



DEPARTMENT OF CENTRAL SERVICES

ADDENDUM NOTICE NO. 3

OF

**CONTRACT NO. FH- 22-23-2346
COPIER & PRINTER MANAGEMENT**

NAME & ADDRESS OF VENDOR: Applied Innovation 24050 Northwestern Highway Southfield, MI 48076 Contact-Anna Stewart 248.755.5208 astewart@AppliedInnovation.com Brad Kimball 303-506-7803 bkimball@AppliedInnovation.com	CONTRACT TERM: Current-January 9, 2023 – January 8, 2028 Renewal Option 1- January 9, 2028-January 8, 2030
TERMS: Net 30	BUYER: Michelle Aranowski, Director of Central Services (248) 871-2426 maranowski@fhgov.com
F.O.B.: Delivered	COOPERATIVE: Extension approved to all MITN Purchasing Cooperative Members

NATURE OF CHANGE(S):

Change #1 – Updated models for Canon and Ricoh

Change #2 – New purchases or lease will increase 2%.

All other terms, conditions, specifications and pricing provisions remain unchanged.

AUTHORITY/REASON:

Requested by Applied Innovations, Original Approval of agreement 01/09/2023, CMR 1-23-09

FARMINGTON HILLS ESTIMATED CONTRACT VALUE:

\$775,000.00 (FIVE YEAR LEASE)

AUTHORIZATION OF ADDENDUM #3

SIGNED: /s/MICHELLE ARANOWSKI

PRINTED: MICHELLE ARANOWSKI

TITLE: DIRECTOR OF CENTRAL SERVICES

DATE: 02/28/2025



DEPARTMENT OF CENTRAL SERVICES

ADDENDUM NOTICE NO. 2

OF

**CONTRACT NO. FH- 22-23-2346
COPIER & PRINTER MANAGEMENT**

NAME & ADDRESS OF VENDOR: Applied Innovation 24050 Northwestern Highway Southfield, MI 48076 Contact-Anna Stewart 248.755.5208 astewart@AppliedInnovation.com Brad Kimball 303-506-7803 bkimball@AppliedInnovation.com	CONTRACT TERM: Current-January 9, 2023 – January 8, 2028 Renewal Option 1- January 9, 2028-January 8, 2030
TERMS: Net 30	BUYER: Michelle Aranowski, Director of Central Services (248) 871-2426 maranowski@fhgov.com
F.O.B.: Delivered	COOPERATIVE: Extension approved to all MITN Purchasing Cooperative Members

NATURE OF CHANGE(S):

Change #1 -Effective immediately, new Cannon models added to agreement.

Change #2 – New purchases or lease will increase 2%.

All other terms, conditions, specifications and pricing provisions remain unchanged.

AUTHORITY/REASON:

Requested by Applied Innovations, Original Approval of agreement 01/09/2023, CMR 1-23-09

FARMINGTON HILLS ESTIMATED CONTRACT VALUE:

\$775,000.00 (FIVE YEAR LEASE)

AUTHORIZATION OF ADDENDUM #1

SIGNED: /s/MICHELLE ARANOWSKI

PRINTED: MICHELLE ARANOWSKI

TITLE: DIRECTOR OF CENTRAL SERVICES

DATE: 02/2/2024



DEPARTMENT OF CENTRAL SERVICES

ADDENDUM NOTICE NO. 1

OF

**CONTRACT NO. FH- 22-23-2346
COPIER & PRINTER MANAGEMENT**

NAME & ADDRESS OF VENDOR: Applied Innovation 24050 Northwestern Highway Southfield, MI 48076 Contact-Anna Stewart 248.755.5208 astewart@AppliedInnovation.com Brad Kimball 303-506-7803 bkimball@AppliedInnovation.com	CONTRACT TERM: Current-January 10, 2023-January 9, 2028 Renewal Option 1- January 10, 2028-January 9, 2030
TERMS: Net 30	BUYER: Kelly Monico, Director of Central Services (248) 871-2435 kmonico@fhgov.com
F.O.B.: Delivered	COOPERATIVE: Extension approved to all MITN Purchasing Cooperative Members

NATURE OF CHANGE(S):

Change #1 -Effective immediately new Canon models added to agreement. Pricing attached.

All other terms, conditions, specifications and pricing provisions remain unchanged.

AUTHORITY/REASON:

Requested by Applied Innovation, Original Approval of agreement 01/08/2023, CMR 1-23-09

FARMINGTON HILLS ESTIMATED CONTRACT VALUE:

\$775,000.00 (FIVE YEAR LEASE)

AUTHORIZATION OF ADDENDUM #1

SIGNED: /S/ KELLY MONICO

PRINTED: KELLY MONICO

TITLE: DIRECTOR OF CENTRAL SERVICES

DATE: 03/13/2023



**MASTER AGREEMENT
COPIER & PRINTER MANAGEMENT**

THIS AGREEMENT made and entered into this 10TH day of JANUARY, 2023, by and between the City of Farmington Hills, Oakland County, Michigan, on behalf of themselves, the 47th District Court and the MITN Purchasing Cooperative, Party of the First Part, hereinafter called OWNER, and Party of the Second Part, APPLIED INNOVATION, 24050 NORTHWESTERN HIGHWAY, SOUTHFIELD, MI 48076 hereinafter called the CONTRACTOR.

WITNESSETH, that the Contractor and the Owner, for the consideration hereinafter named agree as follows:

ARTICLE I - THE WORK

It is agreed that the Contractor shall furnish all the insurance, labor & materials to deliver service and products (leased or purchased) shown and called for in the request for proposals titled:

FH-22-23-2346 Copier & Printer Managements

prepared by the City of Farmington Hills, Central Services Department, Oakland County, Michigan, acting as, and in these Contract Documents entitled, the Contract Manager, and shall do everything required by the Contract Documents.

ARTICLE II - THE TIME

It is agreed that the Contractor shall begin work under this Contract upon receipt of written notice to proceed and that the contractor will fulfill all contract requirements for a period of five (5) years from date of contract award. It is further agreed that The City of Farmington Hills acting on behalf of themselves & the MITN Purchasing Cooperative may opt to extend the pricing, terms and conditions of this contract for two (2) additional years upon mutual consent.

ARTICLE III - OWNER'S RIGHT TO CANCEL

It is agreed that if at any time the Contractor should abandon this work; or if he should be adjudged a bankrupt, or if his performance of this Contract is being unnecessarily or unreasonably delayed; or if he should make a general assignment for the benefit of his creditors; or if a receiver should be appointed on account of his insolvency; or if he should persistently or repeatedly fail to fulfill portions of the contract requirements the Owner shall have the right to cancel the Contract with thirty (30) days written notice. Failure to perform specified duties listed herein after two (2) written notices shall constitute grounds for cancellation

ARTICLE IV - ASSIGNMENT OF CONTRACT

It is agreed that the Contractor shall not assign or transfer this Contract or sublet any part of the work embraced in it, except with the written consent of the Owner to do so.

ARTICLE V - THE CONTRACT SUM

And it is agreed that, in consideration of the faithful and entire performance by the Contractor of his obligations under this contract, the Owner, shall pay to him, at the time and in the manner hereinafter stipulated, an amount as determined by the measured quantities and the respective unit prices herein named within thirty (30) days of receipt of the Contractor's invoices. Requested to do so, supported if requested, by sworn statements, satisfactory evidence that all persons who have supplied labor.

The person representing the Contractor who will submit written invoices for payment is designated as

Electronic. The person representing the Owner to whom invoices are to be submitted and questions regarding payment for the City of Farmington Hills is Donna Dean, Accounts Payable Clerk.

CITY OF FARMINGTON HILLS
DEPARTMENT OF CENTRAL SERVICES
PURCHASING DIVISION

31555 W. ELEVEN MILE ROAD
FARMINGTON HILLS, MI 48336-1165
www.fhgov.com



PHONE 248-871-2435
FAX 248-871-2431

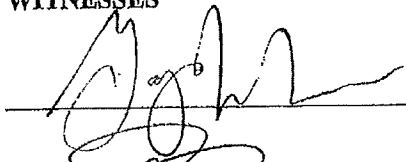
Pg. 2 of 2

It is agreed that no issues regarding payment of invoices shall affect the delivery of goods and services & no orders shall be held by the Contractor by the Owner shall be deemed or construed as an acceptance of any part of the work under this contract.

IN WITNESS WHEREOF, the parties have caused these presents to be signed personally or by their duly authorized officers or agents and their seals affixed and duly attested the day and year first written above for Copier & Printer Management.

City of Farmington Hills - Municipality

WITNESSES

 1/18/23

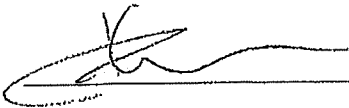
BY: Gary Mekjian, City Manager/Date

 1/18/23

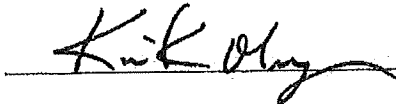
BY: Pam Smith, City Clerk/Date

CONTRACTOR

WITNESSES



BY JOHN KONYVNEBELT 1/16/23
Contractor/Date



BY: Kirk Morgan 1/16/23
Corporate Counsel


Contractor's signature (s) must be notarized:

STATE OF Michigan

COUNTY OF Kent

Subscribed and sworn to before me this 16th day of January 2023




Notary Public

County Kent

My Commission Expires: March 16th, 2028

REPORT FROM THE CITY MANAGER TO CITY COUNCIL

January 9, 2023

SUBJECT: AWARD OF PROPOSAL FOR COPIER AND PRINTER MANAGEMENT**ADMINISTRATIVE SUMMARY**

- Sealed proposals were advertised, available on the MITN e-procurement website, publicly opened and read aloud on November 17, 2022 for copier and printer management. Request for Proposals (RFP's) were sent to thirty-eight (38) vendors including seven (7) vendors that hold the classification of minority owned, woman owned, veteran owned, disabled, disadvantaged or service disabled). Five responses were received with one of those responses rejected as "non-responsive." This RFP was a cooperative effort between the City & 47th DC with extension offered to MITN Cooperative members. The past awarded agreement was also extendable and was utilized by 500+ agencies throughout Michigan.
- In 2012 the City began utilizing a managed copier & printer program which eliminated dozens of desktop printers and consolidated many machines in to less expensive units that were multi-functional with faxing, scanning, printing & copying built-in, but still utilize single-function desktop printers where security or technology requires. Currently the City & 47th DC have ninety-seven devices. Both the City & 47th DC continue to evaluate need & phase out units as usage allows. Historically printers & copiers are obtained on a five year lease arrangement with service and maintenance covered under a cost per copy agreement. The City spends approximately \$155,000 per year on copier & printer management.
- The copier industry has been in transition over the past several years. Local representation is being eliminated leaving few representatives & service agents locally to provide help when needed. The City has experienced challenges in the past, suffering poor customer service due to vendor set-up and flexibility making it difficult to keep copy equipment working efficiently. It wasn't uncommon for a repair to take 2-4 days for a technician to arrive and weeks for replacement parts to arrive. For this reason the City made excellent customer service paramount to award and determined a best value RFP process was the best option.
- The RFP requested information regarding firm qualifications, equipment & customer service approach along with pricing. Pricing was requested for single-function devices, mono-function devices & wide-format devices from 25-pages per minute (PPM) to 65 PPM. Each PPM range contains black/white printing/copying, color printing/copying, wide-format printing and pricing for costs per copy (CPC). Each device can be configure with options such as duplexing, faxing, stapling, hole punching, etc. In addition vendors were asked to supply pricing on their full-line catalog of goods & services to allow for flexibility in product & service selection for the City, 47DC and any extending agencies.
- City & 47th DC staff evaluated all proposals based on relevant work experience & qualifications, narrative of customer service approach & equipment offering, fees and references. Staff narrowed the field and conducted interviews with the two (2) highest point totals (Applied Innovations & Toshiba) Staff determined Applied Innovations to be the best value & most qualified vendor. Their rate structure was competitive, their proposal was excellent, their knowledge of current technology was extensive, their ideas for additional printer consolidation were creative and their commitment to customer service was demonstrated by the many glowing references from Michigan agencies. Applied Innovations has been providing outstanding service for the City of Farmington Hills for the past ten (10) years and City & 47th DC staff are confident in their ability.
- Funding for copy/printer devices are budgeted in department accounts on an annual basis. The recommended award allows continued equipment replacement for a five year period as approved and funded during the budget process.

QUALIFICATION TABULATION (Support information attached below)

Name	City/State	Written Response Point Award	Interview Point Award	Total Point Award
Applied Innovations	Grand Rapids & Southfield, MI	94	93	187
Toshiba	Lake Forest, CA Local Office Troy, MI	85	82	167

RECOMMENDATION

In view of the above, it is recommended that City Council authorize the City Manager to sign lease agreement and purchase orders to Applied Innovations with Great American Financial Services for copier and printer management for a five year period in an approximate amount of \$155,00 per year as budgeted, with one or more administration-approved extensions not to exceed a total of two (2) under the same terms and conditions upon mutual consent by the City and vendor.

Prepared by: Kelly Monico, Director of Central Services
Reviewed by: Michelle Aranowski, Senior Buyer
Reviewed by: Jack Li, Manager of Information Technology
Approved by: Gary Mekjian, City Manager