

**Augusta Schools
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12 Gedney St
Augusta, Maine 04330
Five-Year Basis beginning with the 2013/2014 Fiscal Year**

Copies-per-Year: 6,983,891

Present vs. Proposed Recommendations as of 4/1/13

PRESENT SITUATION

- 1) Guarantees on Photocopiers...**1.5 Years**
- 2) Annual Price Ceilings Left... **1.5 Years**
- 3) High Volume Console Units...**22**
- 4) Units to be Traded...**66**
- 5) Photocopiers...**50**

Computer Interfaced...**43**

- 6) Low End Network Printers....**70 with 14 Color**
- 7) Color Photocopiers Networked ...**8**

Total number of Units...**120**

- 8) Duplex's...**56**
- 9) Sorter's...**120**
- 10) Finisher's...**44**

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...**25**
- 4) Replaced **68 New**
- 5) Photocopiers...**45**

Computer Interfaced...**45** with Print &-Or Color Scan with Secure Print

- 6) Low End Network Printers...**54 with 10 Color**
- 7) Low Cost Color Photocopiers Networked...**11**

Total number of Units...**99 CO 21 Due to combining features & Low Volume**

- 8) Duplex's... **90**
- 9) Sorter's... **99**
- 10) Finisher's... **43**

Overall Description of Equipment Fleet:

Presently, you have **Eight** Different Manufacturers with multiple models. In addition, you have **Three** different vendors servicing your district. This requires multiple drivers and supplies. With the new proposal, you will have cut back to **Two** vendor (A-Copi & Konica Minolta) & just **Four** Manufactures.

Capital:

Presently, you have **one** municipal lease at **3.93%** that will be paid off. With the new arrangement, you will again have **one** 'municipal' master lease at **2.68%** interest. You will make your budgeted lease payment of \$49,486.76 as planned for 8/1/2013. Your first of five annual lease payments will be due on August 1st 2014. 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 **\$0.007488 for black and \$0.0905 for Color**. The new contract will come in at a CPC of **\$0.003876 for Black and \$0.05155 for Color**.

Vendor Packages:

SPC has brought to you **Seven** 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 **A-Copi (Toshiba) & KMBS (Konica Minolta) Best Combination & Low Bid**.

<u>Cost Center</u>	<u>Present</u>	<u>Proposed</u>
1. Service & Supplies Color Photo only	\$6,564.10	\$5,382.57
2. Service & Supplies Black Photo only	\$32,302.78	\$26,663.50
3. 5 Year Annual Muni Lease	\$49,486.76	\$50,856.92 > 1'st payment due 8/1/2014
4. Forced Upgrade	\$28,250.00	\$00.00
Totals	\$116,603.64	\$82,901.99
Annual Cost Savings		\$33,700.64
Five Year Cost Savings		\$168,503.20

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 once a year in June-July. Your service contract will be fixed through **June 30th 2014**. 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 and adding overwrite software has been included in the package.