



Specialized Purchasing Consultants

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Gorham, NH 03581

(800) 750-1538

www.spccopypro.com

2013-14 Annual Report

Year - End Photocopier Analysis

With projected costs for 2014-15

Larry Mead
Old Orchard Beach, Town of
One Portland Avenue
Old Orchard Beach, ME 04064



Specialized Purchasing Consultants Corp.
Serving Maine & New Hampshire since 1988

October 2014

Skip Tilton
President

Corporate Office:
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Larry Mead
Old Orchard Beach, Town of
One Portland Avenue
Old Orchard Beach, ME 04064

Dear Larry:

VISIT US ON THE WEB:
www.spccopypro.com

Our staff at SPC would like to extend their gratitude for allowing us to provide beneficial services to you and your organization for the past *10 years*. Over the last two years, SPC has made major improvements to your services without increasing our cost to you. We hope you have experienced and enjoyed the benefits.

Since our inception in 1988, we have always strived to maximize your savings while improving productivity and reliability. As a major part of our services, **SPC STAR Doc.** * which was designed to predict both your year-end cost as well as set up your next year's budget as soon as January 1st, is fully functional. New features include...

- Mapped devices show a before and after Upgrade floor plan
- Devices not reporting are now factored into your budget so that you have a more accurate forecast
- Non-contracted devices are now flagged with potential cost savings

*Feel free to ask for a more detailed explanation

New to this year's Annual Report is a section for warranty replacements and equipment complaints that have taken place during the previous year. This will flag problem locations that may or may not need to be eventually upgraded. As always, the overview of your equipment usage and status for the past fiscal year is included. Recommendations are provided to address potential problem areas to avoid needless down time and improve equipment reliability for years to come.

Thank you again for allowing SPC the opportunity to be of service. We look forward to our personal presentation of this year's annual report.

Sincerely,

Skip Tilton
President

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The SPC Team...

would like to personally thank you for your continued trust and confidence!



Skip Tilton, President

Billie Jo Tilton, Vice President

As co-founders of SPC, Billie Jo and I are very proud of our team of professionals. The concept of group purchasing to save millions has grown since 1988 into providing over 16 different managerial services that increase reliability and extend the life of your equipment. However, none of this would have been possible without the loyalty of over 87 clients (3,800+ machines with 1.6 billion prints over five years). Together, we have realized the lowest prices possible while improving the quality of your service and equipment.



Sue Penney

Administration & Finance Manager

SPC is committed to providing cost-effective and reliable reprographics platforms to our community of clients. My 20+ years of experience in corporate management will be key in strengthening the relationships between SPC's clients and vendors. I

will be focused on responding to your inquiries with the goal of solving any issues that may arise in a timely and efficient manner. Providing quality customer service is my top priority.

Glen Fortier

Auditor, Electronic Specialist & Equipment Implementation

With 24 years of experience in the electrical field, I look forward to continually meeting and helping all of you with your reprographic needs. It is my sincere commitment to ensure all machine changes are as smooth as possible.



Rachel Guay

Accounting Coordinator

I am responsible for the majority of the accounting communications between SPC and its vendors and clients. I will rely upon my years of experience and my strong attention to detail to ensure our clients' needs are

well served. It is my goal to work accurately and efficiently and to uphold the high standards of customer satisfaction that SPC has provided to their customers. I look forward to establishing a strong working relationship with each and every one of you.



Pam Weed

Client-Vendor Relations

SPC's clients are my Number One priority. When you have a question, concern, need, or problem related to equipment, service or billing, I am available to assist you in getting it resolved promptly. I am pleased to be able to act as liaison between our

clients and vendors to ensure smooth transitions or quick resolutions.

The SPC Team Continued....



Charles Baca

Operational Support

I feel privileged to join SPC and honored that I am able to work with such an amazing team. I'm here to help make sure that the SPC headquarters runs as smoothly as possible. That includes technical issues and networking matters. I also make sure that all of our clients' data are up to date and as accurate as possible. I love working at SPC because it's a challenging work environment committed to their clients.

Alex Webster

Director of Customer Relations

It is a great pleasure for me to join the SPC team. One of my responsibilities involves creating detailed maps of your copiers and printers and will be assisting the team in monitoring all of your equipment. My background as a Network Technician and my experience in Customer Service will allow me to give our clients the level of service that they have come to expect from SPC. It is my personal goal to aid in fulfilling each and every promise made to our valued clients.



Robert B. Dutil

Director of Information Technology

I have been working with SPC since February 2000. SPC's honesty, work ethics and loyalty have made my experience with the company a pleasurable journey. SPC is constantly trying to improve their technology to better serve their clients. My goal has been to give our clients and associates the best tools available to allow them to be more productive. By doing this, our clientele has the ability to monitor their assets and keep their costs down. I am excited about what the future holds for SPC and our clients.

Joel Heffernan

Field Representative – Client Relations

As Field Representative for SPC, I reach out to the customer to offer help as needed in and during the installation of equipment change over and in assisting in each event. Also, I bring to this company over forty years in the Copier/Printer industry. It is my goal to assure our clients a pleasant experience in using SPC's services.



Equipment Health Status

Total Number of Machines:	23
Total Black Photocopiers	4
Total Color Photocopiers (including MFP)	6
Total Black Network Printers	12
Total Color Network Printers	1
Total Removed from Service:	0
# of Units OFF Warranty: Printers	2
# of Units Approaching End of Warranty: Printers	6
# of Units Overused:	0
# of Units Underused:	0
# of Units Connected to Network with Print and/or Scan	23
Commencement Date:	2/1/2013
# of Annual Payments Left on Lease	3
All Warranties and Service Contracts Expire:	6/30/2018
SPC's FM Audit Print Management Software Loaded	Yes
Printer Contract Signed	Yes

NOTE: When a machine goes off warranty, it does not mean that the service contract expires. It simply means that if a replacement machine becomes necessary, it may not be at "no charge."

Dear Larry

It's been 11 years since we have done business and it has been a pleasure working with you. Also, we have developed powerful new management tools such as STARDoc that can dramatically control future printing and thus control cost. Without additional expense to the district, we have initiated STARDoc but it would be good to map all of your devices and set up your live floor plans.

As your equipment ages, there is bound to be more reliability concerns. It should be our goal to stay ahead of that reliability curve. Also noteworthy is that all of your warranties and service contracts are scheduled to end on June 30 of 2017. I am confident that not only can we improve the quality of your equipment but also the reliability. It will be our goal to reduce your current budget at the same time.

I would begin the process by surveying and writing a new five year plan as early as January of 2017.

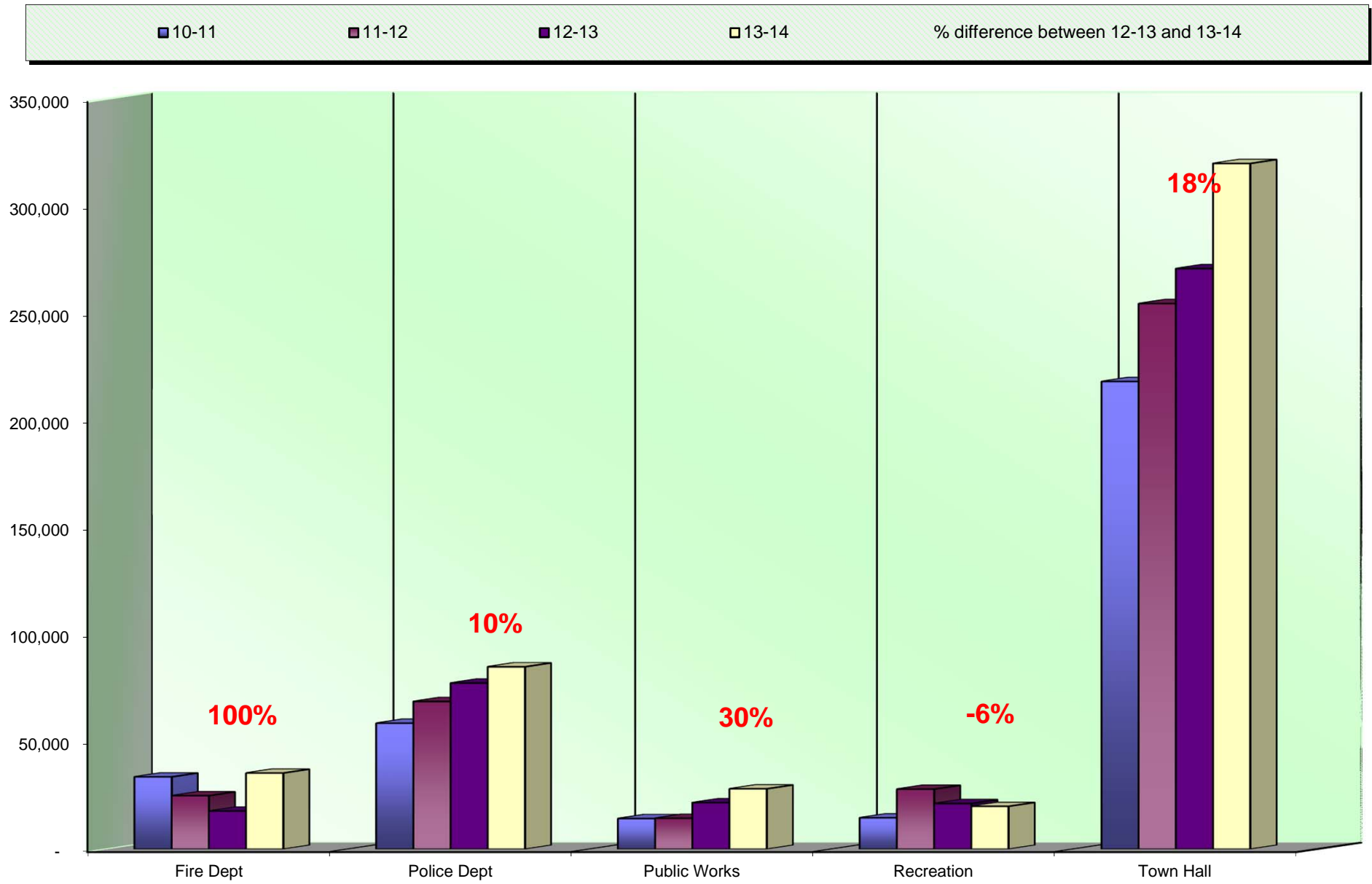
Skip

Aging Equipment Summary

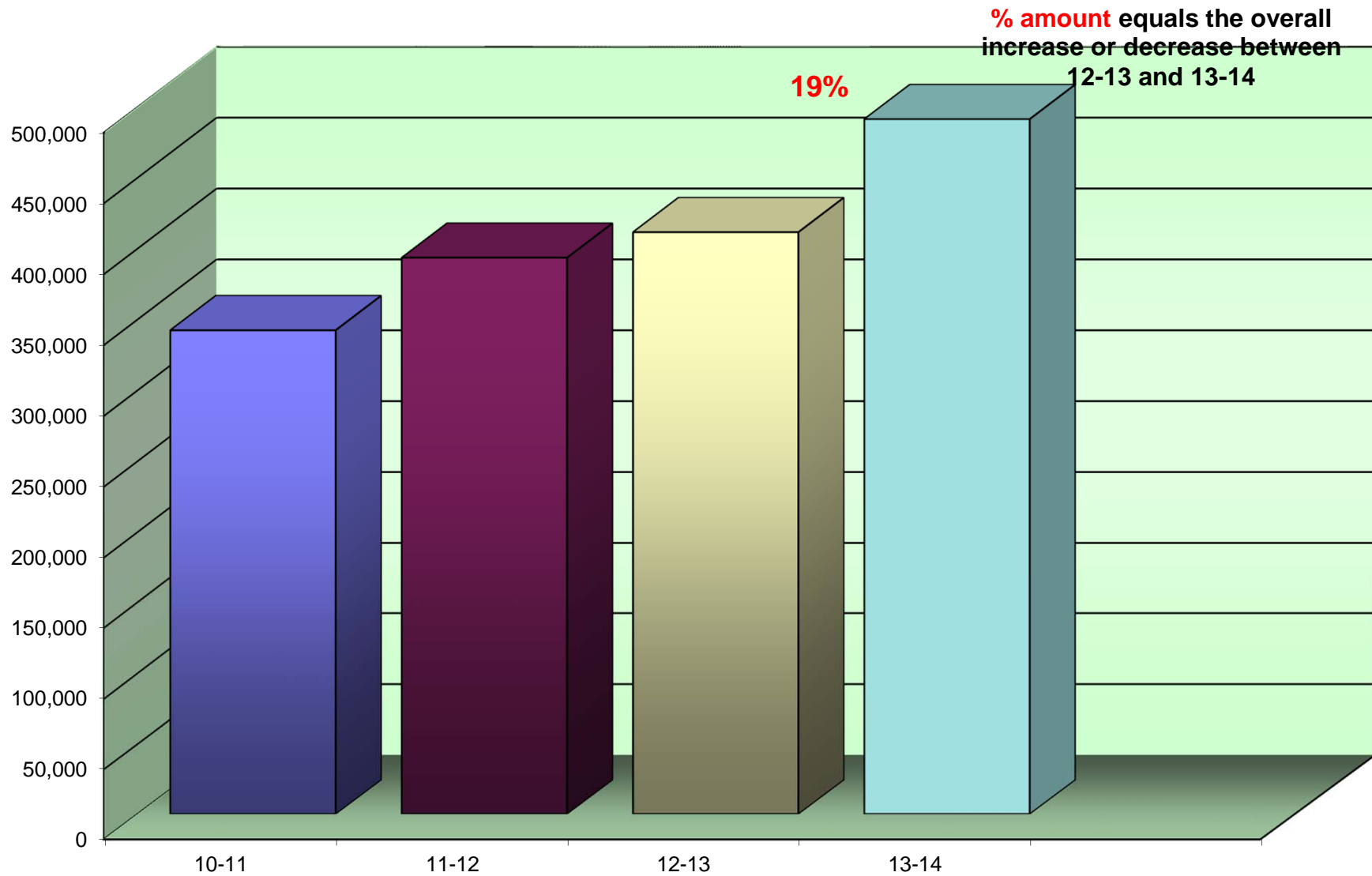
The following equipment is seven or more years from the date they were first offered for sale by the manufacturer. This is a major factor because availability of parts, cost of operation and warranties all become diminished at 10 years from the Date of Introduction. Usage, age, and service history need to be considered to see if they are due for replacement soon.

Building	Department	Make / Model	Serial Number	Vendor Name	Intro Date
Town Hall	Finance PR/AP Printer	HP LaserJet 5200	CNGXC29078	Budget	04/2006
Town Hall	General Assistance	HP LaserJet P3005	CND1S62887	Budget	10/2006
Town Hall	Planning/Code	HP LaserJet 4250	JPGGL10031	Budget	10/2004
Town Hall	Tax Office	HP LaserJet P3005	CNJ1N14651	Budget	10/2006
Town Hall	Tax Office Registrar 1	HP Laserjet P1505N	VND3C61151	Budget	11/2007
Town Hall	Tax Office Registrar 2	HP Laserjet P1505N	VND3C61152	Budget	11/2007
Town Hall	Town Clerk	HP LaserJet P3005	CNJ1N25149	Budget	10/2006
Town Hall	Town Clerk	HP LaserJet 4350	CNGXG30079	Budget	10/2004

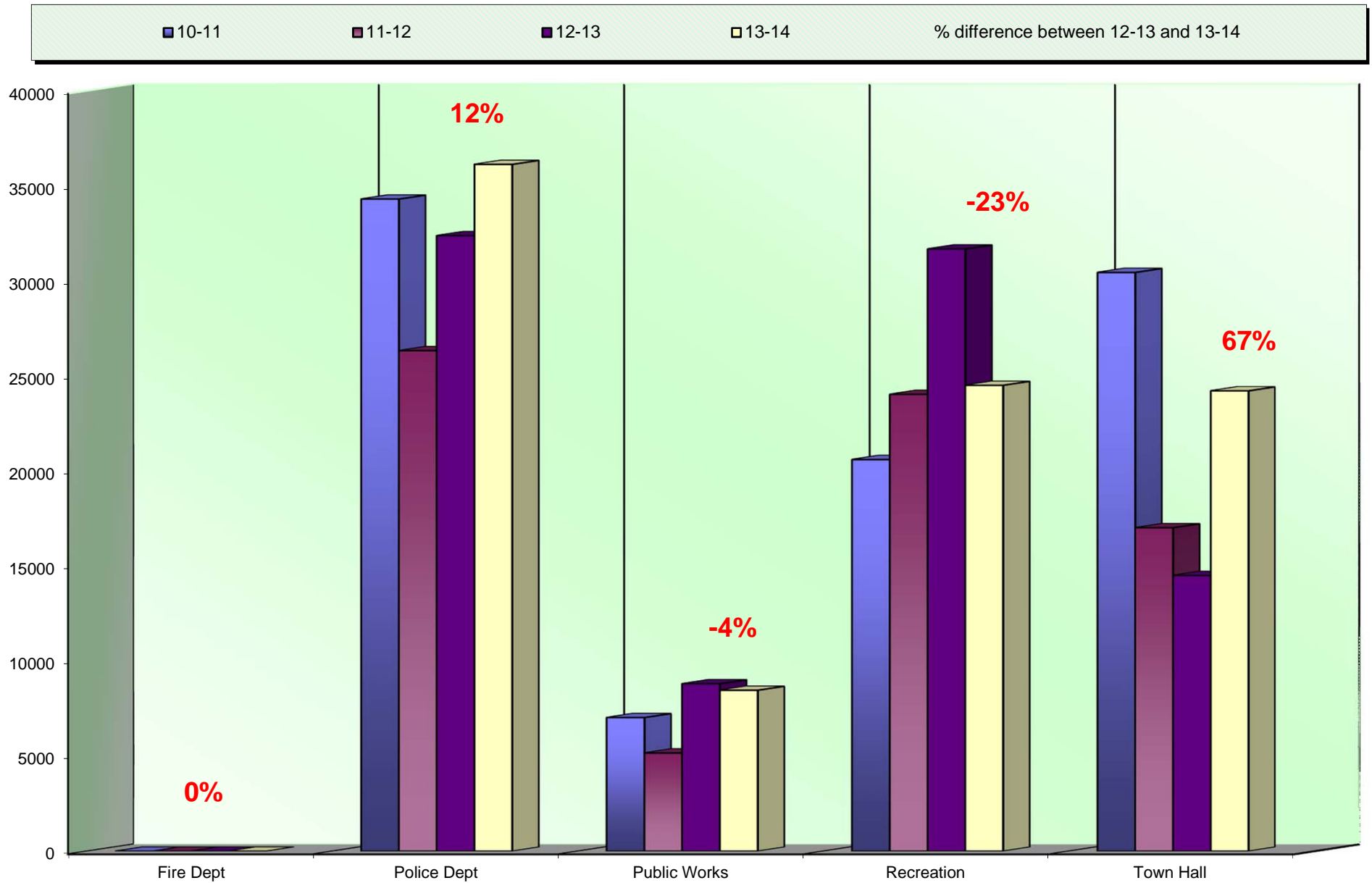
ANNUAL BLACK VOLUME BY DEPARTMENT



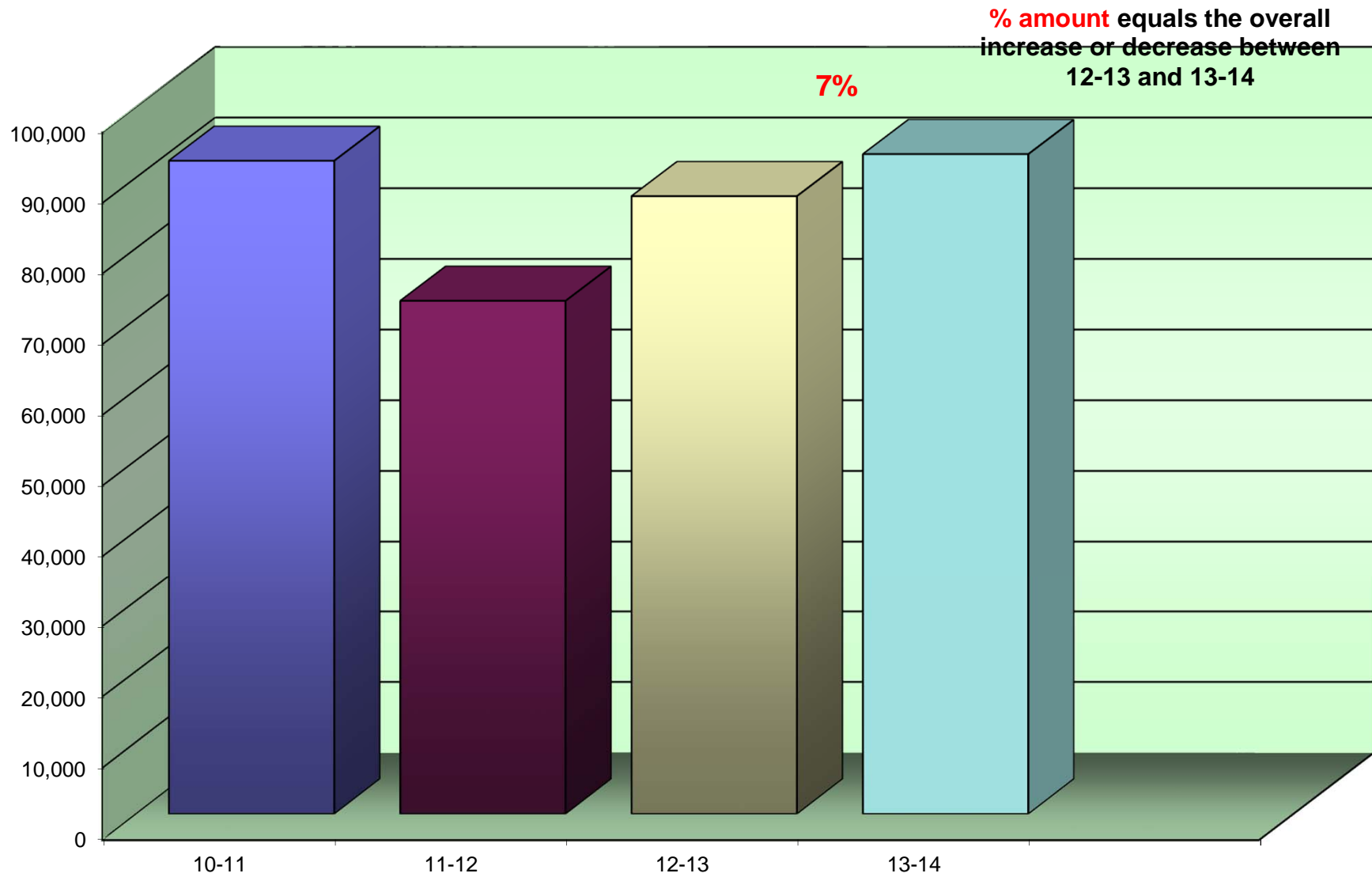
ANNUAL BLACK VOLUME OVERALL



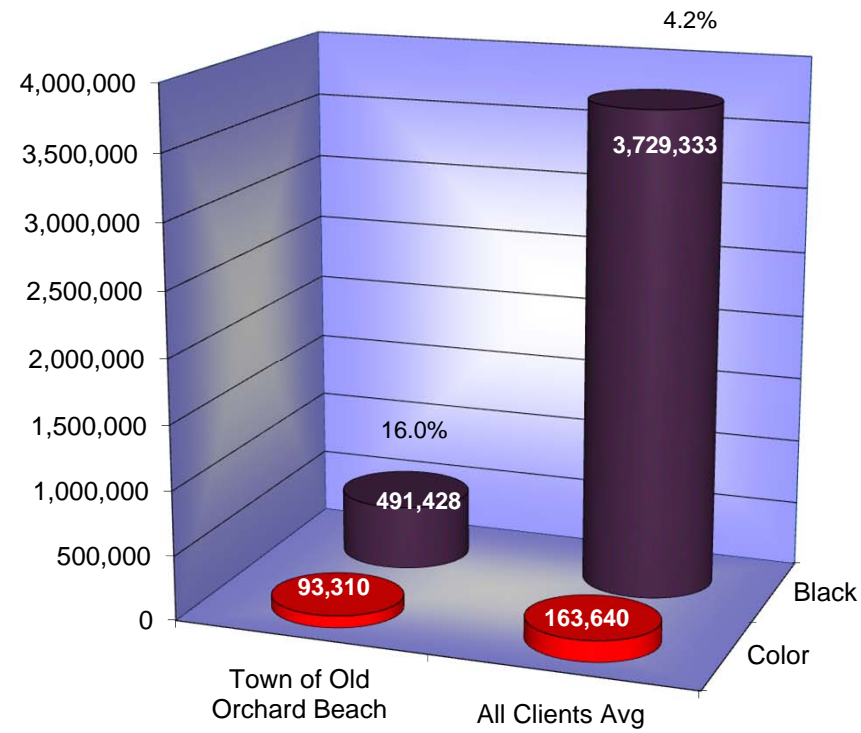
ANNUAL COLOR VOLUME BY DEPARTMENT



ANNUAL COLOR VOLUME OVERALL



Color to Total Volume Percentage



Usage Profile for Service Supplies

The usage analysis shown here provides an overview of the usage of each piece of equipment currently under contract and monitored by SPC. Projected Volume comparison is based on projected volume figured on your most recent Five-Year Equipment Replacement Schedule.

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor					Date of Last Upgrade: 2/1/2013	
	7/1/2013 Meter	6/30/2014 Meter	2013-14 Annual Volume	Cost/Copy Annual Cost	Recommendations	
Fire Department						
EMS						
HP Laserjet P3015 / 15 PPM	24,521	26,053	1,532	\$0.012000	None at this time.	
JPBCC5L000 / 19578				\$18.38		
200,000 / 07/2008	0	0	0	\$0.00000		
Black Network Printer				\$0.00		
Connected /						
Budget						
Main Office						
Konica Minolta BH421 / 45 PPM	593,703	628,378	34,675	\$0.004400	None at this time.	
A0R6011010291 / 15185				\$152.57		
1,000,000 / 06/2008	0	0	0	\$0.00000		
Black Photocopier				\$0.00		
Connected / 6/1/2018						
Budget						

<i>Make-Model / Speed</i> <i>Serial Number / Vendor ID</i> <i>Life / Intro Date</i> <i>Connectivity / Printer Exp Date</i> <i>Vendor</i>					<i>Date of Last Upgrade: 2/1/2013</i>	
	<i>7/1/2013</i> <i>Meter</i>	<i>6/30/2014</i> <i>Meter</i>	<i>2013-14</i> <i>Annual</i> <i>Volume</i>	<i>Cost/Copy</i> <i>Annual Cost</i>	<i>Recommendations</i>	
Fire Department						
<i>Terry Nagle's Office</i>						
HP LaserJet M1536dnf MFP / 26 PPM	8,925	8,977	52	\$0.012000	None at this time.	
CNB9B91C0M / 19577				\$0.62		
500,000 / 09/2010	0	0	0	\$0.00000		
Black Photocopier				\$0.00		
Connected /						
Budget						
<i>Subtotals BW</i>			36,259	\$171.58		
<i>Subtotals Color</i>			0	\$0.00		

Make-Model / Speed					Date of Last Upgrade: 2/1/2013
Serial Number / Vendor ID					
Life / Intro Date					
Connectivity / Printer Exp Date					
Vendor	7/1/2013 Meter	6/30/2014 Meter	2013-14 Annual Volume	Cost/Copy Annual Cost	Recommendations
Police Department					
Administration					
Konica Minolta BHC454 / 45 PPM	10,730	64,784	54,054	\$0.004500	None at this time.
A4FJ011006461 / 18774				\$243.24	
1,000,000 / 07/2012	2,799	22,951	20,152	\$0.04440	
Color Photocopier				\$894.75	
Connected / 6/1/2018					
Budget					
Supervisor's Office					
Oce VL4522c / 45 PPM	70,184	102,069	31,885	\$0.004500	None at this time.
A0P2W11000739 / 18680				\$143.48	
1,000,000 / 10/2009	36,668	52,643	15,975	\$0.04440	
Color Photocopier				\$709.29	
Connected /					
Budget					
Subtotals BW			85,939	\$386.73	
Subtotals Color			36,127	\$1,604.04	

Date of Last Upgrade: 2/1/2013

Make-Model / Speed

Serial Number / Vendor ID

Life / Intro Date

Connectivity / Printer Exp Date

7/1/2013
Meter

6/30/2014
Meter

**2013-14
Annual
Volume**

Cost/Copy
Annual Cost

Recommendations

Public Works

Front Office

Konica Minolta BHC454 / 45 PPM

6,679

35,431

28,752

\$0.004500

None at this time.

A4FJ011006573 / 18776

\$129.38

1,000,000 / 07/2012

1,524

9,972

8,448

\$0.04440

Color Photocopier

\$375.09

Connected / 6/1/2018

Budget

Subtotals BW

28,752

\$129.38

Subtotals Color

8,448

\$375.09

Date of Last Upgrade: 2/1/2013

Make-Model / Speed

Serial Number / Vendor ID

Life / Intro Date

Connectivity / Printer Exp Date

Vendor

7/1/2013
Meter

6/30/2014
Meter

2013-14
Annual
Volume

Cost/Copy
Annual Cost

Recommendations

Recreation Department

Main Office

Konica Minolta BHC454 / 45 PPM

5,276

25,684

20,408

\$0.004500

None at this time.

A4FJ011006671 / 18772

\$91.84

1,000,000 / 07/2012

13,172

37,685

24,513

\$0.04440

Color Photocopier

\$1,088.38

Connected / 6/1/2018

Budget

Subtotals BW

20,408

\$91.84

Subtotals Color

24,513

\$1,088.38

<i>Make-Model / Speed</i> <i>Serial Number / Vendor ID</i> <i>Life / Intro Date</i> <i>Connectivity / Printer Exp Date</i> <i>Vendor</i>					<i>Date of Last Upgrade: 2/1/2013</i>	
	<i>7/1/2013</i>	<i>6/30/2014</i>	<i>2013-14</i>	<i>Cost/Copy</i>	<i>Recommendations</i>	
	<i>Meter</i>	<i>Meter</i>	<i>Annual</i>	<i>Annual Cost</i>		
			<i>Volume</i>			
Town Hall						
Assessor's Office						
HP LaserJet P2035 / 30 PPM	48,765	48,765	0	\$0.012000	None at this time.	
CNB9B12618 / 19575				\$0.00		
750,000 / 11/2008	0	0	0	\$0.00000		
Black Network Printer				\$0.00		
Connected /						
Budget						
Assessors/Planning						
Konica Minolta BHC454 / 45 PPM	14,013	83,423	69,410	\$0.004500	None at this time.	
A4FJ011007567 / 18771				\$312.35		
1,000,000 / 07/2012	963	4,894	3,931	\$0.04440		
Color Photocopier				\$174.54		
Connected / 6/1/2018						
Budget						
Finance Director						
HP LaserJet P2035n / 30 PPM	52,291	56,762	4,471	\$0.012000	None at this time.	
VNB3K00867 / 19606				\$53.65		
750,000 / 11/2008	0	0	0	\$0.00000		
Black Network Printer				\$0.00		
Connected /						
Budget						

Date of Last Upgrade: 2/1/2013					
Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2013 Meter	6/30/2014 Meter	2013-14 Annual Volume	Cost/Copy Annual Cost	Recommendations
Town Hall					
Finance PR/AP Printer					
HP LaserJet 5200 / 35 PPM	66,408	84,481	18,073	\$0.012000	8 years from Intro.
CNGXC29078 / 19600				\$216.88	
750,000 / 04/2006	0	0	0	\$0.00000	
Black Network Printer				\$0.00	
Connected /					
Budget					
General Assistance					
HP LaserJet P3005 / 35 PPM	48,998	49,539	541	\$0.012000	8 years from Intro.
CND1S62887 / 19576				\$6.49	
750,000 / 10/2006	0	0	0	\$0.00000	
Black Network Printer				\$0.00	
Connected /					
Budget					
Human Resources					
HP LaserJet P2035n / 30 PPM	25,913	28,646	2,733	\$0.012000	None at this time.
VNB3H22299 / 19608				\$32.80	
750,000 / 11/2008	0	0	0	\$0.00000	
Black Network Printer				\$0.00	
Connected /					
Budget					

<i>Make-Model / Speed</i> <i>Serial Number / Vendor ID</i> <i>Life / Intro Date</i> <i>Connectivity / Printer Exp Date</i> <i>Vendor</i>					<i>Date of Last Upgrade: 2/1/2013</i>	
	<i>7/1/2013</i>	<i>6/30/2014</i>	<i>2013-14</i>	<i>Cost/Copy</i>	<i>Recommendations</i>	
	<i>Meter</i>	<i>Meter</i>	<i>Annual</i>	<i>Annual Cost</i>		
			<i>Volume</i>			
Town Hall						
Planning/Code						
HP LaserJet 4250 / 45 PPM	293,523	300,025	6,502	\$0.012000	10 years from Intro.	
JPGGL10031 / 19605				\$78.02		
1,000,000 / 10/2004	0	0	0	\$0.00000		
Black Network Printer				\$0.00		
Connected /						
Budget						
Tax Office						
HP LaserJet P3005 / 35 PPM	61,485	68,177	6,692	\$0.012000	8 years from Intro.	
CNJ1N14651 / 19415				\$80.30		
750,000 / 10/2006	0	0	0	\$0.00000		
Black Network Printer				\$0.00		
Connected /						
Budget						
Konica Minolta BH552 / 55 PPM	7,942	47,943	40,001	\$0.004000	None at this time.	
A2WV011008427 / 18750				\$160.00		
3,000,000 / 02/2011	0	0	0	\$0.00000		
Black Photocopier				\$0.00		
Connected / 6/1/2018						
Budget						

<i>Make-Model / Speed</i> <i>Serial Number / Vendor ID</i> <i>Life / Intro Date</i> <i>Connectivity / Printer Exp Date</i> <i>Vendor</i>					<i>Date of Last Upgrade: 2/1/2013</i>	
	<i>7/1/2013</i> <i>Meter</i>	<i>6/30/2014</i> <i>Meter</i>	<i>2013-14</i> <i>Annual</i> <i>Volume</i>	<i>Cost/Copy</i> <i>Annual Cost</i>	<i>Recommendations</i>	
Town Hall						
<i>Tax Office Registrar 1</i>						
HP Laserjet P1505N / 24 PPM	27,210	32,849	5,639	\$0.012000	7 years from Intro.	
VND3C61151 / 19602				\$67.67		
500,000 / 11/2007	0	0	0	\$0.00000		
Black Network Printer				\$0.00		
Connected /						
Budget						
<i>Tax Office Registrar 2</i>						
HP Laserjet P1505N / 24 PPM	36,861	41,997	5,136	\$0.012000	7 years from Intro.	
VND3C61152 / 19601				\$61.63		
500,000 / 11/2007	0	0	0	\$0.00000		
Black Network Printer				\$0.00		
Connected /						
Budget						

<i>Make-Model / Speed</i> <i>Serial Number / Vendor ID</i> <i>Life / Intro Date</i> <i>Connectivity / Printer Exp Date</i> <i>Vendor</i>					<i>Date of Last Upgrade: 2/1/2013</i>	
	<i>7/1/2013</i>	<i>6/30/2014</i>	<i>2013-14</i>	<i>Cost/Copy</i>	<i>Recommendations</i>	
	<i>Meter</i>	<i>Meter</i>	<i>Annual</i>	<i>Annual Cost</i>		
			<i>Volume</i>			
Town Hall						
Town Clerk						
HP LaserJet 4350 / 55 PPM	97,239	97,611	372	\$0.012000	10 years from Intro.	
CNGXG30079 / 19604				\$4.46		
3,000,000 / 10/2004	0	0	0	\$0.00000		
Black Network Printer				\$0.00		
Connected /						
Budget						
HP LaserJet P3005 / 35 PPM	65,021	68,731	3,710	\$0.012000	8 years from Intro.	
CNJ1N25149 / 19603				\$44.52		
750,000 / 10/2006	0	0	0	\$0.00000		
Black Network Printer				\$0.00		
Connected /						
Budget						
Konica Minolta BHC454 / 45 PPM	16,843	56,827	39,984	\$0.004500	None at this time.	
A4FJ011006661 / 18773				\$179.93		
1,000,000 / 07/2012	4,025	23,891	19,866	\$0.04440		
Color Photocopier				\$882.05		
Connected / 6/1/2018						
Budget						

<i>Make-Model / Speed</i> <i>Serial Number / Vendor ID</i> <i>Life / Intro Date</i> <i>Connectivity / Printer Exp Date</i> <i>Vendor</i>					<i>Date of Last Upgrade: 2/1/2013</i>	
	<i>7/1/2013</i>	<i>6/30/2014</i>	<i>2013-14</i>	<i>Cost/Copy</i>	<i>Recommendations</i>	
	<i>Meter</i>	<i>Meter</i>	<i>Annual</i>	<i>Annual Cost</i>		
			<i>Volume</i>			
Town Hall						
<i>Town Manager's Office</i>						
HP Color LaserJet M451dn / 21 PPM	225	272	47	\$0.012000	None at this time.	
CNDF317180 / 19607				\$0.56		
500,000 / 02/2012	656	1,081	425	\$0.10000		
Color Network Printer				\$42.50		
Connected /						
Budget						
<i>Town Manager's Office</i>						
Konica Minolta BH552 / 55 PPM	34,591	151,350	116,759	\$0.004000	None at this time.	
A2WV011008375 / 18748				\$467.04		
3,000,000 / 02/2011	0	0	0	\$0.00000		
Black Photocopier				\$0.00		
Connected / 6/1/2018						
Budget						
<i>Subtotals BW</i>			320,070	\$1,766.31		
<i>Subtotals Color</i>			24,222	\$1,099.09		

<i>District Wide Black Totals</i>	491,428	\$2,545.83
<i>District Wide Color Totals</i>	93,310	\$4,166.59

SPC Service & Supply Cost Savings

These tables compare your equipment cost per copy for service and supplies (black prints or copies only) before becoming an SPC client on 9/1/2004 with your projected cost per copy for the new fiscal year through SPC. Annual Volume represents actual 2013-14 fiscal year black print usage. The second table represents your annual and five-year cost savings compared to your previous cost per copy rate.

BEFORE SPC

Current Volume	PriorCPC	Average Annual Cost
491,428	\$0.02338	\$11,489.59

CURRENTLY WITH SPC

Current Volume	Current CPC	Current Cost	Cost Savings	5 Year Savings
491,428	\$0.00528	\$2,594.74	\$8,894.85	\$44,474.23

*Today the Cooperative Buying of SPC has netted annual cost savings, on average, of \$8,894.85 x 10 years as a Client
= \$88,948.47 Cost Savings!*

Projected Equipment Costs by Building - Black

This table represents projected expenses for BLACK prints or copies by building based on recent activity. Approximate current paper case costs and averaged current annual lease payment are figured in to provide budget information for the upcoming fiscal year.

Building	Projected Black Volume	Projected Black Usage Cost	Approx.Paper Cost	Average Annual Equipment Cost	Total Projected Black Usage Cost
Fire Department	36,259	\$175.08	\$179.92	\$796.21	\$1,151.21
Police Department	85,939	\$394.46	\$426.43	\$1,887.13	\$2,708.02
Public Works	28,752	\$131.97	\$142.67	\$631.36	\$906.00
Recreation Department	20,408	\$93.67	\$101.26	\$448.14	\$643.08
Town Hall	320,070	\$1,801.63	\$1,588.19	\$7,028.40	\$10,418.22
Total	491,428	\$2,596.81	\$2,438.47	\$10,791.24	\$15,826.52

SPC Equipment Bids:

Presently our Bids are coming in at 14.5% to 22% of Retail while the current Salesman's Cost is 50% of Retail. Example: Currently our bids for a Xerox 5890PT RADF Duplex Finisher 3-Hole Punch CIF-Print-Color Scan-Hard Drive for Secure Print-Fax 90 Copies per Minute are coming in at \$6,333 with a Retail Cost of \$43,495....14.5% of Retail!

Projected Equipment Costs by Building - Color

This table represents projected expenses for COLOR prints or copies by building based on recent activity. Current paper case costs and current annual lease payment are NOT figured in to this table, as they are covered in the Black prints report.

Building	Projected Color Volume	Service & Supply Cost
Fire Department	0	\$0.00
Police Department	36,127	\$1,636.19
Public Works	8,448	\$382.61
Recreation Department	24,513	\$1,110.19
Town Hall	24,222	\$1,121.12
<i>Total</i>	93,310	\$4,250.11

Service & Supply Usage Profile by Vendor - Black

This table represents actual expenses for BLACK prints or copies by vendor for the current year along with projected service & supply expenses for the upcoming fiscal year. Under SPC's new Simplified Billing Program, SPC will invoice you directly for 50% of the Projected Annual Volume in July and January, and then reconcile based on actual usage in June. Cost per copy typically increases by 5% or CPI annually, whichever is less. **Current year's increase is 1.2%.**

Vendor	Equipment Type	Annual Volume	2013-2014 Cost / Copy	Total Cost	2014-2015 Cost / Copy	Projected Cost
Budget Business Machines	Black Network Printer	55,401	\$0.01200	\$664.81	\$0.01224	\$678.11
Budget Business Machines	Black Photocopier	156,760	\$0.00400	\$627.04	\$0.00408	\$639.58
Budget Business Machines	Black Photocopier	34,675	\$0.00440	\$152.57	\$0.00449	\$155.69
Budget Business Machines	Black Photocopier	52	\$0.01200	\$0.62	\$0.01224	\$0.64
Budget Business Machines	Color Network Printer	47	\$0.01200	\$0.56	\$0.01224	\$0.58
Budget Business Machines	Color Photocopier	244,493	\$0.00450	\$1,100.22	\$0.00459	\$1,122.22
Total		491,428	\$0.00518	\$2,545.83	\$0.00528	\$2,596.81

Service & Supply Usage Profile by Vendor - Color

This table represents actual and projected expenses for COLOR prints or copies by vendor for the current and next fiscal year. Under SPC's new Simplified Billing Program, SPC will invoice you directly for 50% of the Projected Annual Volume in July and January, and then reconcile based on actual usage in June. Cost per copy typically increases by 5% or CPI annually, whichever is less. **Current year's increase is 1.2%.**

Vendor	Equipment Type	Annual Volume	2013-2014 Cost / Copy	Total Cost	2014-2015 Cost / Copy	Projected Cost
Budget Business Machines	Color Network Printer	425	\$0.10000	\$42.50	\$0.10200	\$43.35
Budget Business Machines	Color Photocopier	92,885	\$0.04440	\$4,124.09	\$0.04529	\$4,206.76
Total		93,310	\$0.04465	\$4,166.59	\$0.04555	\$4,250.11

Reprographic Equipment Assessment

This chart provides the status of your equipment and details of your current lease, if any. *

Total Number of Units	23
Total Number of Units on Lease	7
Total Number of Units Owned	16
Lease Company	Northway Bank
Lease Start Date	2/1/2013
Lease End Date	08/01/2017
Term	5 Annual
Annual Payment usually due on 8/1	\$10,791.24
Remaining Payments	3

**The determination on the lease has no bearing on Service & Supply and Warranty Contracts.*

Leased Equipment

Building	Make	Model	Serial Number
Police Department	Konica Minolta	BHC454	A4FJ011006461
Public Works	Konica Minolta	BHC454	A4FJ011006573
Recreation Department	Konica Minolta	BHC454	A4FJ011006671
Town Hall	Konica Minolta	BH552	A2WV011008375
Town Hall	Konica Minolta	BHC454	A4FJ011006661
Town Hall	Konica Minolta	BH552	A2WV011008427
Town Hall	Konica Minolta	BHC454	A4FJ011007567

Owned Equipment

Building	Make	Model	Serial Number
Fire Department	Konica Minolta	BH421	A0R6011010291

StarDoc User Names

Name	User Name
Bill Botting	bbotting
Diana Asanza	dasanza
Jason Webber	jwebber@oobmaine.com
Kelly Roy	kroy@oobmaine.com
Kim McLaughlin	kmclaughlin
Larry Mead	lmead
Robert Peabody Jr.	rpeabody@oobmaine.com
Suzanne Makoge	smakoge@oobmaine.com
Terry Magle	tmagle@oobmaine.com

*If you need to verify your password or if you need to add users, please contact Alex Webster at awebster@spccopypro.com

: **SERVICE AND SUPPLY CONTRACT**

The Vendor identified below of the equipment described at Exhibit A to Property Schedule No. 1 (the "Equipment") to a Master Lease-Purchase Agreement between M.S.T. Government Leasing, LLC, as lessor (the "Lessor") and Old Orchard Beach, Town of, as lessee (the "Lessee"), commencing on February 1, 2013, (the "Lease-Purchase") hereby contracts with Lessee for the term of the Lease-Purchase (terminating on June 30, 2018) to provide comprehensive services, supplies, and maintenance to such Equipment, excluding only the cost of paper, transparencies, and staples, at a cost per copy per item of Equipment as shown on Schedule A attached hereto. In addition, for high-speed duplicators, Vendor may charge the cost shown on Schedule A attached hereto for masters used when the number of copies made by use of such masters is, on an annual average, fewer than 100. Vendor shall provide a four-hour response time to all service calls.

On July 1 of each calendar year during the term of the Lease-Purchase, Vendor, at its option, may increase such costs per copy under this Service and Supply Contract (the "Contract") by 5% or by a percentage equal to the increase during the immediately preceding 12-month period of "The Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for All Items, 1982-84 = 100," whichever is less.

On July 1 of each calendar year during the term of the Lease-Purchase, Vendor shall credit to Lessee any cost of this Contract prepaid by Lessee and unused by Lessee because fewer copies were made by Lessee during the Contract period ending on such July 1 than were originally estimated under this Contract to be made by Lessee during such period. If the Lease-Purchase is terminated prior to the end of its term, Vendor shall prorate and return to Lessee, within 30 days of such termination, any cost of this Contract prepaid by Lessee and unused by Lessee because of such early termination of the Lease-Purchase.

Client Acknowledgement of Vendor Commitment

Vendor:	_____	Lessee:	Old Orchard Beach, Town of
Street Address:	_____	Street Address:	One Portland Avenue
City/State/Zip:	_____	City/State/Zip:	Old Orchard Beach, ME 04064
By (signature):	_____	By (signature):	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____

SPC's Dual-Layered Warranty – Purpose & Explanation

Reprographic equipment is expensive and does not hold its value. Therefore, it is crucial for you and the banking industry holding the collateral to secure this asset.

Our unique Dual-Layered Warranty guarantees a like-for-like no-charge replacement unit in the event of equipment not performing satisfactorily.

1. **Servicing Vendor**; implemented in 1988
2. **ESP Electrical**; implemented in 2007, all photocopiers with such units will be warranted from electrical damage by ESP.

ESPs (Electronic Surge Protectors) with our most recent upgrades are being installed by SPC on 40 CPM units and faster in order to cut down on approximately 30% of all service calls. These units will not only protect from electrical surges but will also filter out electronic noise that creates havoc with boards and the operation of your equipment.

WARRANTY

(LEASED EQUIPMENT)

The Vendor identified below of the equipment described at Exhibit A to Property Schedule No. 1 (the "Equipment") to a Master lease-Purchase Agreement between M.S.T. Government Leasing, LLC, as lessor (the "Lessor") and Old Orchard Beach, Town of, as lessee (the "Lessee"), commencing on February 1, 2013, (the "Lease-Purchase") hereby warrants to Lessee that, if any such Equipment malfunctions through no fault of Lessee during the term of the Lease-Purchase (terminating on June 30, 2018) and such Equipment cannot be repaired promptly, Vendor promptly will replace such Equipment with equipment which is equal to or superior in quality and capabilities to the Equipment being replaced, at no cost to Lessee.

The only exclusions to this Warranty are as follows:

1. This Warranty will expire for an item of Equipment when the life expectancy of such item of Equipment in number of copies, as shown on Schedule A(P) attached hereto, is exceeded;
2. This Warranty will expire for an item of Equipment at the date which is ten years after such Equipment was first offered for sale or lease by the manufacturer as shown on Schedule A(P) attached hereto.

Vendor:

Street Address:

City/State/Zip:

By (signature):

Name:

Title:



Benefits of partnering with SPC

Top Benefits to **our CLIENTS**:

1. Cooperative Buying

By definition, is a model that allows a group of buyers with a common interest to pool their buying power in order to negotiate more favorable pricing and better service. SPC's model allows you to pick your preferred vendor!

- SPC's pricing is so strong ***we pay for our own fee*** by acquiring prices lower than what you can do on your own.
- We will ***save you money*** benefiting from the combined purchasing power of more than 90 clients with over 3,443 devices doing more than 314 million copies and prints per year. In 2013 we purchased approximately 1,000 printing devices.
- We will ***save you time*** by preparing your bid, negotiating with vendors/manufacturers, presenting a total bid analysis and managing the implementation.
- We will ***save you frustration***. We manage your contracts for up to five years from the date of installation.

2. Exclusive **STAR Doc Software**

- Maps all devices and sets up "Interactive Live Floor Plans" of all printing devices, showing you a Before and After Upgrade look; provides a visual for all decision makers over the next five years.
- STAR Doc studies your printing habits and is able to predict your year-end cost months in advance, before you receive your year-end reconciliation invoice.
- Sets up your next year's budget at the click of a mouse.

3. Simplified Billing Program

- Removes the confusion out of billing.
- Eliminates variety of invoices from multiple vendors that come annually and/or quarterly.
- With SPC's Simplified Billing Program, TWO invoices are sent each year from ONE billing source.
- Reconciles all of your devices at the end of the year: You pay only for what you use; no minimums.

4. Five-Year Equipment Replacement Schedule

- SPC's staff surveys key locations that determine life of existing equipment.
- Specs out new equipment needed: Does not allow vendors to undersize during the bidding process.
- Manages the entire bid process down to the install.

5. Annual Report

- A crucial document that extends the life of your equipment, often getting 8 to 10 years of guaranteed performance! Flags copying trends within your organization such as over usage
- You get an overview of your current equipment situation, reports associated with copying and printing costs and, if needed, recommendations for addressing situations posing a problem

6. Vendor Neutral

- SPC does not recommend just one brand; we suggest what's best for you with serviceability in mind.
- We present you with the bid results and offer recommendations, yet the decision is yours to make.

SPC has been serving their clients since 1988, saving millions of dollars along the way.

Based on current actual volumes and CPCs, SPC has generated

Annual Savings of almost \$3.5 million for all of our clients.

That translates into Savings of more than \$17.2 million over five years!



SPC Values Our Vendors

Overall Benefits to our VENDORS

- Opportunities brought to you – Hundreds of machines each year: In 2013 there were over a thousand.
- SPC is well respected in the industry
- SPC values our vendors and speaks highly of them to our clients.
- National Contracts that are all negotiated with the manufacturers at your disposal

Vendor Benefits Pre-Bid & During the Bid Process

- Sharing of previous bid results that help you to negotiate with your manufacturers.
- On-Site Survey of client requirements including mapping all devices.
- Writing of the *Five-Year Equipment Replacement Schedule* (Bid Specs).
- Controls the Bid Specs (Not allowing any vendor to underbid or offer discontinued equipment).
- A chance to sell your 'Value Add' directly to our clients after the bids are in. Customer has the right to pay more than low bid.

Vendor Benefits Before & During Installation

- Digital Needs Analysis: Matching up the machine to installation site.
- Schedule and coordinate Vendor meeting with Client.
- Cover the cost of ESP surge protectors, electrical wiring, computer interface and any unexpected cost!
- Manage installation.
- Audit installation.
- Capture final meter reads for old contracts.
- Close books on old devices & contracts.

Vendor Ongoing Support

- Yearly meter reads.
- Simplified Billing: SPC collects service funds for the Vendor.
- Collection of all meter reads annually and reconciling them with the Client and Vendor.
- STAR Doc: **S**ystem for **T**racking **A**nd **R**eporting **D**ocuments...Manages the budget.
- Annual Reports that flag machines that are being overused and underused thus improving reliability.
- Mediating warranty issues in sensitive locations.

Why do some vendors hesitate to bid?

- Vendors worry that bidding will reduce their margins.
- If word gets out on pricing, they feel that their other customers will call and ask for similar prices.
- Lose control of their account as winning bidder may beat their pricing.
- SPC bids are designed to keep specs equal for all, no chance of providing a lesser piece of equipment.

SPC manages over 3,700 pieces of equipment;
Our relationship with our vendors has never been stronger!