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**Five-Year Basis beginning with the 2013/2014 Fiscal Year**

**Copies-per-Year: 1,836,220**

**Present vs. Proposed Recommendations as of 8/2/13**

**PRESENT SITUATION**

- 1) Guarantees on Photocopiers...**One Year**
- 2) Annual Price Ceilings Left...**One Year**
- 3) High Volume Console Units...**7**
- 4) Units to be Traded...**14**
- 5) Photocopiers...**14**  
    Computer Interfaced...**11**
- 6) Network Printers....**27 w/ 3 Color**
- 7) Color Photocopiers Networked ...**3**  
    Total number of Units...**40**
- 8) Duplex's...**14**
- 9) Sorter's...**40**
- 10) Finisher's...**8**

**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...**8**
- 4) Replaced **11 New Units**
- 5) Photocopiers...**11**  
    Computer Interfaced...**11** with Print &-Or Color Scan-Secure Print
- 6) Network Printers...**27 with 3 Color (No Change on Printers)**
- 7) Low Cost Color Photocopiers Networked...**4**  
    Total number of Units...**38**
- 8) Duplex's... **9**
- 9) Sorter's... **36**
- 10) Finisher's...**11**

**Overall Description of Equipment Fleet:**

Presently, you have Two different Manufacturers & Forteen different Models of Low end Network Printers that are costing you from \$0.12 for Ink Jet & \$0.035 per black print. Color prints are costing you as high as \$0.40 per print! A progressive Cost per print option is available upon request.

**Capital:**

Presently, you have one municipal lease that will be paid off. With the new arrangement, you will again have one 'municipal' master lease at **2.68%** interest. After you make your scheduled 8-1-2013 lease payment of \$22,401.01, your first of Five annual lease payments on the new lease will be due on August 1'st 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 \$0.004336 for black and \$0.05105 for Color. The new contract will come in at a CPC of \$0.0039 for Black and \$0.044178 for Color.

**Vendor Packages:**

SPC has brought to you Three 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 Xerox Coparate Direct adding the Special Ed & Supt. Units!

<u>Cost Center</u>	<u>Present</u>	<u>Proposed</u>
1. Service & Supplies Color Photo only	\$3,065.35	\$2,652.71
2. Service & Supplies Black Photo only	\$7,701.64	\$6,941.12
3. Annual Muni Lease	<u>\$22,401.01</u>	<u>\$21,329.37</u> > First Payment due 8-1-2014
Totals	\$33,168.00	\$30,936.38
Annual Cost Savings		\$2,261.81
Five Year Cost Savings		\$11,309.07

**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 2013**. 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.