

RSU 34 Old Town
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Old Town, ME 04468
Five-Year Basis beginning with the 2016/2017 Fiscal Year

Copies-per-Year: 3,721,822

Present vs. Proposed Recommendations as of 7/1/2016

PRESENT SITUATION

- 1) Guarantees on Photocopiers...**Less than One Year**
- 2) Annual Price Ceilings Left... **Less than One Year**
- 3) High Volume Console Units...**8**
- 4) Units to be Traded...**28**
- 5) Photocopiers...**20**
- 6) Color Photocopiers Networked ...**9**
- 7) Network Printers....**17 w/ 4 Color**
- Total number of Units...**38**
- 8) Duplex's...**25**
- 9) Finisher's...**19**

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...**6**
- 4) Replaced **14 New**
- 5) Photocopiers...**19 with Secure Print/Confidential Mailbox**
- 6) Low Cost Color Photocopiers Networked...**11**
- 7) Network Printers...**16 w/ 4 Color**
- Total number of Units...**36 CO 2 Due to Combining**
- 8) Duplex's... **36**
- 9) Finisher's... **19**

Overall Description of Equipment Fleet:

Presently, you have Six different Manufacturers & Twenty different Models. **The new arrangement will shift to two manufacturers...Kyocera & Toshiba.** This will greatly reduce cost and improve reliability.

Capital:

Presently, you have one municipal lease that is paid off. With the new arrangement, your cash price is \$103,472.41.

Service & Supplies:

Considering all of your consumable cost centers including service you are averaging \$0.004420 for black and \$0.053072 for Color. The new contract will come in at a CPC of \$0.003384 for Black and \$0.049668 for Color Low bid.

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 two of the most qualified bid combinations, which are **A-Copi with Toshiba & Kyocera (Keeping some Toshiba's)**

<u>Cost Center</u>	<u>Present</u>	<u>Proposed</u>
1. Service & Supplies Color Photo only	\$13,908.61	\$12,266.31
2. Service & Supplies Black Photo only	\$13,173.74	\$11,481.92
3. 5 Year Straight Line Depreciation	\$28,204.63	\$20,694.48
4. Forced Upgrade	<u>\$13,000.00</u>	<u>\$00.00</u>
Totals	\$68,286.98	\$44,442.71

*Although the lease cost does go up the service and supply cost savings offsets the increase. Note that with the last upgrade only 11 New units were purchased while 14

New units are part of the lease.

Annual Cost Savings	\$23,844.27
Five-Year Cost Savings	\$119,221.35

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.