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CITY OF DANBURY
155 DEER HILL AVENUE
DANBURY, CONNECTICUT 06810-7769

DAVID ST. HILAIRE
DIRECTOR OF FINANCE

(203) 797-4652
FAX: (203) 796-1526

MEMORANDUM

TO: Mayor Mark D. Boughton via the City Council

FROM: David W. St. Hilaire, Director of Finance *DSS*

DATE: June 24, 2013

SUBJECT: Authorization for Lease Financing

As you are aware, the City of Danbury may issue debt or enter into lease purchase financing agreements when making large capital purchases or completing capital projects. Lease/purchase agreements are usually more cost effective when the useful life of the project (or capital equipment) is less than 10 years and when special rates may be offered on certain types of equipment or projects relating to public safety, energy efficiency, or for education.

Consequently, I am respectfully requesting authorization from City Council to pursue the most cost effective lease financing terms to purchase the following:

1. **Aerial Ladder Truck for Danbury Fire Department** - The purchase price of the Pierce Aerial Ladder Truck is expected to be approximately \$1.2 million. The estimated annual lease payment of \$115,000 has been included in the 2012/2013 and the 2013/2014 Capital Budgets. The proposed lease will extend over 8-10 budget years depending on the lease terms and conditions.
2. **\$750,000 for BOE Technology Replacement Program** -- The BOE intends to replace an expiring computer lease payment of approximately \$150,000 with a new lease payment of the same amount representative of nearly \$750,000 of Technology improvement purchases targeting the middle school environment.
3. **\$410,000 for Multi-Functional Copiers from A&A** - After an extensive review process, the selection committee has recommended A&A to replace the City's nearly 250 fax machines, copiers, scanners, printers, and other devices with 55 multifunctional "print anywhere" units sized specifically to the City department's needs. There will be an estimated \$30,000 savings just in lease costs in addition to the significant savings due to the reduction in printer ink, paper, service contracts, etc.

Please note that the recommended lease financing vendor selected from the RFP will be subject to approval by the Board of Awards. Please feel free to contact me should you require any additional information.

PROPOSAL FOR FURNISHING FIRE APPARATUS

1-1

December 3, 2012

City of Danbury Fire Department
19 New Street
Danbury, CT. 06810

The undersigned is prepared to manufacture for you, upon an order being placed by you, for final acceptance by Pierce Manufacturing, Inc., at its home office in Appleton, Wisconsin, the apparatus and equipment herein named and for the following prices:

One (1) Pierce Arrow XT 95' Mid Ship Platform as per enclosed proposal. \$ 1,117,489.00

A Chassis payment discount of \$10,266.00 is available if the City of Danbury pays \$342,173.00 for the chassis 90 days prior to final delivery.

An Aerial payment discount of \$7,210.00 is available if the City of Danbury pays \$360,618.00 for the aerial device 90 days prior to final delivery.

Additional 100%, 75% and 50% Interest Discount Structures follow this page. Total \$ _____

Said apparatus and equipment are to be built and shipped in accordance with the specifications hereto attached, delays due to strikes, war, or intentional conflict, failures to obtain chassis, materials, or other causes beyond our control not preventing, within about 210 working days after receipt of this order and the acceptance thereof at our office at Appleton, Wisconsin, and to be delivered to you at Danbury Fire Department.

The specifications herein contained shall form a part of the final contract, and are subject to changes desired by the purchaser, provided such alterations are interlined prior to the acceptance by the company of the order to purchase, and provided such alterations do not materially affect the cost of the construction of the apparatus.

The proposal for fire apparatus conforms with all Federal Department of Transportation (DOT) rules and regulations in effect at the time of bid, and with all National Fire Protection Association (NFPA) Guidelines for Automotive Fire Apparatus as published at the time of bid, except as modified by customer specifications. Any increased costs incurred by first party because of future changes in or additions to said DOT or NFPA standards will be passed along to the customers as an addition to the price set forth above.

Unless accepted within 90 days from date, the right is reserved to withdraw this proposition.

Pierce Manufacturing, Inc.

By: Michael Hanratty
AUTHORIZED SALES REPRESENTATIVE
Michael Hanratty



PERFORM LIKE NO OTHER

1-2

OUTPUT AREA:

Pierce Manufacturing Inc.
Prepayment Discount Calculation

TO: 800.678.0602
Mike H
Firematic
FROM: Laura (Kober) Luebke
DATE: 12/3/2012
CUSTOMER: Danbury

QUOTATION: 50% Prepay

Contract	\$	1,117,489
Interest Discount		(10,440)
Partial Chassis Discount		(10,266)
Aerial Discount		(4,330)
Other		-
	<u>\$</u>	<u>1,092,453</u>
Due With Contract	<u>\$</u>	<u>(558,745)</u>
Due at Delivery	<u>\$</u>	<u>533,708</u>

**NOTE: IF CUSTOMER WILL NOT BE PAYING WITH CONTRACT,
PLEASE NOTIFY ME, AS THIS QUOTE WILL HAVE TO BE
RECALCULATED.**

OUTPUT AREA:

**Pierce Manufacturing Inc.
Prepayment Discount Calculation**

TO: 800.678.0602
Mike H
Firematic
FROM: Laura (Kober) Luebke
DATE: 12/3/2012
CUSTOMER: Danbury

QUOTATION:

Contract	\$	1,117,489
Interest Discount		(26,469)
Chassis Discount		(10,266)
Aerial Discount		(7,210)
Other		-
Due With Contract	<u>\$</u>	<u>1,073,544</u>

**NOTE: IF CUSTOMER WILL NOT BE PAYING WITH CONTRACT,
PLEASE NOTIFY ME, AS THIS QUOTE WILL HAVE TO BE
RECALCULATED.**

1-4

OUTPUT AREA:

Pierce Manufacturing Inc.
Prepayment Discount Calculation

TO: 800.678.0602
Mike H
Firematic
FROM: Laura (Kober) Luebke
DATE: 12/3/2012
CUSTOMER: Danbury

QUOTATION: 75% Prepay

Contract	\$	1,117,489
Interest Discount		(17,768)
Chassis Discount		(10,266)
Aerial Discount		(7,210)
Other		-
	\$	<u>1,082,245</u>
Due With Contract	\$	<u>(838,117)</u>
Due at Delivery	\$	<u>244,128</u>

**NOTE: IF CUSTOMER WILL NOT BE PAYING WITH CONTRACT,
PLEASE NOTIFY ME, AS THIS QUOTE WILL HAVE TO BE
RECALCULATED.**

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1 Brook Street ♦ Rocky Hill, CT 06067-3401

TEL (860) 571-7370
FAX (860) 571-7377
TOLL FREE (800) 645-1744

December 4, 2012

City of Danbury FD
19 New Street
Danbury, CT. 06810

Attn. Appratus Superintendent
Joe Cavo

Re: Pricing Comparisons of other locally bid Pierce Mid Ship Platform's

Joe:

In the past, Chick requested that Pierce supply him with a listing of other similarly equipped trucks that have been recently bid. To follow is a listing of four (4) trucks that were bid and are similar in specs and detail to yours.

<u>Department</u>	<u>Product</u>	<u>Del. Date</u>	<u>Price</u>
1. Bridgeport FD Contact: App Supt Tom Hanco 203 - 576 - 7682	Arrow XT 95' Platform	Sept 2012	\$1,174,000
2. Goshen NY FD Contact: Chief Steve O'Sullivan 845 - 656 - 4557	Velocity 95' Platform	June 2013	\$1,125,083
3. Kensington FD Contact: Chief Mark Lewandowsky 860-982-1072	Quantum 95' Platform	Jan. 2013	\$1,254,000
4. West Islip NY FD Contact : District Mechanic Lennie Marano 917 - 416 - 2000	Velocity 95' Platform	Feb. 2012	\$1,100,000

Sincerely,

Michael Hanratty
VP Sales & Service





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CITY OF DANBURY

155 DEER HILL AVENUE
DANBURY, CONNECTICUT 06810

FRANK L. GENTILE
(203) 797-4561 PHONE
Manager of Information Technology
www.danbury.ct.gov

(203) 797-4628 FAX
f.gentile@danbury.ct.gov

To: David St. Hilaire - Director of Finance
DATE: 6/25/2013

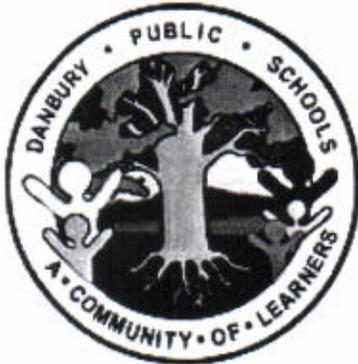
Subject: Multi-Function Copier Lease

After a detailed selection process that carefully evaluated top regional and national vendors the selection committee for the Multi-Function Copier Hardware RFP has selected A&A Office Systems as the finalist vendor. We would like A&A to provide the City, on CT state contract, with new Multi-Function Copier Hardware to replace existing end of life systems. The committee made this decision based on the following factors:

- **Low Price:** A&A will provide 55 units sized specifically to city department needs on a 60 month lease to own for a total estimated cost of \$405,571 (\$6,759.51 per month). This is a replacement of current hardware and approximately \$30,000 (\$500 per month) cheaper than renewing with our current copier vendor for another 5 year lease.
- **Synergy with Danbury Public Schools:** We have successfully leveraged the school district's relationship with A&A to help lower the overall price of their services.
- **Merits of the Hardware Solution:** A&A is providing Savin hardware which is made by Ricoh a top tier Copier Multi-Function solution manufacturer.
- **Customer References:** A&A has positive customer references for reliability of service.

Based on the above I would like to recommend awarding A&A Office Systems Inc. the contract to provide Multi-Function Copier Hardware for the city.

Please see the attached "City of Danbury Fleet Upgrade Summary Outline" provided by A&A.



DANBURY PUBLIC SCHOOLS

Administrative Center

63 Beaver Brook Road

Danbury, Connecticut 06810-6211

July 2, 2013
To: City Council
From: Joseph Martino, Director of Finance
Re: Technology Financing

Included in the 2013-14 proposed budget is financing for the initial phase of the Technology Replacement Cycle. This ladder leasing matrix was presented during the budget process and will provide financing for Danbury Public Schools to begin a 5-year replacement cycle for Technology. The total financing will be for \$750,000 over the span of 5 years with a \$150,000 yearly payment. We are in contact with several lenders and based upon that initial information our interest rate is estimated at 1.5%.

These purchases will target our middle school environment and provide a complete replacement of all student computer labs, teacher laptops, and assign each cluster of students in the middle school their own laptop cart. This will not only allocate new technology to the middle schools, but will also meet the technology requirements for the Smarter Balanced Assessments Consortium (SBAC) testing coming in the 2014-15 school year. We are in the process of finalizing pricing with our vendors and financing contacts. All of this information must be submitted to the City Council for approval because it is a capital financing plan.

Listed below is break down of the financing and items.

Technology Items	QTY	Individual Cost	Totals
13" Macbook Air + apple care	208	\$1,103	\$ 229,424
Apple iMac	120	\$1,274	\$ 152,880
Chromebook	580	\$500	\$ 290,000
Citrix - T10 + Monitor	60	\$360	\$ 21,600
Ergotron Tablet Charging Cart	21	\$1,500	\$ 31,500
Interest on Note @ 1.5%			\$ 24,590
Totals	968		\$ 749,994

All pricing listed approve is using current listed bid pricing. Request for quotes will be completed after both the board of education and City Council approves have been completed. If you have any questions please feel free to contact me.

Joseph Martino
Director of Finance
Danbury Public Schools
63 Beaver Brook Road
Danbury, CT 06810
(203) 797-4703



A&A Office Systems, Inc
909 Middle Street
Middletown, CT 06457
Phone (860)-635-5053
www.aaoofficeonline.com

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May 9, 2013

Frank Gentile & Chick Volpe

City of Danbury

155 Deer Hill Avenue

Danbury, CT 06810

Frank & Chick,

In order to simplify the details that are listed in the Lease Documents that require a formal signature in order to expedite the Copier Fleet Upgrade Project, I have attached a summary of the details for the equipment configurations of the Savin Copier/Printer/Scanner replacement models that will be installed. In addition, I have listed the Software Solutions and Hardware Accessories that are included to accommodate Follow Me Printing and ID Card Access to 50 of your Copiers. Last but, not least I have added in reference to what is included with the Maintenance Agreement (i.e. Staples) and the two Coin Op Accessories to facilitate Public use.

If you have any questions or wish to expedite installation, please feel free to contact me at 860-833-8182 cell.

I/we look forward to receiving the signed Lease and Maintenance Agreement, so we can expedite getting the equipment ordered and set up a.s.a.p. to stay on track with our discussed goal of getting your offices up and running with new equipment and trained before the end of next month.

Sincerely,

Jay Nkonoki



A&A Office Systems, Inc
909 Middle Street
Middletown, CT 06457
Phone (860)-635-5053
www.aaoofficeonline.com

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Savin Copier/Printer/Scanner Fleet Summary

Savin C5502 Color Copier/Scanner/Printer Quantity = 3 60 Month= \$131.68/Month ea.

Savin C5502 Color Copier/Printer/Scanner
SR3090 Finisher (50 Sheet Staple)
BU3060 Bridge Unit
PB3130 Paper Drawers (Add'l 2 x 550 Sheets)
Fax Board Type C5502

Savin C4502 Color Copier/Scanner/Printer Quantity = 11 60 Month= \$107.95/Month ea.

Savin C4502 Color Copier/Printer/Scanner
SR3090 Finisher (50 Sheet Staple)
BU3060 Bridge Unit
PB3130 Paper Drawers (Add'l 2 x 550 Sheets)
Fax Board Type C5502

Savin C230R Copier/Scanner/Printer Quantity=20 60 Month= \$69.75//Month ea.

Savin C230R Copier/Scanner/Printer
FAC 49 Cabinet

Savin MP9002SP Copier/Scanner/Printer Quantity= 1 60 Month= \$247.60/Month ea.

Savin MP9002SP Copier/Scanner/Printer
SR4060 Finisher

Savin MP6002SP Copier/Scanner/Printer Quantity= 3 60 Month= \$187.31/Month ea.

Savin MP6002SP Copier/Scanner/Printer
SR4060 Finisher
Fax Board Type 9002



A&A Office Systems, Inc
909 Middle Street
Middletown, CT 06457
Phone (860)-635-5053
www.aaoofficeonline.com

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Savin Copier/Printer/Scanner Fleet Summary

(Continued)

Savin MP4002SP Copier/Scanner/Printer Quantity=4 60 Month= \$ 80.53/Month ea.

Savin MP4002SP Copier/Scanner/Printer
SR3090 Finisher
BU3060 Bridge Unit
PB3130 Paper Drawers (Add'l 2 x 550 Sheets)
Fax Board Type 5002

Savin 9025B Copier/Scanner/Printer Quantity=7 60 Month= \$ 65.00/Month ea.

Savin 9025B Copier/Scanner/Printer
SR3050 Finisher
BU3020 Bridge Unit
FAC56 Cabinet
Jamex 6557 Coin Ops for (2) Units

Savin SP3500SF Copier/Scanner/Printer Quantity=6 60 Month= \$ 6.65/Month ea.

Savin SP3500SF Copier/Scanner/Printer
FAC 19 Cabinet

Additional Software Solutions/Accessories:

\$741.57/Month.

Card Authentication Package Enterprise Server
Card Authentication Device Licenses for up to 50 Devices
RF ID Card Readers for up to 50 Devices
ELP- NX Flex Release Server Device License for up to 50 Devices
Enhanced Lock Print Next Gen for up to 50 Devices

Laserfiche Scanning Solution-billed separately

Please See Attached



A&A Office Systems, Inc
909 Middle Street
Middletown, CT 06457
Phone (860)-635-5053
www.aaoofficeonline.com

1-12.

Savin Copier/Printer/Scanner Fleet Summary

(Continued)

Total Fleet Price – (55 Units) \$6,759.51/Month*

*Above total Includes 100,000 Black & White Copies per Month and 10,000 Color Copies per Month billed separately Monthly at \$1,374.00 or Quarterly at \$4,122.00 as a Fleet Maintenance Agreement.

Note-Reference State Contract #12PSX0026

Trade in/State Discount	Included
Network Installation Support	Included
Delivery, Training & Installation Charge	No Charge

CPC Maintenance Agreement

Includes All Parts, Labor, Supplies & Staples, excludes paper
Overage B&W Copies will be billed Quarterly at .004/B&W Copy
Color Copies will be billed Quarterly at \$.045/Color Copy



RESOLUTION

CITY OF DANBURY, STATE OF CONNECTICUT

_____ A.D. 2013

RESOLVED BY THE CITY COUNCIL OF THE CITY OF DANBURY

WHEREAS, the Department of Finance is seeking to enter into long term capital lease/purchase financing to acquire as follows: (1). a Pierce Aerial Ladder Truck for the Danbury Fire Department for approximately \$1.2M; (2). Board of Education computer replacements for approximately \$750K; (3). multi-functional copiers for City Department purposes for approximately \$410K; and

WHEREAS, said lease/purchase program is expected to involve a financed principal expenditure estimated at Two Million Three Hundred Sixty Thousand (\$2,360,000.00) dollars and is anticipated to be necessary for the institution and adoption thereof; and

WHEREAS, funding for said lease/purchases will be sourced from one or more anticipated lease/purchase arrangements with qualified financing vendor(s) at low market rates; such vendor(s) being selected pursuant to a Request for Proposal from qualified financing institutions/lenders through the City Board of Awards process; and

WHEREAS, these capital projects are necessary and important for the functions of School and City government business; and

WHEREAS, it is necessary and preferable that formal bidding requirements be waived for the acquisition of the Pierce brand Aerial Ladder truck, due to the specialized nature of the vehicle; and

WHEREAS, any vendor or vendors selected to assist in the project shall be procured through Code and Charter specified qualification and RFP procedures.

NOW, THEREFORE, BE IT RESOLVED THAT the Department of Finance, be and hereby is authorized to secure the services of one or more qualified and vetted financing institutions or lenders and waive bidding for the Pierce Aerial Ladder truck, but following such other project procurement requirements for the other acquisitions as may be prudent and consistent with City ordinances and Charter and to ensure funding as necessary through the engagement of said financing institution(s) by contract for lease/purchase of the Ladder Truck, the BOE computer replacements and the City Hall copier system.

AND BE IT FURTHER RESOLVED THAT such costs of the project within sixty (60) days prior hereof may be reimbursed from such lease/purchase financing as may be secured by the Department of Finance.