



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
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Legislative File No: 2019-0401

TO: Mayor and City Council Members
FROM: Tina Barton, City Clerk
DATE: September 23, 2019
SUBJECT: Citywide Records Storage and Digital Imaging Services

REQUEST:

City Council is requested to approve a blanket purchase order/contract to Royal Oak Storage, Royal Oak, Michigan for citywide Records Storage Services as the Primary Vendor and Leonard Brothers Data Management, Ferndale, Michigan for Digital Imaging Services as the Secondary Vendor, in the amount not-to-exceed \$100,000.00 through August 31, 2021 and further authorizes the Mayor to execute the contract on behalf of the City.

REASON FOR PURCHASE:

The City is seeking approval for citywide Records Storage Services to Royal Oak Storage utilizing the MiDeal Cooperative Purchasing Program. The City visited the records location and has determined it to be an efficient location to store the City's records. The rates provided in the MiDeal program are competitive and the terms of the contract are clear and straight forward without any additional fees to exit the contract, as compared to many other company's contract terms. It is recommended that award be made to Royal Oak Storage for storage of citywide records.

In 2010, the City solicited Request for Proposals encompassing all aspects of records management (off-site storage, imaging, image on demand and microfilming) into one contract. The City awarded the contract to Docustore, Inc. and for several years maintained a very successful partnership throughout. However, through personnel changes some service issues started occurring and then the City's contract ended up being assigned to Iron Mountain without any notification to the City. The City had contracted with Iron Mountain previous to entering into a contract with Docustore, Inc. and was very dissatisfied with the services Iron Mountain provided. The City upon finding out of the assignment of the contract, immediately contacted Docustore and Iron Mountain to discuss this issue.

The City has held several meetings with Iron Mountain expressing their concerns from our past experience, receiving assurance Iron Mountain's corporate philosophy had changed and that our representative would handle all of our requests and needs. Needless to say, Iron Mountain during the past year and half has not demonstrated any change in how they manage their clients and the City has been extremely frustrated with the lack of attention they have received, including having issues being passed through several people without a consistent point of contact, taking weeks to respond to inquiries, etc...

At the expiration of the Docustore contract (December 31, 2018), which was assigned to Iron Mountain, a new contract was presented to the City after several requests for it from the City prior to the expiration. The City found many of the terms of the contract to be unsatisfactory and in conflict with the Docustore Contract the City had. After several conversations with Iron Mountain they indicated they would not negotiate any of their terms. The City felt the contract was not beneficial to the City and started seeking alternate options in

order to be able to negotiate with Iron Mountain on an exit strategy. The City presented an offer to Iron Mountain that was based off the fees identified in the Docustore Contract and Iron Mountain has accepted the offer in order to close out our account with them and have our documents provided to Royal Oak Storage.

Additionally, contracting with Royal Oak Storage only solved the City's issue of needing a solution to store their hard copy records. There was still the issue as to how we would handle the imaging, image on demand, and any microfilming services that may be needed. Leonard Brothers was the firm that was subcontracted by Docustore to provide these services to the City during their contract term, and Iron Mountain also ended up subcontracting this portion of the services to them as well. In order to be able to move away from Iron Mountain, the City reached out to Leonard Brothers to see if they would be willing to direct contract these services to the City and honor the rate schedule that was proposed as part of the Docustore, Inc. contract. Leonard Brothers indicated they would and would be happy to continue doing business with the City. The City has been very satisfied with the imaging services received from Leonard Brothers. The City has many obligations to meet in this area when it comes to FOIA requests and Leonard Brothers has always delivered within the expected timeframes.

PROCESS:

Vendor Name and Address:

Primary Vendor:

Royal Oak Storage
313 Hudson Street
Royal Oak, MI 48607

Secondary Vendor:

Leonard Brothers Data Management
620 Woodward Heights Blvd.
Ferndale, MI 48220

Reason for Selection:

Cooperative Contract/Best Value

Method of Purchase:

Blanket Purchase Order/Contract

BUDGET:

Funding is included in the FY 2019 Adopted Budget and FY 2020 Proposed Budget

Fund Name	Department Account No	Account No. Description	2-Year Budget Amount	2-Year Cost	Remaining Budget
General Fund	215.801000	Professional Services	\$100,000	\$100,000	\$0

RECOMMENDATION:

It is recommended that City Council approve a blanket purchase order/contract to Royal Oak Storage, Royal Oak, Michigan for citywide Records Storage Services as the Primary Vendor and Leonard Brothers Data Management, Ferndale, Michigan for Digital Imaging Services as the Secondary Vendor, in the amount not-to-exceed \$100,000.00 through August 31, 2021 and further authorizes the Mayor to execute the contract on behalf of the City.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		

Contract Reviewed by City Attorney Yes N/A

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