

**MSAD 37**  
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**Five-Year Basis beginning with the 2009/2010 Fiscal Year**

**Copies-per-Year: 1,890,070**

**Present vs. Proposed Recommendations as of 6/1/09**

**PRESENT SITUATION**

- 1) Guarantees on Photocopiers...**None**
- 2) Annual Price Ceilings Left...**None**
- 3) High Volume Console Units...**One**
- 4) Units to be Traded...**Seventeen**
- 5) Photocopiers...**Sixteen**
- É Computer Interfaced...**One**
- 6) Network Printers....**None**
- 7) Color Network Printer ...**One**
- 8) High Speed Duplicator(s)...**None**
- É Total number of Units...**Seventeen**
- 9) Duplexø...**Seventeen**
- 10) Sorterø...**Seventeen**
- 11) Finisherø...**Sixteen**

**PROPOSED SITUATION**

- 1) Guarantees for both New, Recons & Used Photoø...**Five+ Years**
- 2) 5% or CPI Annual Ceilings, whichever is less...**Five+ Years**
- 3) High Volume Console Units with 3 Million plus...**None**
- 4) Replaced by **Fifteen** New Units & **Four** Recon Units
- 5) Photocopiers...**Eighteen**
  - . Computer Interfaced ...**Fourteen** with Print &-Or Scan
- 6) Low Operational Cost Network Printers...**One**
- 7) Low Cost Color Photocopiers Networked...**Four**
- 8) High Speed Duplicator (s)...**None**
  - . Total number of Units...**Nineteen**
- 9) Duplexø...**Twenty-One**
- 10) Sorterø...**Twenty-One**
- 11) Finisherø >> Staple-Sorter &Or 3-Hole Punch...**Seventeen**

**Overall Description of Equipment Fleet:**

Presently, you **Seventeen** machines that would be traded out ... for **Fifteen** New and **Four** Recon units... all with Five Year warranties. (If you choose to close a school or schools, SPC will buy back the Recon units for what you are paying for them...\$1,050.00 per unit. This offer terminates after two years.)

**Capital:**

Presently, you have **one** municipal lease that will be paid off. This will prevent an overlapping effect which causes major fluctuations from year to year. With the new arrangement, you will again have **one** municipalømaster lease at **3.90%** interest. Your first of five annual lease payment will be due on August 1'st 2009. A legal opinion from SPCø 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 **\$0.010931**. Based on SPCø bidding process your CPC would now be at **\$0.004009** per print for black only. Color Cost per print is at **\$0.05105**.

**Vendor Packages:**

SPC has brought to you **Five** 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 **Ikon (Ricoh) & Xerox**

<u>Cost Center</u>	<u>Present</u>	<u>Proposed</u>
1. Service & Supplies Photocopiers only	\$12,099.33	\$6,512.14
2. In House Printing	\$4,994.43	\$670.68
3. Annual Muni Lease	\$18,384.76	\$22,137.73
Totals	\$35,478.52	29,320.55
Annual Cost Savings		\$6,157.97
Five Year Cost Savings		\$30,789.85

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 Copyøbilling plan done once a year in June-July. Your service contract will be fixed through **June 30th 2010**. 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.