



FLOYD COUNTY BOARD OF EDUCATION  
Anna Whitaker Shepherd, Superintendent  
442 KY RT 550  
Eastern, KY 41622  
Telephone (606) 886-2354 Fax (606) 886-4550  
www.floyd.kyschools.us

Linda C. Gearheart, Board Chair - District 1  
William Newsome, Jr., Vice-Chair - District 3  
Dr. Chandra Varia, Member - District 2  
Keith Smallwood, Member - District 4  
Steve Stone, Member - District 5

**Consent Agenda Item (Action Item):**

Consider/approve new lease with American Business Systems for (2) Konica Minolta 808 machines and (1) Konica Minolta c450 machine

**Applicable State or Regulations:**

Policy 0.1.1: General Powers and Duties of the Board

**Fiscal/Budgetary Impact:**

Copier rental and usage is paid through school monies from Title I, Section 6, Section 7, and/or School District Activity Funds. The current average monthly cost of copiers is \$1,720.48. The proposed 60 month base lease would be \$1,625.42 per month and begin as soon as approval is granted.

**History/Background:**


Our current lease agreement with American Business Systems, outlining the current machines we have in our building, is up for renewal. The new proposed solution with American Business Systems will replace the old machines, with an expected savings of \$950.60 annually (July 1<sup>st</sup> – June 30<sup>th</sup>).


**Recommended Action:**

Approve new lease with American Business Systems for (2) Konica Minolta 808 machines and (1) Konica Minolta c450 machine.

**Contact Person(s):**

Greta Thornberry Principal (606) 358-9200

  
Principal

  
Director

  
Superintendent

**Date:**

June 16, 2022

# COST PER IMAGE AGREEMENT



AGREEMENT NO.: 1778437

CUSTOMER ("YOU" OR "YOUR")

FULL LEGAL NAME: **Floyd County Schools DBA Floyd County Central High School**

ADDRESS: **442 Ky Route 550 Eastern, KY 41622-6926**

EQUIPMENT AND PAYMENT TERMS		SEE ATTACHED SCHEDULE					
TYPE, MAKE, MODEL NUMBER, SERIAL NUMBER, AND INCLUDED ACCESSORIES	NOT FINANCED UNDER THIS AGREEMENT	BEGINNING METER READING		ANNUAL IMAGE ALLOWANCE		EXCESS PER IMAGE CHARGE (PLUS TAX)	
		B&W	COLOR	B&W	COLOR	B&W	COLOR
1 Konica Minolta bizhub C450i Copier	<input type="checkbox"/>						
2 Konica Minolta bizhub 808 Copier	<input type="checkbox"/>						
	<input type="checkbox"/>						
	<input type="checkbox"/>						
	<input type="checkbox"/>						
	<input type="checkbox"/>						
	<input type="checkbox"/>						
	<input type="checkbox"/>						
	<input type="checkbox"/>						
	<input type="checkbox"/>						
TOTAL CONSOLIDATED MONTHLY IMAGE ALLOWANCE AND EXCESS PER IMAGE CHARGES (IF CONSOLIDATED)				500,000	95,000	.0055	.05

EQUIPMENT LOCATION: **651 Ky Route 680 W Eastern, KY 41622-6945**

METER FREQUENCY: **Annually**

TERM IN MONTHS: **60**

MONTHLY BASE PAYMENT AMOUNT: **\$1,625.41** (\*PLUS TAX)

PURCHASE OPTION: **Fair Market Value**

CONTRACT

THIS AGREEMENT IS NON-CANCELABLE AND IRREVOCABLE. IT CANNOT BE TERMINATED. PLEASE READ CAREFULLY BEFORE SIGNING. YOU AGREE THAT THIS AGREEMENT AND ANY CLAIMS RELATED TO THIS AGREEMENT SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE IN WHICH OUR (OR, IF WE ASSIGN THIS AGREEMENT, OUR ASSIGNEE'S) PRINCIPAL PLACE OF BUSINESS IS LOCATED AND ANY DISPUTE CONCERNING THIS AGREEMENT WILL BE ADJUDICATED IN A FEDERAL OR STATE COURT IN SUCH STATE. YOU HEREBY CONSENT TO PERSONAL JURISDICTION AND VENUE IN SUCH COURTS AND WAIVE TRANSFER OF VENUE. EACH PARTY WAIVES ANY RIGHT TO A JURY TRIAL.

CUSTOMER'S AUTHORIZED SIGNATURE

BY SIGNING THIS PAGE, YOU REPRESENT TO US THAT YOU HAVE RECEIVED AND READ THE ADDITIONAL TERMS AND CONDITIONS APPEARING ON THE SECOND PAGE OF THIS TWO-PAGE AGREEMENT. THIS AGREEMENT IS BINDING UPON OUR ACCEPTANCE HEREOF.

(As Stated Above)

X

CUSTOMER SIGNATURE PRINT NAME & TITLE DATE

OWNER ("WE" OR "OUR")

**American Business Systems Inc**

OWNER SIGNATURE PRINT NAME & TITLE DATE

PO Box 98 Morehead, KY 40351-0098

## ADDITIONAL TERMS AND CONDITIONS

**AGREEMENT.** You want us to now provide you the equipment and/or software referenced herein, excluding equipment marked as not financed under this Agreement ("Equipment") and you unconditionally agree to pay us the amounts payable under the terms of this agreement ("Agreement") each period by the due date. This Agreement is binding upon our acceptance hereof and will begin on the date the Equipment is delivered to you or any later date we designate. If any amount payable to us is past due, you will pay a late charge equal to: 1) the greater of ten (10) cents for each dollar overdue or twenty-six dollars (\$26.00) or 2) the highest lawful charge, if less.

**NET AGREEMENT.** THIS AGREEMENT IS NON-CANCELABLE FOR THE ENTIRE AGREEMENT TERM. YOU AGREE THAT YOU ARE UNCONDITIONALLY OBLIGATED TO PAY ALL AMOUNTS DUE UNDER THIS AGREEMENT FOR THE ENTIRE TERM. YOU ARE NOT ENTITLED TO REDUCE OR SET-OFF AGAINST AMOUNTS DUE UNDER THIS AGREEMENT FOR ANY REASON.

**IMAGE CHARGES AND OVERAGES.** You are entitled to make the total number of images shown under Image Allowance (or Total Consolidated Image Allowance, if applicable) each period during the term of this Agreement. If you make more than the allowed images in any period, you will pay us an additional amount equal to the number of the excess images made during such period multiplied by the applicable Excess Per Image Charge. Regardless of the number of images made in any period, you will never pay less than the Base Payment Amount. You agree to provide us with the actual meter readings on any business day as designated by us, provided that we may estimate the number of images used if such meter readings are not received within five days after being requested. We will adjust the estimated charge for excess images upon receipt of actual meter readings. You agree that the Base Payment Amount and the Excess Per Image Charges may be proportionately increased at any time if our estimated average page coverage is exceeded. After the end of the first year of this Agreement and not more than once each successive twelve-month period thereafter, the Base Payment Amount and the Excess Per Image Charges (and, at our election, the Base Payment Amount and Excess Per Image Charges under any subsequent agreements between you and us that incorporate the terms hereof) may be increased by a maximum of 10% of the then existing payment or charge. Images made on equipment marked as not financed under this Agreement will be included in determining your image and overage charges.

**EQUIPMENT USE.** You will keep the Equipment in good working order, use it for business purposes only and not modify or move it from its initial location without our consent. You agree that you will not take the Equipment out of service and have a third party pay (or provide funds to pay) the amounts due hereunder. You will comply with all laws, ordinances, regulations, requirements and rules relating to the use and operation of the Equipment.

**SERVICES/SUPPLIES.** If we have entered into a separate arrangement with you for maintenance, service, supplies, etc. with respect to the Equipment, payments under this Agreement may include amounts owed under that arrangement, which amounts may be invoiced as one payment for your convenience. You agree that you will look solely to us for performance under any such arrangement and for the delivery of any applicable supplies.

**SOFTWARE/DATA.** Except as provided in this paragraph, references to "Equipment" include any software referenced above or installed on the Equipment. We do not own the software and cannot transfer any interest in it to you. We are not responsible for the software or the obligations of you or the licensor under any license agreement. You are solely responsible for protecting and removing any confidential data/images stored on the Equipment prior to its return for any reason.

**LIMITATION OF WARRANTIES.** EXCEPT TO THE EXTENT THAT WE HAVE PROVIDED YOU A WARRANTY IN WRITING, WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. YOU CHOOSE ANY/ALL THIRD-PARTY SERVICE PROVIDERS BASED ON YOUR JUDGMENT. YOU MAY CONTACT US OR THE MANUFACTURER FOR A STATEMENT OF THE WARRANTIES, IF ANY, THAT THE MANUFACTURER IS PROVIDING. WE ASSIGN TO YOU ANY WARRANTIES GIVEN TO US.

**ASSIGNMENT.** You may not sell, assign, or sublease the Equipment or this Agreement without our written consent. We may sell or assign this Agreement and our rights in the Equipment, in whole or in part, to a third party without notice to you. You agree that if we do so, our assignee will have our assigned rights under this Agreement but none of our obligations and will not be subject to any claim, defense, or set-off that may be assertible against us or anyone else.

**LOSS OR DAMAGE.** You are responsible for any damage to or loss of the Equipment. No such loss or damage will relieve you from your payment obligations hereunder. Except for claims, losses, or damages caused by our gross negligence or willful misconduct, you agree to indemnify us and our assignee, if applicable, against any claims, losses, or damages, including attorney fees, in any way relating to the Equipment or data stored on it. In no event will we be liable for any consequential or indirect damages.

**INSURANCE.** You agree to maintain commercial general liability insurance acceptable to us. You also agree to: 1) keep the Equipment fully insured against loss at its replacement cost, with us named as loss payee; and 2) provide proof of insurance satisfactory to us no later than 30 days following the commencement of this Agreement, and thereafter upon our written request. If you fail to maintain property loss insurance satisfactory to us and/or you fail to timely provide proof of such insurance, we have the option, but not the obligation, to secure property loss insurance on the Equipment from a carrier of our choosing in such forms and amounts as we deem reasonable to protect our interests. If we secure insurance on the Equipment, we will not name you as an insured party, your interests may not be fully protected, and you will reimburse us the premium which may be higher than the premium you would pay if you obtained insurance, and which may result in a profit to us through an investment in reinsurance. If you are current in all of your obligations under the Agreement at the time of loss, any insurance proceeds received will be applied, at our option, to repair or replace the Equipment, or to pay us the remaining payments due or to become due under this Agreement, plus our booked residual, both discounted at 3% per annum.

**TAXES.** We own the Equipment. You will pay when due, either directly or by reimbursing us, all taxes and fees relating to the Equipment and this Agreement. Sales or use tax due upfront will be payable over the term with a finance charge.

**END OF TERM.** At the end of the term of this Agreement (or any renewal term) (the "End Date"), this Agreement will renew month to month unless a) we receive written notice from you, at least 30 days prior to the End Date, of your intent to return the Equipment, and b) you timely return the Equipment to the location designated by us, at your expense. If a Purchase Option is indicated above and you are not in default on the End Date, you may purchase the Equipment from us "AS IS" for the Purchase Option price. If the returned Equipment is not immediately available for use by another without need of repair, you will reimburse us for all repair costs. You cannot pay off this Agreement or return the Equipment prior to the End Date without our consent. If we consent, we may charge you, in addition to other amounts owed, an early termination fee equal to 5% of the price of the Equipment.

**DEFAULT/REMEDIES.** If a payment becomes 10+ days past due, or if you otherwise breach this Agreement, you will be in default, and we may require that you return the Equipment to us at your expense and pay us: 1) all past due amounts and 2) all remaining payments for the unexpired term, plus our booked residual, discounted at 3% per annum; and we may disable or repossess the Equipment and use all other legal remedies available to us. You agree to pay all costs and expenses (including reasonable attorney fees) we incur in any dispute with you related to this Agreement. You agree to pay us 1.5% interest per month on all past due amounts.

**UCC.** If we assign rights in this Agreement to financing purposes, you agree that this Agreement, in the hands of our assignee, is, or shall be treated as, a "Finance Lease" as that term is defined in Article 2A of the Uniform Commercial Code ("UCC"). You agree to forgo the rights and remedies provided under sections 507-522 of Article 2A of the UCC.

**MISCELLANEOUS.** This Agreement is the entire agreement between you and us relating to our providing and your use of the Equipment and supersedes any prior representations or agreements, including any purchase orders. Amounts payable under this Agreement may include a profit to us. The parties agree that the original hereof for enforcement and perfection purposes, and the sole "record" constituting "chattel paper" under the UCC, is the paper copy hereof bearing (i) the original or a copy of either your manual signature or an electronically applied indication of your intent to enter into this Agreement, and (ii) our original manual signature. If a court finds any provision of this Agreement unenforceable, the remaining terms of this Agreement shall remain in effect. You authorize us to either insert or correct the Agreement number, serial numbers, model numbers, beginning date, and signature date. All other modifications to the Agreement must be in writing signed by each party.

## APPLICABLE TO GOVERNMENTAL ENTITIES ONLY

You hereby represent and warrant that: (a) as of the date of the Agreement, (i) the individual who executed the Agreement had full power and authority to execute the Agreement on your behalf; (b) all required procedures necessary to make the Agreement legal and binding obligations against you have been followed; (c) the Equipment will be operated and controlled by you and will be used for essential government purposes for the entire term of the Agreement; (d) that all payments due and payable for the current fiscal year are within the current budget and are within an available, unexpended, and unencumbered appropriation; (e) you intend to pay all amounts payable under the terms of the Agreement when due, if funds are legally available to do so; (f) your obligations to remit amounts under the Agreement constitute a current expense and not a debt under applicable state law; (g) no provision of the Agreement constitutes a pledge of your tax or general revenues; and (h) you will comply with any applicable information reporting requirements of the tax code, which may include 3138-G or 8038-GC Information Returns. If funds are not appropriated to pay amounts due under the Agreement for any future fiscal period, you shall have the right to return the Equipment and terminate the Agreement on the last day of the fiscal period for which funds were available, without penalty or additional expense to you (other than the expense of returning the Equipment to the location designated by us), provided that at least thirty (30) days prior to the start of the fiscal period for which funds were not appropriated, your Chief Executive Officer (or Legal Counsel) delivers to us a certificate (or opinion) certifying that: (a) you are a state or a fully constituted political subdivision or agency of the state in which you are located; (b) funds have not been appropriated for the applicable fiscal period to pay amounts due under the Agreement; (c) such non-appropriation did not result from any act or failure to act by you; and (d) you have exhausted all funds legally available for the payment of amounts due under the Agreement. You agree that this paragraph shall only apply if, and to the extent that, state law precludes you from entering into the Agreement if the Agreement constitutes a multi-year unconditional payment obligation.



**American Business Systems**  
Since 1966

**800-228-7758** [www.ABS-KY.com](http://www.ABS-KY.com)

Morehead -Lexington -Prestonsburg -Corbin -Maysville

Proposal prepared for:

**Floyd Central High School**

**Prepared by:**  
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**American Business Systems**

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## Current Cost:

**\*2 Lexmark XM7370 & 1 Lexmark XS955**

**Lease Base - \$701.00 per month**

**BW Usages – 37,429 x \$0.0088 per page = \$329.38 per month**

**Color Usages – 7,851 x \$0.0879 per page = \$690.10 per month**

**Average Monthly Cost - \$1,720.48 per month**

## Proposed Solution:

**Proposed**

**~~(3)~~ Konica Minolta 808**

**(1) Konica Minolta c450**

**60 Month Base Lease:**

**\$1,625.42 per month**

### **MAINTENANCE/SUPPLY AGREEMENT**

500,000 BW per year  
\$0.0055 per page BW overage  
96,000 Color Included per year  
\$0.05 per page color overage

**\*Save \$95.06 per month; Yearly Allowances**

- ✚ MAINTENANCE/SUPPLY AGREEMENT** program includes all service, all travel time, all labor, all parts and all consumable supplies (toner, drums, developer, fuser, waste container and paper feed rollers) (excluding paper & staples)
- ✚ No Charge for Scanned Document or Sent Faxes**
- ✚ Credit Allowance during Service**
- ✚ Brand New Equipment**
- ✚ Lease Includes Property Taxes and Doc Fees (where applicable)**
- ✚ Local Sales & Service**
- ✚ Includes Delivery, Set-up, Training, Network Support and Installation**

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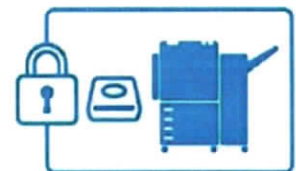
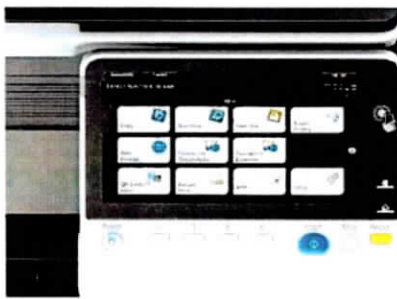
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## Product Features: (3)Konica Minolta 808

- ✓ **B/W Copy / Network Printing**
- ✓ **Scan to File / Email (Color or B/W)**
- ✓ **Advanced Document Feeder (Single Pass Duplex up to 300 sheets )**
- ✓ **80 Pages Per Minute**
- ✓ **(2) - 500 Sheet Paper Trays (up-to 12x18)**
- ✓ **(2) – High Capacity Trays**
- ✓ **150 Sheet By-Pass Tray (up-to Banner Size Paper up to 11.75" x 47.25)**
- ✓ **Auto 2-Siding**
- ✓ **Finisher/Stapler/Hole Punch**
- ✓ **Mobile printing** from iOS, Android and Windows Mobile devices





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## Product Features: **Konica Minolta C450i Color Enabled**

- ✓ **Color** or B/W Copy / Network Printing
- ✓ **Scan to File / Email** (Color or B/W)
- ✓ **Advanced Document Feeder** (Single Pass Duplex up to 150 sheets )
- ✓ **45 Pages Per Minute**
- ✓ **(4) - 500 Sheet Paper Trays** (up-to 12x18)
- ✓ **Finisher/Stapler/Hole Punch**
- ✓ **Banner Printing**
- ✓ **150 Sheet By-Pass Tray** (up-to Banner Size Paper up to 11.75" x 47.25)
- ✓ **Auto 2-Siding**
- ✓ **Mobile printing** from iOS, Android and Windows Mobile devices



Giving Shape to Ideas

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Morehead -Lexington -Prestonsburg -Corbin -Maysville

## History

**American Business Systems** is a Kentucky Locally owned and operated corporation and founded in 1966 by William Poage. Now owned and operated by William's three sons, Troy, Scott and Jonathan Poage. We service Central and Eastern Kentucky, from our four locations: Morehead, Lexington, Maysville and Corbin.

## Products

Our products include the full line of Konica Minolta, Lexmark, HP, Papercut, Xerox, MBM & Formax shredders, folders and other office equipment. We can provide the ideal combination of office equipment and solution software to make your business more productive.

## Our Team

**American Business Systems** offers one of the most experienced and successful Office Equipment teams in Central and Eastern Kentucky. Perhaps it is because we approach our mission as a consultative practice rather than to merely sell office equipment. We understand that the proper office equipment is vital to your business and we are committed to providing total solutions.

## Mission Statement

**American Business Systems** is dedicated to always exceed the expectations of our customers. We will always be reliable, flexible and solution-oriented in addressing the needs of our customers. Respect and professionalism will always be paramount in relations with our customers, employees, vendors and our business partners.

We will encourage balance between work and family. **American Business Systems** will strive to succeed through creative, ethical and well-focused management. We intend to complement our community and our world.

- ✓ **Equipment Guarantee:** With over 50 years of experience we provide the reliable solution and service for our customers. **We are so confident in our service quality and the reliability that we offer a Total Satisfaction Guarantee Replacement on our equipment that maintained in our agreements. Your Satisfaction is Our Satisfaction!**
- ✓ **Our Service Engineers** have a combined service experience history of more than 90 years.
- ✓ **Free Delivery, Training, Setup and Network Installation**
- ✓ **Free Remote Monitoring Software, automated meter reading and supply shipments** (your time is more valuable than to worry about providing meter reads and ordering supplies)
- ✓ **Service Credit Reimbursement**
- ✓ **Office Locations: Morehead, Lexington, Corbin & Maysville**
- ✓ **Locally Owned and Operated since 1966**



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