

RSU 14 – Windham Raymond School Department
Donn Davis
228 Windham Center Road
Windham, ME 04062
Five-Year Basis beginning with the 2016/2017 Fiscal Year
Copies-per-Year: 8,393,287

Present vs. Proposed Recommendations as of 9/15/2016

PRESENT SITUATION

- 1) Guarantees on Photocopiers...**Less than One Year**
- 2) Annual Price Ceilings Left... **Less than One Year**
- 3) High Volume Console Units...**26**
- 4) Units to be Traded...**102**
- 5) Photocopiers...**54**
- 6) Color Photocopiers Networked ...**16**
- 7) MFP's ...**8**
- 8) Network Printers....**151 w/ 25 Color**

Total number of Units...**213**

- 9) Duplex's...**180**
- 10) Finisher's...**52**

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...**29**
- 4) Replaced **82 New**
- 5) Photocopiers...**52 with Secure Print/Confidential Mailbox**
- 6) Low Cost Color Photocopiers Networked...**17**
- 7) MFP's ... **8**
- 8) Network Printers...**136 w/ 23 Color**

Total number of Units... **196 CO 17 Due to Combining**

- 9) Duplex's... **196**
- 10) Finisher's... **51**

Overall Description of Equipment Fleet:

Presently, you have **Eleven different Manufacturers & Dozens of different Models of Low end Network Printers. The new arrangement will shift to Two manufacturers...Toshiba & HP.** This will greatly reduce cost and improve reliability. In addition, 27 older Kyocera Printers will be kept in storage by A-Copi to be used as hot swaps as necessary. With the assistance of SPC, A-copi will also agree to cover the replacement of all equipment Copiers or otherwise at no charge in the event of product failure.

Capital:

Presently, your municipal lease is paid off as of 8-1-2016. With the new arrangement, you will again have **one** 'municipal' master lease at 3.04% interest. Your first of five annual lease payments will be due on August 1st 2017. 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 **\$0.005592 for black and \$0.061873 for Color.** The new contract will come in as low as **\$0.005561 for Black and \$0.049802 for Color.** Axis bid will be OEM on new Printers through 12-31-2016 at an additional cost of \$3,858.30.

Vendor Packages:

SPC has brought to you **Six** 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 with Toshiba copiers & Axis with HP Printers (Existing Vendors)**

<u>Cost Center</u>	<u>Present</u>	<u>A-Copi & Axis (USA Generic)</u>
1. Service & Supplies Color Photo only	\$31,744.93	\$25,551.67
2. Service & Supplies Black Photo only	\$44,067.23	\$43,825.53
3. Annual Muni Lease	\$71,088.17	\$78,875.84 (3.04%)
4. Forced Upgrade (owned & not on Lease)	<u>\$38,770.00</u>	<u>\$00.00</u>
RSU 14 Totals	\$185,670.33	\$148,253.04
Annual Cost Savings		\$37,417.29
Annual Cost Savings backing out Forced Upgrades		(\$1,352.71)

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 twice a year in July & January with a reconciliation invoice in June. Your service contract will be fixed through **June 30th 2017**. 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 has been included in the package.