,467, Ricoh at \$4,368, and Hallmark at \$6,216. I direct you to see the attached spreadsheets for additional information not easily expressed in text.

In addition to these annual costs, we also need to consider the costs associated with returning our current equipment. As part of our current lease, at the end of the term it is the Town's responsibility to ship back the equipment to the leasing facility in Missouri at \$200 each. Both Canon and Ricoh have agreed to do this at no charge, while Conway will charge us the \$200 for each machine. Canon has also offered to pay all of our remaining payments on our leases, including the lease that expires in December. The combination of Canon returning our current equipment and paying our remaining bills is a value of over \$2,000 on top of their already lowest annual cost.

The Canon equipment is all comparable or better to the equivalent equipment offered by the other vendors. Canon is able to offer these favorable terms by giving us equipment that will be appropriate for each location's uses and by our taking advantage of the state contract for the Town Clerk's location. This copier will have a minimum image base (45,000) that we should never exceed, giving us the opportunity to direct all large print jobs to this copier from our other locations. The Library will have a low base rate of \$48 per month and \$0.015 per print cost. Downstairs will be outfitted with a used, off-lease machine with no charge other than \$0.015 per print. Allan Treadwell has been consulted and does not foresee significant issues with the change to Canon.

Based on this information, I recommend you take the following actions:

- Authorize the Chair to sign the documents for a five-year lease with Canon for our three machines. I estimate this will save us \$3,000 from what we spent on copiers last year;
- Authorize me to send a letter to the Library Trustees and Director informing them of the change and telling them we expect them to reimburse the Town monthly any revenue they receive for copies made on the machine at their location; and
- Share these savings with our residents and customers by reducing our copy charges to \$0.25 for 8 ½ x 11 and \$0.50 for 11 x 17.



CANON

Location	Town Office	Library	Planning Board
Model	Canon-ImageRUNNER 4035^	Canon-ImageRUNNER 1025	Canon-ImageRUNNER 3235i
Base Monthly Charge	\$156.00	\$48.00	\$0.00
Guaranteed Monthly Minimum Images	45,000	0	0
Cost of additional images	\$0.0056	\$0.0150	\$0.0150
Estimated images / month	3000	800	450
Estimated Monthly Charge	\$156.00	\$60.00	\$6.75
Average Annual	\$1,872.00	\$720.00	\$81.00
Pages Per Minute	35	25	25
Automatic Doc Feeder	Yes	Yes	Yes
Color	No	No	No
Fax	Yes	No	No
Scan	Yes	Yes	Yes
Network print	Yes	Yes	Yes
Largest Paper Size	11x17	8 1/2 x 14 (legal)	11x17

Total Average Annual Charge	\$2,673.00
Total Estimated Annual Savings	\$3,243.00
Return shipping cost of all current equipment	\$0.00

^ This is the state contract model and terms, which is why it has the high guaranteed print count

Canon has offered to pay all remaining charges on our current accounts (including the lease that expires 12/31) and will ship back our current copiers at their expense - a value of over \$2,000.

**CONWAY OFFICE SOLUTIONS**

Location	<b>Town Office</b>	<b>Library</b>	<b>Planning Board</b>
Model	Konica-Minolta	Konica-Minolta	Konica-Minolta
Base Monthly Charge	\$130.25	\$63.40	\$63.40
Guaranteed Monthly Minimum Images	0	0	0
Cost of additional images	\$0.0075	\$0.0075	\$0.0075
Estimated images / month	3000	800	450
Estimated Monthly Charge	\$152.75	\$69.40	\$66.78
Average Annual	\$1,833.00	\$832.80	\$801.36
Pages Per Minute	36	22	22
Automatic Doc Feeder	Yes	Yes	Yes
Color	No	No	No
Fax	Yes	No	No
Scan	Yes	Yes	Yes
Network print	Yes	Yes	Yes
Largest Paper Size	11x17	11x17	11x17

Total Average Annual Charge	\$3,467.16
Total Estimated Annual Savings	\$2,448.84
Return shipping cost of all current equipment	\$600.00

## RICOH COPIERS

Location	Town Office	Library	Planning Board
Model	Ricoh MP 3352	Ricoh MP 301	Ricoh MP 2852
Base Monthly Charge	\$131.00	\$85.00	\$89.00
Guaranteed Monthly Minimum Images	0	0	0
Cost of additional images	\$0.0139	\$0.0139	\$0.0139
Estimated images / month	3000	800	450
Estimated Monthly Charge	\$172.70	\$96.12	\$95.26
Average Annual	\$2,072.40	\$1,153.44	\$1,143.06
Pages Per Minute	33	31	28
Automatic Doc Feeder			
Color	No	No	No
Fax	Yes	No	Yes
Scan	Yes	Yes	Yes
Network print	Yes	Yes	Yes
Largest Paper Size	11x17	8 1/2 x 14 (legal)	11x17

Total Average Annual Charge	\$4,368.90
Total Estimated Annual Savings	\$1,547.10
Return shipping cost of all current equipment	\$0.00

Ricoh will handle shipping all of our current equipment back at their expense

## HALLMARK COPIERS

Location	Town Office	Library	Planning Board
Model	Copystar CS3500i	Copystar FS6525	Copystar FS6525
Base Monthly Charge	\$283.00	\$117.00	\$117.00
Guaranteed Monthly Minimum Images*	3333	667	667
Cost of additional images	\$0.0080	\$0.0080	\$0.0080
Estimated images / month	3000	800	450
Estimated Monthly Charge	\$283.00	\$118.00	\$117.00
Average Annual	\$3,396.00	\$1,416.00	\$1,404.00
Pages Per Minute	35	25	25
Automatic Doc Feeder	Yes	Yes	Yes
Color	No	No	No
Fax	Yes	No	No
Scan	Yes	Yes	Yes
Network print	Yes	Yes	Yes
Largest Paper Size	11x17	11x17	11x17

Total Average Annual Charge	\$6,216.00
Total Estimated Annual Savings	-\$300.00
Return shipping cost of all current equipment	Not stated, assumed to be \$600

\* Leases are proposed as copies per year