



**Recommendation Prepared By: Xerox Business Solutions Midwest**

**Recommendation Prepared for: Village of Romeoville**

**Date: 5/23/2022**

## **Xerox Lease Renewal**

We have prepared a recommendation for village consideration. Please note the following benefits of our recommendation:

- **Our recommendation provides significant cost savings. Total costs will reduce by 32%.**
- **There are (19) total Xerox devices throughout the village. We are strategically upgrading (7) of these devices. The remaining (12) will remain in place, as is, owned by the village with no lease payment.**
- **Because only (7) devices are being upgraded, the majority of village users/departments will be unaffected and there will be only limited disruption during the implementation process.**
- **While the village will still enjoy our unlimited service/supply program, we are restructuring the billing to provide maximum cost savings and to create a direct incentive to further reduce printing in the years ahead.**

We are excited to renew our partnership with the village. If you have any questions, please feel free to contact me directly:

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## Review of Current Equipment

#	Location	Xerox Model	Equipment Number	Serial Number	Install Date	Status
1	New Rec Center	XALC8055	M11423	8TB642217	3/26/2020	Leased
2	PUBLIC WORKS	XALC8055	M10017	8TB606934	2/25/2019	Leased
3	POLICE DEPARTMENT - REPORT WRITING	XALC8045	M10012	8TB584655	2/21/2019	Leased
4	COMMUNITY DEVELOPMENT	XXC702	M10011	E2B110023	2/21/2019	Leased
5	RECREATION CENTER	XXC702	86568-MWO	E2B669502	7/12/2018	Leased
6	2ND FLOOR - FINANCE	XWC5955APT2	85209-MWO	A2M748088	7/28/2017	Leased
7	FIRE STATION #2	XWC5325	85124-MWO	AE7179829	7/28/2017	Leased
8	PRINTER ROOM - FRONT COUNTER	XWC3655	85231-MWO	C7X278297	7/28/2017	Leased
9	2ND FLOOR - MARKETING	XWC7845	85423-MWO	MX4509129	7/28/2017	Leased
10	FIRE PREVENTION	XWC7835	85338-MWO	MX0009357	7/28/2017	Leased
11	WATER DEPARTMENT - BILLING	XWC7845	85422-MWO	MX4508168	7/28/2017	Leased
12	FIRE STATION #3	XWC5335	77414-MWO	AE9900760	12/20/2013	Owned
13	RECREATION CENTER - CREATIVE PLAY	XWC7845	82746-MWO	MX4772410	12/24/2015	Owned
14	FIRE STATION #1	XC560	77339-MWO	XPN548844	12/20/2013	Owned
15	POLICE DEPARTMENT - TRAINING	XC560	77338-MWO	XPN548532	12/20/2013	Owned
16	POLICE DEPARTMENT - RECORDS	XW7970P2	82701-MWO	B0W593772	12/24/2015	Owned
17	REMA	XWC7225	77422-MWO	LX5686607	12/20/2013	Owned
18	POLICE DEPARTMENT - CODE ENFORCEMENT	XWC7835	82689-MWO	MX0152873	12/24/2015	Owned
19	POLICE DEPARTMENT - ADMIN	XWC7835	77494-MWO	MX0137737	12/20/2013	Owned



## Review of Current Contracts

- The village currently has (3) separate leases that all expire in July 2022. These were intentionally setup in a co-term alignment so we could consolidate them to (1) lease at this time.
- The village currently has (2) separate service contracts that also expire in July 2022. (1) of the service contracts covers currently leased devices and the other contract covers equipment owned by the village.
- The village incurred overages on color pages for both contracts in the last 12 months. Here were the annual totals for those overages:
  - Leased Devices: \$5,524.64
  - Owned Devices: \$1,285.90
  - Total Overage: \$6,810.54
- We intend to satisfy all existing contracts and consolidate everything into (1) lease and (1) service contract.
- Details on leases and service contracts on following page.



**Current Cost Calculation**

Cost Type	Details	Monthly Cost
Lease (#500-0515804-000/001)	7 Xerox Devices	\$1,674.10/Month
Lease (#500-0515804-002)	3 Xerox Devices	\$1,455.24/Month
Lease (#500-0515804-003)	1 Xerox Device	\$487.50/Month
Service Contract	Leased Xerox Devices	\$1,291.67/Month
Service Contract	Owned Xerox Devices	\$1,158.33/Month
<b>12-Month Overages</b>	Monthly Adjusted from \$6,810.54	\$567.55/Month
	<b>TOTAL:</b>	<b>\$6,633.39/Month</b>



### Xerox Recommendation

- We are recommending to upgrade (7) of the (19) total Xerox devices.
- Devices currently leased that are deemed to remain in place will have their ownership transferred to the village.
- These are the departments that will receive an upgrade:

Location	Current Model	New Model
RECREATION CENTER	XXC702	PrimeLink C9070
2ND FLOOR - MARKETING	XWC7845	AltaLink C8145H2
WATER DEPARTMENT - BILLING	XWC7845	AltaLink C8145H2
FIRE STATION #3	XWC5335	VersaLink B7135H2
RECREATION CENTER - CREATIVE PLAY	XWC7845	AltaLink C8145H2
FIRE STATION #1	XC560	PrimeLink C9070
POLICE DEPARTMENT - RECORDS	XW7970P2	AltaLink C8170H2

**Cost Analysis**

Cost Type	Monthly Cost
NEW Lease	\$2,195.75/Month
NEW Service Contract	\$2,293.06/Month
<b>TOTAL:</b>	<b>\$4,488.81/Month</b>

Cost Type	Monthly Cost
Current Cost	\$6,633.39/Month
NEW Cost	\$4,488.81/Month
<b>TOTAL SAVINGS:</b>	<b>\$2,144.58/Month</b>

## Pricing Notes

- New lease pricing based on 60-Month Fair Market Value lease.
- Contingent on new contract, all existing leases and contracts will be absolved with no forward payments owed.
- New Xerox models will match features/functionality of existing units, with the exception of “fiery” controllers on the 2<sup>nd</sup> Floor Admin device and the Police Records device.
- No charge for delivery/setup/configuration of new Xerox units.
- No charge for pickup and return of currently leased Xerox units.
- No charge for pickup and recycling of currently owned Xerox units.
- Unlimited training available as needed.
- New service contract will cover all (19) devices, whether they are leased/owned, old/new. Unlimited service, parts, supplies.
- New service contract will have no minimum charge. We will bill you on actual pages, monthly.
- Actual annual totals from 5/1/21 – 5/1/22:
  - B&W: 706,795
  - Color: 451,382
- Cost-Per-Page:
  - B&W: \$.007
  - Color: \$.05
- Estimated Service Costs:
  - 706,795 \* \$.007 = \$4,947.57/Year >>> \$412.30/Month
  - 451,382 \* \$.05 = \$22,569.10/Year >>> \$1,880.76/Month
  - **TOTAL MONTHLY COST: \$2,293.06**
- New service rates fixed for term of new lease.

**xerox**<sup>™</sup> Business Solutions Midwest



**THANK YOU!!!**