

ALPENA COUNTY I.T. DEPARTMENT

I.T. Director: Steve Mousseau
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Alpena, MI 49707
989-354-9585



DATE: March 17, 2020
TO: Finance Committee
FROM: Steve Mousseau, I.T. Director
SUBJECT: Backup system replacement

I recommend the board approve the purchase of a Cohesity backup system at a cost of \$170,021.06 from Presidio. A request for bids was reviewed on March 13, 2020 but no competing bids were received:

The original bid did not meet specifications and after adjustments to meet specifications, the final bid was for \$149,954.43. This price includes the cost of the backup system and 3 years of maintenance. Ongoing maintenance after year 3 would be approximately \$37,000 per year. The purchase of the system would be leased with options with various payment options as indicated on the attached Presidio Technology capital sheet. My recommendation is to lease the equipment for 60 months with a buyout at the end of the lease not to exceed \$8,675. This type of equipment generally has a useful life of 5 years. At the end of 5 years we have the option to purchase it and continue use if it is fully operational, or to return it and upgrade to a new system under the same lease. Payments for 2020 would be for 9 months at \$2673 per month for a total of \$24,057, with the expenses in the equipment fund to be increased by this amount in line item 402-234-980.251.

Thank you,

Steve Mousseau



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PRESIDIO

March 17, 2020

Presidio Technology Capital is pleased to provide the following Technology Rental proposal:

Customer: **Alpena County**
Solution Provider: **Presidio Networked Solutions**
Equipment: **Cohesity Storage Platform with Data Protection.**
Total Sale Price: **\$149,954.43**

Payment Option: 36 Month Presidio Transition Lease: \$4199/month. Fmv not to exceed: \$10800.00
 48 Month Presidio Transition Lease: \$3270/month. Fmv not to exceed: \$ 9510.00
 60 Month Presidio Transition Lease: \$2673/month. Fmv not to exceed: \$ 8675.00

Lease anticipation start date: 5/1/20
Applicable taxes are not included until time of billing.

End of Term: At the end of the initial term, the lessee will have the option to purchase leased product for fair market value not to exceed the pricing that is defined, return the equipment, upgrade the equipment, or extend for a mutually agreed upon monthly payment and term.

Payment Options: 36 Month Presidio Capital Lease: \$4472/month. \$1.00 purchase option
 48 Month Presidio Capital Lease: \$3445/month. \$1.00 purchase option
 60 Month Presidio Capital Lease: \$2828/month \$1.00 purchase option

Conditions: This proposal is valid until March 31st, 2020 and is subject to final credit review and documentation. This proposal is based on assumptions regarding the Equipment configuration and sale and is subject to change if the configuration, software, services, rates or Sales Price changes.

*** Other Options Available: Deferred Payments, Step Payments, Seasonal Payments, etc. ***

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