



## CITY COUNCIL AGENDA ITEM

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June 28, 2011

To: John Szerlag, City Manager

From: Gertrude Paraskevin, IT Director  
Susan A. Leirstein, Purchasing Director

Subject: Standard Purchasing Resolution 3 – Exercise Renewal Option – MITN Cooperative Premium Laser Compatible Ink and Toner Cartridges

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### **Background**

On November 8, 2010, Troy City Council approved a contract for the purchase of premium laser compatible ink and toner cartridges on an as needed basis with Preferred Toner Solutions, which included an option to renew for two (2) additional one (1) year periods (Res# 2010-11-247-J-4a).

Troy's IT department tested the cartridges in various City printers for three (3) months with satisfactory results. Since October 2010 the City has been purchasing their laser cartridges from Preferred Toner with a total accumulated savings to date of approximately \$11,700.00 over the OEM products.

A market survey is not deemed necessary as Purchasing has continually monitored the cost of OEM brands compared to the compatible cartridges offered by Preferred Toner since the inception of this contract. Since the start of this contract the cartridges from Preferred Toner have averaged between 30% - 50% less than the OEM product.

### **Recommendation**

City management recommends accepting the first one-year option exercised by the host City, Ann Arbor, for the MITN (Michigan Intergovernmental Trade Network) Cooperative of which Troy is a member City. The contract will expire on July 6, 2012, under the same terms, conditions and pricing as originally bid.

### **Fund Availability**

Funds for these cartridges are available through the 2011-2012 office supply accounts for each department.



## CITY OF ANN ARBOR, MICHIGAN

100 North Fifth Avenue, P.O. Box 8647, Ann Arbor, Michigan 48107

Date: June 16, 2011

TO: Bill Barber, Preferred Toner Solutions

RE: City of Ann Arbor Bid No. ITB-4023  
For Premium Compatible Toner Cartridges

Dear Mr. Barber:

On July 7, 2009, your company was awarded the bid for the following:

**PREMIUM COMPATIBLE TONER CARTRIDGES - NOT REFURBISHED  
OR REFILLED - ITB-4023**

The contract period was for two years.

The terms of the Bid allow for the extension of the contract period for up to two 1-year periods if both parties agree to an extension under the same terms and conditions as exist in the current contract.

This letter serves as the City's request to extend the contract under the current terms and conditions as provided for in the Bid. By signing and returning the Acknowledgement and Consent form below you agree to the extension of current contract for one year, beginning July 7, 2011 and ending July 6, 2012, at which time the option to renew for the additional 1-year period will be considered.

Should you wish to discuss this further, please contact Dee Lumpkin at (734) 794-6576.

Sincerely,

*Dee Lumpkin / ddh*

Dee Lumpkin  
Procurement Assistant

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ACKNOWLEDGEMENT AND CONSENT

I, William Barber, OWNER  
Name of Authorized Officer Title

On Behalf of Preferred Toner Solutions, LLC  
Company

acknowledge receipt of the City's request and agree to extend the contract for:

**PREMIUM COMPATIBLE TONER CARTRIDGES - NOT REFURBISHED  
OR REFILLED - ITB-4023**

for a period of one year, effective July 7, 2011 under the same terms and conditions as the current contract. I further warrant that I have the requisite authority to agree to such an extension for the contract period and terms and conditions stated.

Date: June 16, 2012

Preferred Toner Solutions, LLC  
Company Name

By William Barber

Its: OWNER / PRESIDENT

BE IT RESOLVED, That Troy City Council **SHALL MEET** in Closed Session, *Troy v Ida Rudack Trust*, as permitted by MCL15.268 (e), Pending Litigation.

Yes: Slater, Schilling, Beltramini, Fleming, Howrylak, Kerwin, McGinnis  
No: None

**MOTION CARRIED**

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**I-4 City of Troy Investment Policy and Establishment of Investment Accounts**

Resolution #2010-11-246  
Moved by Beltramini  
Seconded by McGinnis

RESOLVED, That Troy City Council hereby **APPROVES** the *Investment Policy and Establishment of Investment Accounts* as outlined in the memorandum and revised from Assistant City Manager-Finance and Administration, John M. Lamerato dated November 2, 2010; a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

Yes: Schilling, Beltramini, Fleming, Howrylak, Kerwin, McGinnis, Slater  
No: None

**MOTION CARRIED**

**J. CONSENT AGENDA:**

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**J-1a Approval of “I” Items NOT Removed for Discussion**

Resolution #2010-11-247  
Moved by Beltramini  
Seconded by Fleming

RESOLVED, That Troy City Council hereby **APPROVES** all items on the Consent Agenda as presented with the exception of Items J-4e and J-2, which **SHALL BE CONSIDERED** after Consent Agenda (I) items, as printed.

Yes: Beltramini, Fleming, Howrylak, Kerwin, McGinnis, Slater, Schilling  
No: None

**MOTION CARRIED**

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**J-3 Proposed City of Troy Proclamations: None proposed**

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**J-4 Standard Purchasing Resolutions:**

- a) **Standard Purchasing Resolution 4: MITN Purchasing Cooperative – City of Ann Arbor – Premium Laser Compatible Ink and Toner Cartridges**

Resolution #2010-11-247-J-4a

RESOLVED, That Troy City Council hereby **AWARDS** a contract for the purchase of premium laser compatible ink and toner cartridges on an as needed basis, with an option to renew for two (2) additional one (1) year periods to the lowest bidder meeting specifications, from Preferred Toner Solutions of Canton, MI, through a MITN Cooperative Award hosted by the City of Ann Arbor at unit prices contained in Appendix A, a copy of which shall be **ATTACHED** to the original Minutes of this meeting expiring July 31, 2011; and

BE IT FURTHER RESOLVED, That Troy City Council hereby **AWARDS** the contract for purchase **CONTINGENT** upon the contractor's submission of properly executed contract documents, including insurance certificates and all other specified requirements.

**b) Standard Purchasing Resolution 1: – Award to Low Bidder – Water System Materials**

Resolution #2010-11-247-J-4b

RESOLVED, That Troy City Council hereby **AWARDS** contracts to provide one-year requirements of Water System Materials to the following low bidders: Gunners Meters & Parts of Pontiac, MI; SLC Meter Service, Inc of Davisburg, MI and HD Supply Waterworks of Shelby Township, MI at unit prices contained in the bid tabulation opened September 30, 2010, a copy of which shall be **ATTACHED** to the original Minutes of this meeting; and

RESOLVED, That Troy City Council hereby **REJECTS** bids for Item #5. Manhole Frames and Covers due to budgetary limitations; and

BE IT FURTHER RESOLVED, That Troy City Council hereby **AWARDS** Gunners Meters & Parts Item.6 – Mueller Improved Fire Hydrant Parts at prices as contained on the Hydraflo Replacement Parts List dated March 2008.

**c) Standard Purchasing Resolution 1: – Award to Low Bidder – Water Pressure Reducing Valve (PRV) Vault #9 Replacement Rochester Road South of South Boulevard**

Resolution #2010-11-247-J-4c

**RESOLVED**, That Troy City Council hereby **AWARDS** contract No. 10-4, Water Pressure Reducing Valve (PRV) Vault #9 Replacement, Rochester Road South of South Boulevard, to Dan's Excavating, Inc., 12955 23 Mile Road, Shelby Township, Michigan 48315 for their low total bid amount of \$328,629.39; and

**BE IT FURTHER RESOLVED**, That Troy City Council hereby **AWARDS** contract **CONTINGENT** upon submission of proper contract and bid documents, including bonds, insurance certificates and all specified requirements, and if additional work is required such additional work is authorized in an amount not to exceed 10% of the total project cost.

**d) Standard Purchasing Resolution 3: – Exercise Renewal Option – Tax Bill Printing Services**

Resolution #2010-11-247-J-4d



## CITY COUNCIL AGENDA ITEM

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October 29, 2010

To: John Szerlag, City Manager

From: John M. Lamerato, Assistant City Manager/Finance & Administration  
Susan A. Leirstein, Purchasing Director  
Gertrude Paraskevin, IT Director

Subject: Standard Purchasing Resolution 4: MITN Purchasing Cooperative – City of Ann Arbor – Premium Laser Compatible Ink and Toner Cartridges

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### Background

On May 21, 2009, the City of Ann Arbor obtained bids for premium laser compatible ink and toner cartridges (ITB-4023) via the Michigan Intergovernmental Trade Network (MITN) website of which the City of Troy is a member. The bid stated that the cartridges could not be refurbished or refilled. Additionally, all inner components had to be new. No reused parts were allowed except for the outer hard shell of the cartridges.

The City of Ann Arbor reviewed the specifications for the cartridges bid by each company. After careful review it was determined that Preferred Toner Solutions was the lowest bidder meeting specifications and provided the best product and service guarantees.

In July 2009, the City of Ann Arbor administratively awarded a two (2) year contract with an option to renew for two (2) additional one (1) year periods to Preferred Toner Solutions of Canton, MI to provide premium laser compatible ink and toner cartridges.

For the past three (3) months, Troy's IT department has conducted testing of these cartridges in various City printers and is satisfied the cartridges perform to the standards of the OEM brand.

The City spends, on average, \$38,000.00 per year on laser jet toner cartridges. By switching to the compatible cartridges the City will save an average of 27% or \$10,000.00 per year.

### Recommendation

City management recommends awarding a contract for the purchase of premium laser compatible ink and toner cartridges to the lowest bidder meeting specifications, Preferred Toner Solutions of Canton, MI, as a result of a MITN Cooperative award hosted by Ann Arbor for an estimated total cost of \$28,000.00 at unit prices contained in attached Appendix A.

### Fund Availability

Funds for these materials are available through the 2010-2011 office supply accounts for each department.

# ITB-4023 Toner Contract Price List

## APPENDIX A

<b>Hewlett Packard Laser Compatible Black Cartridges - Monochrome</b>				
<b>MFG#</b>	<b>PP#</b>	<b>Machine Model</b>	<b>Pg. Yield</b>	<b>Price</b>
C3900A	00A	4V, 4MV	8100	\$ 79.95
C3903A	03A	5P, 6P	4000	\$ 46.95
CE505A	05A	P2035, P2055	2300	\$ 66.95
C3906A	06A	5L, 6L, 3100, 3150	2500	\$ 44.95
C3909A	09A	5si, 8000	15,000	\$ 84.95
Q2610A	10A	2300	6000	\$ 64.95
Q6511A	11A	2400 (low yield)	6000	\$ 89.95
Q6511X	11X	2400 (high yield)	12,000	\$ 124.95
Q2612A	12A	1010 - 1022 3015 - 3055	2000	\$ 49.95
Q2613X	13X	1300	4000	\$ 54.95
C7115X	15X	1000, 1200, 3330, 3380	3500	\$ 56.95
Q7516A	16A	5200	12,000	\$ 121.95
Q2624A	24A	1150	2500	\$ 49.95
C4127X	27X	4000, 4050	10,000	\$ 56.95
C4129X	29X	5000, 5100	10,000	\$ 99.95
CB435A	35A	P1005, P1006	1500	\$ 49.95
CB436A	36A	P1505, M1522n	2000	\$ 54.95
Q1338A	38A	4200	12,000	\$ 87.95
Q1339A	39A	4300	18,000	\$ 109.95
Q5942A	42A	4240, 4250, 4350	10,000	\$ 87.95
Q5942X	42X	4250, 4350 only	20,000	\$ 109.95
C8543X	43X	9000, 9050	30,000	\$ 159.95
Q5945A	45A	MFP 4345	18,000	\$ 124.95
Q5949A	49A	1160, 1320, 3390	2500	\$ 59.95
Q5949X	49X	1320, 3390	6000	\$ 76.95
Q7551A	51A	P3005, M3035MFP	6500	\$ 84.95
Q7551X	51X	P3005, M3035MFP	15,000	\$ 124.95
Q7553A	53A	P2015	3000	\$ 64.95
Q7553X	53X	P2015	7000	\$ 99.95
C8061X	61X	4100	10,000	\$ 62.95
CC364A	64A	P4014, P4015, P4515	10,000	\$ 114.95
Q7570A	70A	M5025, M5035 MFP	12,000	\$ 129.95
92274A	74A	4L, 4ML, 4P, 4MP	3350	\$ 49.95
C4182X	82X	8100, 8150	20,000	\$ 99.95
C4092A	92A	1100, 3200	2500	\$ 42.95
C4096A	96A	2100, 2200	5000	\$ 57.95
92298A	98A	4, 4Plus, 5, 5N	6800	\$ 49.95
92298X	98X	4, 4Plus, 5, 5N	8800	\$ 59.95

<b>Hewlett Packard Laser Compatible Cartridges - Color</b>				
<b>MFG#</b>	<b>PP#</b>	<b>Machine Model</b>		
C9700A	1500B	HP 1500, 2500, Black	5000	\$ 64.95
C9701A	1500C	HP 1500, 2500, Cyan	4000	\$ 64.95
C9702A	1500Y	HP 1500, 2500, Yellow	4000	\$ 64.95
C9703A	1500M	HP 1500, 2500, Magenta	4000	\$ 64.95
Q6000A	1600B	1600, 2600 CM1015 Black	2500	\$ 62.95

## ITB-4023 Toner Contract Price List

Q6001A	1600C	1600, 2600 CM1015 Cyan	2000	\$ 65.95
Q6002A	1600Y	1600, 2600 CM1015 Yellow	2000	\$ 65.95
Q6003A	1600M	1600, 2600 CM1015 Magenta	2000	\$ 65.95
Q3960A	1500B	2550, 2884, 2840 Black	5000	\$ 64.95
Q3961A	1500C	2550, 2884, 2840 Cyan	4000	\$ 64.95
Q3962A	1500Y	2550, 2884, 2840 Yellow	4000	\$ 64.95
Q3963A	1500M	2550, 2884, 2840 Magenta	4000	\$ 64.95
Q7560A	3000B	3000 Black	6500	\$ 104.95
Q7561A	3000C	3000 Cyan	3500	\$ 99.95
Q7562A	3000Y	3000 Yellow	3500	\$ 99.95
Q7563A	3000M	3000 Magenta	3500	\$ 99.95
Q2670A	3500/3700B	3500, 3550 Black	6000	\$ 104.95
Q2671A	3500C	3500, 3550 Cyan	4000	\$ 99.95
Q2672A	3500Y	3500, 3550 Yellow	4000	\$ 99.95
Q2673A	3500M	3500, 3550 Magenta	4000	\$ 99.95
Q6470A	3600/3800B	3600 Black	6000	\$ 89.95
Q6471A	3600C	3600 Cyan	4000	\$ 99.95
Q6472A	3600Y	3600 Yellow	4000	\$ 99.95
Q6473A	3600M	3600 Magenta	4000	\$ 99.95
Q2670A	3500/3700E	3700 Black	6000	\$ 104.95
Q2681A	3700C	3700 Cyan	6000	\$ 114.95
Q2682A	3700Y	3700 Yellow	6000	\$ 114.95
Q2683A	3700M	3700 Magenta	6000	\$ 114.95
Q6470A	3600/3800B	3800 Black	6000	\$ 89.95
Q7581A	3800C	3800 Cyan	6000	\$ 106.95
Q7582A	3800Y	3800 Yellow	6000	\$ 106.95
Q7583A	3800M	3800 Magenta	6000	\$ 106.95
C4191A	4500B	4500, 4550 Black	9000	\$ 59.95
C4192A	4500C	4500, 4550 Cyan*	6000	\$ 76.95
C4193A	4500M	4500, 4550 Magenta*	6000	\$ 76.95
C4194A	4500Y	4500, 4550 Yellow*	6000	\$ 76.95
C9720A	4600B	4600, 4650 Black	9000	\$ 104.95
C9721A	4600C	4600, 4650 Cyan	8000	\$ 119.95
C9722A	4600Y	4600, 4650 Yellow	8000	\$ 119.95
C9723A	4600M	4600, 4650 Magenta	8000	\$ 119.95
Q5950A	4700B	4700 Black	11,000	\$ 119.95
Q5951A	4700C	4700 Cyan	10,000	\$ 159.95
Q5952A	4700Y	4700 Yellow	10,000	\$ 159.95
Q5953A	4700M	4700 Magenta	10,000	\$ 159.95
Q6460A	4730B	CM4730 MFP Black	12,000	\$ 119.95
Q6461A	4730C	CM4730 MFP Cyan	12,000	\$ 159.95
Q6462A	4730Y	CM4730 MFP Yellow	12,000	\$ 159.95

## ITB-4023 Toner Contract Price List

Q6463A	4730M	CM4730 MFP Magenta	12,000		\$ 159.95
C9730A	5500B	5500, 5550 Black	20,000	Xerox cpt	\$ 179.95
C9731A	5500C	5500, 5550 Cyan	12,000	Xerox cpt	\$ 239.95
C9732A	5500Y	5500, 5550 Yellow	12,000	Xerox cpt	\$ 239.95
C9733A	5500M	5500, 5550 Magenta	12,000	Xerox cpt	\$ 239.95

### Lexmark Laser Compatible Cartridges

MFG#	PP#	Machine Model	Price
69G8256	Optra E	Optra E, E+, EP	\$ 44.95
1282925	Optra S	Optra S 1250, 1620, 1650, 1855, 2420, 2450	\$ 99.95
12A8400	Opt 230/330	Optra E230, 232, 234, 238, 240, 330, 332, 340, 342	\$ 84.95
12A5849	Optra T	Optra T 610, 612, 614, 616	\$ 139.95
12015SA	E120	E120 - 2000 pp.	\$ 59.95
E250A11A	E250	E250 - 3500 pp.	\$ 91.95
E352H11A	E350/352	E350, 352 - 9000 pp.	\$ 129.95
12A6735	T522	T 520, 522 - 20,000 pp.	\$ 159.95
12A6765	T620	T 620, 622 - 30,000 pp.	\$ 179.95
12A7362	T630	T 630, 632, 634 HY - 21,000 pp.	\$ 179.95
12A7365	T632/634	T 632,634 XHY - 32,000 pp.	\$ 179.95
64035HA	T640	T 640, 642, 644 - 21,000 pp.	\$ 189.95

### IBM Laser Compatible Cartridges

28P2494	IBM1120	Infoprint 1120/1125	\$ 149.95
28P2010	IBM1130	Infoprint 1130/1140	\$ 169.95
75P5711	IP1412	Infoprint 1412/1512	\$ 79.95
75P6961	IBM1552	1532/1552/1572	\$ 189.95

### Brother Laser Compatible Cartridge

MFG#	PP#	Machine Model	Price
TN-250	TN250	DCP 1000/MFC 4800	\$ 24.95
TN-350	TN350	2820, 2920, MFC7220	\$ 42.95
TN-360	TN360	HL 2140/2170W/MFC7840	\$ 49.95
TN-460	TN460	TN-430, TN-460	\$ 49.95
TN-560	TN560	MFC-8420, DCP-8020	\$ 49.95
TN-570	TN570	TN-540, TN-570	\$ 49.95
TN-580	TN580	HL 5240, 5250, 5280	\$ 59.95
DR-350	DR350	DR-350 compatible drum	\$ 82.95
DR-400	DR400	DR-400 compatible drum	\$ 109.95
DR-500	DR500	MFC-8420, DCP-8020	\$ 99.95

### Canon Laser Compatible Cartridges

MFG#	PP#	Machine Model	Price
Can. 104	Can 104	L120/MF4150	\$ 59.95
Can. 106	Can 106	MF6530, 6550, 6560, 6580	\$ 119.95
H11-6321-220	FX-2	L 5000, 5500, 7500	\$ 49.95
H11-6381-220	FX-3	IC 1100, LC 2060, L 3500, LC 4000, LC 4500, L 600	\$ 49.95
H11-6401-220	FX-4	LC 8500, 9000, 9500	\$ 54.95
H11-6431-220	FX-6	LC 3170, 3175	\$ 69.95

## ITB-4023 Toner Contract Price List

7621A001AA	FX-7	LC 710, 720, 730	\$	64.95
8955A001AA	FX-8	LC 510	\$	64.95
F41-8801-710	E-40	PC 710, 720, 730, 740, 745, 770, 775	\$	79.95
8489A001AA	X25	ICMF 5500	\$	67.95
7833A001AA	S35	D 320, D 340	\$	74.95
6812A001AA	L50	PC 1060, PC 1080, ICD 660, D 680	\$	84.95

### Sharp Fax Compatible Cartridges

MFG#	PP#	Compatible Cartridge		Price
FO45ND	45ND	FO 4500, 5500, 5600, 6500, 6600	\$	49.95
FO47ND	47ND	FO 4700	\$	59.95
FO50ND	50ND	FO 440, DC500, DC600	\$	59.95

### Dell Compatible Cartridges

MFG#	PP#	Machine Model		Price
GC502	Dell 1100	1100, 1110**	2000	\$ 64.95
310-3543	Dell P1500	P1500	6000	\$ 79.95
X5015	Dell 1600	1600n**	5000	\$ 69.95
X5009	Dell 1700	1700, 1710**	6000	\$ 72.95
310-8709	Dell 1720	1720	6000	\$ 89.95
310-7945	Dell 1815	1815	5000	\$ 67.95
D1851	5200/5300LY	5200N/5300N (low yield)	21,000	\$ 124.95
W2989	5200/5300HY	5200N/5300N (high yield)	27,000	\$ 154.95
UG216	5210/5310	5210N/5310N		\$ 159.95



October 28, 2010

Susan Leirstein  
Purchasing Director  
City of Troy  
500 W. Big Beaver  
Troy, MI 48084

Dear Ms. Leirstein:

On April 30, 2009 the City of Ann Arbor, MI, Procurement Unit issued ITB-4023 for Premium Compatible Toner Cartridges – NOT Refurbished or Refilled. Bids were received from 22 companies on the deadline date of May 21, 2009, 2:00 p.m.

Due to very bad experiences in the past with non-OEM cartridges, the specification in the bid was very stringent and required 100% new internal parts. The only component allowed to be recycled/reused is the outer core. HP and other companies also re-use the outer core.

The Procurement Unit reviewed each bid carefully and in many cases called the plant directly to determine what percentage of internal parts were actually new. Many of the vendors were eliminated at this point because they did not meet the bid specification.

Preferred Toner Solutions, was awarded this bid for the best product, service and rebate program. They are a Michigan-based company and meet or exceed all specifications of the bid. The City had previously tested toner cartridges for approximately 15 months.

Contracts for award must be approved by City Council at the \$25,000 and up level. Since the City's procurement is decentralized, each Service Area/Unit orders separately and none of the Service Areas/Units reach that dollar level in a fiscal year. In fact, the estimated bid received from Preferred Toner Solutions was approximately \$23,000 for all Service Area/Units combined.

Additionally, a purchase order is not required unless the total individual order is \$3,000 or above, per the City Administrator's Administrative Policy. This level has never been reached.

The City is very satisfied with Preferred Toner Solutions and the Procurement Unit will renew their contract unless there is an unforeseen problem.

Sincerely,

Dee Lumpkin  
Procurement Assistant  
City of Ann Arbor, MI

## **A SUMMARY OF ITB-4023**

### **ISSUED APRIL 29, 2009**

The City of Ann Arbor is soliciting bids for the purchase of premium **laser compatible** toner cartridges and supplies for a two (2) year period, with an option to renew two (2) additional 1-year periods. The City will not accept bids for **refurbished or refilled** products, either in whole or in part....

### **ADDENDUM #1 (May 11, 2009)**

PLEASE BE ADVISED THAT THE ONLY COMPONENT OF THE CARTRIDGES YOU SUBMIT YOUR BID FOR THAT CAN BE "REUSED" IS THE OUTER HARD SHELL OF THE CARTRIDGE; NO INNER COMPONENTS ARE TO BE REUSED PARTS AND NO "REFILLED" CARTRIDGES.

### **Extension of Award to the MITN Purchasing Cooperative and Other Governmental and Non-Profit Entities.**

All vendors awarded contracts from this Bid may, upon mutual agreement, extend pricing to the Michigan Governmental Trade Network (MITN) Purchasing Cooperative and other Governmental and Non-Profit Entities. Each entity is responsible for its own payments and is to be considered individually for billing and collection purposes. Each entity will provide its own purchase order and delivery location(s) and must be invoiced separately to the address indicated on their purchase order.

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## **OUR HISTORY WITH CITY OF ANN ARBOR**

### **January 2007 – September 2007**

City of Ann Arbor begins evaluation of PrecisePrint cartridges/Preferred Toner Solutions.

### **October 2007 – June 2009**

Preferred Toner Solutions is a non-contract laser cartridge vendor for City of Ann Arbor.

### **July 2009**

Preferred Toner Solutions is awarded the contract under ITB-4023.



## CITY OF ANN ARBOR - INVITATION TO BID

### **PREMIUM LASER COMPATIBLE INK AND TONER CARTRIDGES (NOT REMANUFURBISHED OR REFILLED) AND MISCELLANEOUS PRINTER PARTS**

#### **ITB-4023**

**ISSUED APRIL 29, 2009 – DUE MAY 21, 2009**

The City of Ann Arbor is soliciting bids for the purchase of premium laser **compatible** ink and toner cartridges and supplies for a two (2) year period, with an option to renew two (2) additional 1-year periods. The City will not accept bids for **refurbished or refilled** products, either in whole or in part. The City of Ann Arbor has numerous locations throughout the City that will be serviced under this bid. The Vendor will be required to deliver their products to each of these locations on an as-needed basis. Cost includes delivery to various City-owned buildings located in Ann Arbor and to various Service Area Units located at the Ann Arbor Municipal Building. The City reserves the right to split or abstract any or all bids and award multiple contracts for the same bid, based on price, availability and service when, in its judgment, best serves the City of Ann Arbor; therefore, it is necessary that you provide pricing for every item.

Sealed bids must be received by the Procurement Unit, 100 N. Fifth Ave., Fifth Floor, P.O. Box 8647, Ann Arbor, MI no later than 2:00 p.m. May 21, 2009. Bids must be clearly identified as **ITB-4023, Premium Laser Compatible Ink and Toner Cartridges**, and should be directed to the attention of Dee Lumpkin, Procurement Assistant, Phone: 734.794.6576; E-Mail: [dlumpkin@a2gov.org](mailto:dlumpkin@a2gov.org). Bids will be opened and read publicly aloud at that time. Late bids will not be accepted.

Questions must be received in writing prior to May 14, 2009 at 3:00 p.m. Any questions received after the date and time above will not be considered. Vendors are encouraged to include product specifications and information sheets with their submittals. All materials are to be shipped to various City-owned buildings in the City of Ann Arbor.

The City of Ann Arbor officially posts bids on the Michigan Intergovernmental Trade Network (MITN) [www.govbids.com](http://www.govbids.com). Copies of bid documents obtained from any other private source are not considered official copies. Only those vendors who obtain bid documents from the MITN System are guaranteed access to receive addendum information, if such information is issued. Bid documents and amendments may also be obtained on the City of Ann Arbor Purchasing webpage at [www.a2gov.org](http://www.a2gov.org). Final bid results will be posted on the Purchasing website and on the MITN website.

**Definitions.**

1. Owner or City shall refer to the City of Ann Arbor.
2. Service Company, Vendor, Contractor or Proposer shall refer to the company providing a bid, quote or proposal for the work outlined in the bid specifications.

**General Conditions.**

No bid will be accepted from, or contract awarded to any person, firm or corporation that is in arrears or is in default to the City of Ann Arbor upon any debt or contract, or that is in default as surety or otherwise, or failed to perform faithfully any previous contract with the City of Ann Arbor.

All vendors are held to prices as proposed for 90 days or award, whichever comes first, except the successful proposer, whose prices shall remain firm through the contract expiration.

Any deviation from the scope of work must be noted in the bid document.

Each delivered package shall be properly identified with an outside label with appropriate information to deliver product to end user and a packing slip. Acceptance of the total delivery and signature based upon piece count and manifest does not represent a transfer of responsibility to the City for the content of each package. In the event shortage, overage or damage exists within the packages, the Vendor will accept City documentation for resolution.

There is no guarantee that the City will purchase any/all of the items listed; the City reserves the right to purchase product(s) at the proposed price during the contract period. Additionally, the products listed are not all inclusive and the City may purchase additional related items.

No contract will be automatically renewed at the end of any contract term.

No gas or fuel surcharges will be billed to or paid by the City at any time.

All pricing and information regarding this ITB is public information.

**Specifications.**

The City of Ann Arbor is soliciting quotations for the purchase of premium compatible ink and toner cartridges and supplies for a two (2) year period, with an option to renew for two (2) additional 1-year periods. The City of Ann Arbor has numerous locations throughout the City that will be serviced under the contract awarded. The Vendor will be required to deliver its products to each of these locations on an as-needed basis. Cost includes delivery to various City-owned buildings located in Ann Arbor and to various units located at the Ann Arbor Municipal Building.

The City reserves the right to split or abstract any or all quotations and award multiple contracts for the same quotation, based on price, availability and service when, in its judgment, best serves the City of Ann Arbor; therefore, it is not necessary that you provide pricing for every item.

Vendor shall provide all new materials in original packaging where applicable.

**\*\*THE CITY WILL NOT ACCEPT BIDS FOR  
REFURBISHED OR REFILLED CARTRIDGES\*\***

Vendor shall indicate on the Bid Form a minimum order amount, if any, and service charge for any order below the minimum, if applicable.

Prices shall be stated in units of quantity specified in the Bid Document. In case of a discrepancy in computing the amounts of the quotation, or other mathematical error, the unit price quotation will govern.

It is recommended, but not required, that the Vendor be able to provide the City with a number of computer-generated reports by service area unit, individual location and by the City as a total as applicable.

It is recommended, but not required, that the Vendor designate an individual to support the supply system and provide a primary interface between the City and the Vendor.

All vendors shall include with their bid, a list of at least three (3) current references to whom comparable items have been sold. This list shall include company name, person to contact, address and telephone number. Failure to include references may be ample cause for rejection of your bid as non-responsive.

**Warranty/Guarantee**

All warranties by manufacturer shall apply. Proposer shall, as part of its bid, **furnish its warranty/guarantee** for all goods to be furnished hereunder. Proposer shall be obligated to replace all defects in material, which are discovered or exist during the warranty period; all transportation shall be at Proposer's expense.

**Award of Purchase Order**

The City reserves the right to reject any and all bids, and to waive any defect or irregularity in the bids. The City reserves the right to accept and separate items in the bid; and to accept the bid that, in the opinion of the City, is to the best advantage and interest of the public it serves.

The bid will be awarded to the responsible, responsive vendor whose bid, conforming to this solicitation, will be the most advantageous to the City, with qualifications, experience, comparable projects, work plan and price considered in the evaluation process and award of a contract.

## **Invoice and Payment Terms**

Payments will be made after the merchandise has been:

- Received in full.
- Inspected and found to comply with all specifications and be free of damage or defect.
- Properly invoiced.

All invoices, packing lists and correspondence associated with a purchase should reference the purchase order number. Invoices should be submitted to the attention of the Accounts Payable, City of Ann Arbor, P.O. Box 8647, Ann Arbor, Michigan, 48107.

Payment will be mailed within thirty (30) days of the receipt and acceptance of merchandise and properly completed invoice. Partial payments are not authorized on individual written purchase orders issued for this procurement. Advanced payments will not be authorized. Products delivered that fail to meet specifications will be replaced or credited. Items that must be returned to the Vendor due to damage, miss pick, ordering error, etc. will be documented by the Service Area Unit, indicating the reason for the return. Upon return to the Vendor, a credit memo will be provided to the City or alternatively, the product may be exchanged with a correct and/or undamaged cartridge. The City will **not** be assessed restocking or any other form of return charges for items.

## **Taxes**

The City of Ann Arbor is exempt from all sales, excise and transportation taxes; do not include such taxes in the bid document. Any unit prices in the quotation shall be exclusive of all such taxes and will be so construed. The City will furnish the successful vendor with a tax exemption certificate when requested.

## **Fiscal Non-Appropriation Clause**

In the event sufficient budgeted funds are not available for a new fiscal period, the City shall notify the vendor of such occurrence and the contract shall terminate on the last day of the current fiscal period without penalty or expense to the City.

## **Bankruptcy or Insolvency**

In the event bankruptcy proceedings are commenced by or against the awarded Vendor or under any provisions of the United States Bankruptcy Act or for the appointment of a receiver or trustee or a general assignment for the benefit of creditors of either party, the City shall be entitled to terminate without further cost or liability. The City may cancel the Agreement/Contract or affirm the Contract and hold the Vendor responsible for damages.

## **Michigan Freedom of Information Act (FOIA)**

All costs incurred in the preparation and presentation of this bid, in any way whatsoever, shall be wholly absorbed by the prospective firm. All supporting documentation shall become the property of the City of Ann Arbor unless requested otherwise at the time of submission.

Michigan FOIA requires the disclosure, upon request, of all public records that are not exempt from disclosure under Section 13 of the Act, which are subject to disclosure under the Act. Therefore, confidentiality of information submitted in response to this Quotation is not assured.

### **Material Safety Data Sheets**

All purchases that require a Material Safety Data Sheet (MSDS), where applicable, must be in compliance with the MIOSHA "Right to Know" Law. A MSDS must be provided for each required item.

### **Termination**

The City of Ann Arbor reserves the right to terminate the contract without penalty upon thirty (30) days written notice due to poor performance or for reasons deemed to be in its best interest. A designated representative of the City of Ann Arbor will be solely responsible for determining acceptable performance levels. The City of Ann Arbor reserves the right to re-award the contract to the second most qualified bid, re-bid the contract or do whatever is deemed to be in its best interest.

### **Assignment**

This agreement shall be binding on the parties and their heirs, successors and assigns. Neither party may assign, transfer or subcontract its interests, in whole or in part, without first obtaining the written prior approval of the City of Ann Arbor before any consent is given, the successful vendor and its assignee shall bring current all monies owing to the City. No consent shall be given by the City unless the assignee agrees to be liable for any payment outstanding on this agreement at time of assignment.

### **Subcontractors and Assignment of Agreement and other Contractors**

No contract may be sublet without the written consent of the City of Ann Arbor. Any subcontractor, so approved, shall be bound by the terms and conditions of this contract. The contractor shall be fully liable for all acts or omissions. The Vendor shall not assign the Agreement or any part thereof without the written consent of the City. The City reserves the right to let other agreements in connection with this work, even if of like character, for work under an agreement. The Vendor shall coordinate his/her work with theirs. If any part of the Vendor's work depends on the proper execution of any other contractor, the Vendor shall inspect and promptly report to the City any defects in such work that renders it unsuitable for such proper execution. Failure to inspect and report shall constitute an acceptance of the other Vendor's work.

## **COMPLIANCE REQUIREMENTS**

### **Nondiscrimination**

The Consultant agrees to comply with the nondiscrimination provisions of Chapter 112 of the Ann Arbor City Code and to take affirmative action to assure that applicants are employed and that employees are treated during employment in a manner which provides equal employment opportunity and tends to eliminate any inequality based upon race, national origin or sex. The Consultant agrees to comply with the provisions of Section 9:161 of Chapter 112 of the Ann Arbor City Code, Exhibit A

## **Wages**

Under this Contract, the Contractor shall conform to Chapter 14 of Title I of the Code of the City of Ann Arbor as amended; which in part states "...that all craftsmen, mechanics and laborers employed directly on the site in connection with said improvements, including said employees of subcontractors, shall receive the prevailing wage for the corresponding classes of craftsmen, mechanics and laborers, as determined by statistics for the Ann Arbor area compiled by the United States Department of Labor. At the request of the City, any contractor or subcontractor shall provide satisfactory proof of compliance with the contract provisions required by the Section." Where the Contract and the Ann Arbor City Ordinance are silent as to definitions of terms required in determining contract compliance with regard to prevailing wages, the definitions provided in the Davis-Bacon Act as amended (40 U.S.C. 278-a to 276-a-7) for the terms shall be used.

Further, to the extent that any employees of the Contractor providing services under this contract are not part of the class of craftsmen, mechanics and laborers who receive a prevailing wage in conformance with Section 1:319 of Chapter 14 of Title I of the Code of the City of Ann Arbor, the Contractor agrees to conform to Chapter 23, Living Wage, of Title I of the Code of the City of Ann Arbor, as amended. The Contractor agrees to pay those employees providing Services to the City under this Agreement a "living wage," as defined in Section 1:815 of the Ann Arbor City Code; to post a notice approved by the City of the applicability of Chapter 23 in every location in which regular or contract employees providing services under this agreement are working; to maintain records of compliance; if requested by the City, to provide documentation to verify compliance; to take no action that would reduce the compensation, wages, fringe benefits, or leave available to any employee or person contracted for employment in order to pay the living wage required by Section 1:815; and otherwise to comply with the requirements of Chapter 23. A copy of selected provisions of Chapter 23 of the Ann Arbor City Code is attached as Exhibit B. The current living wage rates under Section 1:815 of the Ann Arbor City Code, as adjusted in accordance with Section 1:815(3) of the Ann Arbor City Code, is \$11.71 an hour for a covered employer that provides employee health care to its employees and \$13.06 an hour for a covered employer that does not provide health care to its employees.

## **INSURANCE; INDEMNIFICATION**

The Contractor shall procure and maintain during the life of this Contract, including the guarantee period and during any warranty work, such insurance policies, including those set forth below, as will protect itself from all claims for bodily injuries, death or property damage which may arise under this Contract; whether the acts were made by the Contractor or by any subcontractor or anyone employed by them directly or indirectly. The following insurance policies are required:

1. Worker's Compensation Insurance in accordance with all applicable state and federal statutes. Further, Employers Liability Coverage shall be obtained in the following minimum amounts:

Bodily Injury by Accident - \$500,000 each accident  
Bodily Injury by Disease - \$500,000 each employee  
Bodily Injury by Disease - \$500,000 each policy limit

2. Commercial General Liability Insurance equivalent to, as a minimum, Insurance Services Office form CG 00 01 07 98. The City of Ann Arbor shall be an additional insured. There shall be no added exclusions or limiting endorsements including, but not limited to: Products and Completed Operations, Explosion, Collapse and Underground coverage or Pollution. Further, the following minimum limits of liability are required:

\$1,000,000 Each occurrence as respect Bodily Injury Liability or Property Damage Liability, or both combined.

\$2,000,000 Per Job General Aggregate

\$1,000,000 Personal and Advertising Injury

\$2,000,000 Products and Completed Operations Aggregate

### **Additional Products**

Additional products may be added to or deleted from the list during the contract term at the discretion of the City. Vendor shall provide a percentage (%) discount off manufacturer's list.

### **Points Not Addressed**

Vendors are encouraged to list any points not addressed in these specifications that they feel will improve or enhance this bid.

PREFERRED TONER

**Extension of Award to the MITN Purchasing Cooperative and Other Governmental and Non-Profit Entities.**

All vendors awarded contracts from this Bid may, upon mutual agreement, extend pricing to the Michigan Governmental Trade Network (MITN) Purchasing Cooperative and other Governmental and Non-Profit Entities. Each entity is responsible for its own payments and is to be considered individually for billing and collection purposes. Each entity will provide its own purchase order and delivery location(s) and must be invoiced separately to the address indicated on their purchase order.

William W. Barber, Jr  
(Contractor Signature)  
Preferred Toner Solutions, LLC  
Company Name (Printed)  
May 20, 2009  
(Dated)

**Manufacturer Warranty information:**

Describe your return/warranty policy:  
We offer a "no-questions-asked" warranty on every cartridge.  
All cartridges come with a 100% satisfaction guarantee. Defective  
cartridges are replaced promptly, typically next business day.

Acknowledge that the City will not be assessed restocking or any other form of return charges for items. WB (initial here). Comments:  
No restocking or return charges will be assessed to the City.

Describe your policy in the event that a defective cartridge causes needed repairs or cleaning of a printer:  
In the rare event that a cartridge damages a printer, we promptly  
dispatch an HP- and Brother-certified technician to clean and/or  
repair the printer. We have a technician assigned to our customer base  
in the Ann Arbor area, so we are able to offer prompt emergency response as needed.

Do you require a minimum order dollar amount? Yes \_\_\_ or No X

If yes, what is the minimum order dollar amount: \$ —

Do you require an "Additional Charge" for orders less than minimum?  
Yes \_\_\_ or No X

If yes, what is the dollar amount of the "Additional Charge?"  
\$ —

Do you publish your own full-line catalog? Yes X or No \_\_\_\_\_

If not, what catalog do you use? \_\_\_\_\_

What is the catalog discount to the City? 10%-30% (depending on specific cartridge model)

Please include one (1) copy of the catalog you are using with your bid – additional copies may be requested at a later date. Yes X or No \_\_\_\_\_

Additional products may be added to or deleted from the list during the contract term at the discretion of the City. For items not specified, provide a percentage (%) discount off manufacturer's list: 10%-30% off list or provide comments:

The City (and other MITN partners) will receive a 10%-30% discount off manufacturer's list pricing. The percentage of discount is typically greater as the list price increases.

List the various methods for ordering products (i.e., telephone, fax, e-mail, on-line):

- ① ONLINE : [www.PreferredTonerSolutions.com/a2gov](http://www.PreferredTonerSolutions.com/a2gov) (customized order site for the City)
- ② EMAIL : [sales@preferredtonersolutions.com](mailto:sales@preferredtonersolutions.com)
- ③ PHONE : 734-751-4180
- ④ FAX (if requested)

Do you offer on-line ordering? Yes X or No \_\_\_\_\_

If yes, provide information on your Internet capability, including availability of on-line pricing.

We have a customized online order page for City of Ann Arbor. The page includes on-line pricing; drop-down menus of city departments and "ship to" addresses of all City departments.

How are Material Safety Data Sheets (MSDS) provided to the City?

Material Safety Data Sheets are available for all of our compatible cartridges. They are provided electronically upon request of the customer.

What types of computer-generated reports are available to the City and how will they be provided (i.e., via Internet, mailed to City, etc.)? If none, indicate "none."

We are pleased to provide reports to the City or an individual department upon request. Reports may be requested for cartridge volume, total dollars spent, and names of personnel who ordered. Reports are delivered by email using spreadsheet attachments.

What is the time from placing order to on-site delivery?

Orders are delivered next day when order is received by 2:00 pm.

All products under this Bid are to be delivered no more than three (3) days after receipt of order. Deliveries will be made between 8:00 a.m. and 5:00 p.m., local time, Monday through Friday.

Describe your method of delivery and guaranteed delivery (example: your truck, common carrier, etc.)

Delivery via company vehicles; FedEx or UPS. Tracking numbers available on request.

Note: If delivery is by your truck, the City requires insurance, naming the City of Ann Arbor as Additional Insured.

Cost includes delivery to various City-owned buildings located in Ann Arbor and Service Units located at the Ann Arbor Municipal Building. Acknowledge that the above pricing includes delivery WB (initial here).

Do you offer "desk-top" delivery to various departments located at City of Ann Arbor Building? Yes  or No  Comments: \_\_\_\_\_

Does your company accept Purchasing Card transactions? Yes  or No

Does your company offer a rebate of any type to the City of Ann Arbor for sales volume, on-line ordering or additional contracts to your company under the Extended Contract clause? Yes  or No

If Yes, please describe in detail the rebate program:

For additional contracts that result from this contract with City of Ann Arbor (e.g. MITN Purchasing Cooperative partners), we will issue a rebate credit to City of Ann Arbor in the amount of \$3.00 per PrecisePrint compatible ordered. The rebate will be issued quarterly and reported to City of Ann Arbor's Procurement Assistant or her representative.

Does your company offer a credit for returned cartridges? Yes  or No

If Yes, please describe the credit program:

We issue a credit of \$2.00 per empty PrecisePrint laser cartridge that is returned to us. The credit is applied to the account of the department that returns the cartridge.

Describe the method for returning used cartridges:

We pick up empty cartridges directly from each department at the time we deliver a new order. Departments may also request a pick-up at any time. We also currently pick up empties from the lobby on 1st floor at City Hall at least once a week.

Indicate the name and phone number of the account representative that will serve as the primary interface between the City and the Vendor. If none, indicate "none."

(Name and local office address)

Bill Barber  
2006 Bellingham St.  
Canton, MI 48188

Office Tel: 734-751-4180 Cellular Tel: 734-751-4180

Fax: 734-397-2847

Can the vendor periodically visit the City on-site to provide information concerning products and/or services upon request? Yes  or No

Provide at least three (3) references (including name and phone number):

- ① Annette Clark - Panalpina on 6 Continents, Inc. - Van Buren Twp., MI
- ② Nicole O'Dea - 48th District Court
- ③ Rosie Gomez - Option Care (Walgreens) Specialty Pharmacy - Ann Arbor, MI

\* Note: Please see attached "REFERENCES" sheet for full contact information.

Can you meet the City's Insurance requirements? Yes  No

State any exceptions, substitutions or deviations from the City specifications along with reason for same below:

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Additional value-added offers/programs not addressed above:

- ① Same-day delivery in cases of emergency orders
- ② 30% parts & labor discount on all "break/fix" service calls
- ③ \$25,000 Equipment Protection Policy (see attached brochure)

The Vendor should submit with the bid the latest printed literature and detailed specifications on items the Vendor offers to furnish. This literature is for informational purposes only.

Has literature been provided? Yes  No

The City of Ann Arbor is a member of the MITN Purchasing Cooperative. If your company is awarded item(s) referenced in the Invitation to Bid, the MITN cooperative governmental entities, may wish to use this contract and will issue a purchase order for the item(s) awarded in the quotation. Each entity is responsible for its own payments and is to be considered individually for billing and collection purposes. Each entity will provide their own purchase order and delivery location(s) and must be invoiced separately to the address indicated on their purchase order. If an award is made by the City of Ann Arbor, it is agreed that the contract will be extended to the MITN Purchasing Cooperative and other agreed upon Government Entities and Non-Profit Agencies under the same prices, terms and conditions.

YES Our Company agrees to extend the contract.  
 Our Company is NOT interested in extending the contract.

Contract prices are firm through the initial 2-year contract and are then subject to adjustment with maximum allowable increase of 5 % for subsequent renewal periods.

**Vendor Information**

It is understood that all bid prices shall remain in effect for at least ninety (90) days from the date of the quote opening or the award, whichever comes first, except for the successful proposer whose prices are to remain firm through contract.

The proposer affirms that he/she is duly authorized to execute bid, that this company, corporation, firm partnership or individual has not prepared this bid in collusion with any other proposer and that the contents of this bid as to prices, terms or conditions have not been communicated by the undersigned, nor by any employee or agent, to any competitor, and will not be, prior to the award and the proposer has full authority to execute any resulting contract awarded as a result of, or on basis of the quotation.

The submission of a bid hereunder shall be considered evidence that the proposer is satisfied with respect to the conditions to be encountered and the character, quantity and quality of the work to be performed.

COMPANY NAME: Preferred Toner Solutions, LLC

ADDRESS: 2006 Bellingham St.

CITY: Canton STATE: MI ZIP: 48188

TELEPHONE: 734-751-4180 FAX: 734-397-2847

EMAIL: sales@preferredtonersolutions.com WEBSITE: www.preferredtonersolutions.com

AUTHORIZED REPRESENTATIVE'S NAME:

Bill Barber

SIGNATURE: 

TITLE: owner DATE: 5/20/09

The City reserves the right to split or abstract any or all quotations and award multiple contracts for the same quotation, based on price, availability and service when, in its judgment, best serves the City of Ann Arbor; therefore, it is necessary that you provide pricing for every item.

**TERMS AND CONDITIONS**

1. The right is reserved to cancel this order if not filled within the time and in accordance with the terms specified.
2. Invoices, Bills of Lading, Shipping Documents and all correspondence relating to this order must show the Purchase Order Number.

## Preferred Toner Solutions Customer References

Ms. Annette Clark  
Panalpina on 6 Continents, Inc.  
8500 Haggerty Rd., Suite 100  
Van Buren Twp., MI 48111  
734-784-2219

Ms. Nicole O'Dea, Mr. James Harkins  
48<sup>th</sup> District Court  
4280 Telegraph Rd.  
Bloomfield Hills, MI 48302  
248-647-1141

Ms. Rosie Gomez, Ms. Christine Rose  
OptionCare Walgreen's Specialty Pharmacy  
1143 Highland Dr., Suite D  
Ann Arbor, MI 48108  
734-929-1741

Ms. Carole LeBlanc  
City of Farmington Public Safety  
23600 Liberty St.  
Farmington, MI 48335  
248-474-5500

Ms. Sheryl Samborn  
15<sup>th</sup> District Court  
101 E. Huron St.  
Ann Arbor, MI 48104  
734-222-3393

Ms. Amanda Furca  
Tishkoff & Associates  
107 N. Main St.  
Ann Arbor, MI 48104  
734-663-4077

\*PrecisePrint laser compatible cartridges are also used by University of Michigan Law School, The Ann Arbor News, Eastern Michigan University Computer Labs, Wayne State University Purchasing Dept., City of Novi, University of Michigan Hospital (multiple depts.), et al

# PREFERRED TONER SOLUTIONS

## "The PrecisePrint™ Advantage"

### MADE IN MICHIGAN

PrecisePrint laser compatibles are manufactured by Precision Printer Services in Portage, MI. PPS has been in business for 18 years, virtually since the beginning of the laser imaging revolution.

PPS is an HP Business Partner and our technicians are HP- and Brother-certified.

PPS builds compatibles for virtually every HP laser printer. They also build compatibles for the most popular business printers by Brother, Lexmark, Dell, Canon and Sharp.

### Cartridge Manufacturing and Quality

1. PrecisePrint cartridges are *premium laser compatibles*. Unlike most remanufactured laser products, our cartridges are **neither "refurbished"** (i.e., visually inspected and only certain components are replaced) **nor "refilled"** (i.e., cleaned and refilled with toner).
2. The only part of our cartridge that is reused is the OEM outer shell. This is a non-wearable, non-consumable part. **All internal components are replaced with 100% new components**, including photo-sensitive drum, magnetic rollers, wiper blades, etc.
3. Our cartridges are built to meet or exceed OEM specifications, so our customers can expect our cartridges to be **functionally identical to OEMs in print quality and page yield.**
4. Our warranty rate is approximately 2% on monochrome cartridges, and slightly higher on color cartridges. Our **"no-questions-asked" replacement guarantee** makes the switch to PrecisePrint a no-risk decision.

### Who is Currently Using PrecisePrint Laser Compatibles?

City of Ann Arbor  
City of Portage  
University of Michigan Law School  
Eastern Michigan University Computer Labs  
Wayne State University  
University of Michigan Hospital  
48<sup>th</sup> District Court (Bloomfield Hills)  
Michigan State University  
Booth Newspapers

...along with hundreds of businesses, law firms, banks, hospitals, school districts and auto dealerships across Michigan.

## **Cartridge Manufacturing Overview**



## **Premium Compatible Toner Cartridges**

# PrecisePRINT Cartridge Manufacturing Information

## Overview

PrecisePrint compatible cartridges are manufactured through a multiple step process of inspection, manufacturing and testing. Our unique process ensures quality by allowing us to quickly recognize and remedy any problems that may develop in the manufacturing and testing process.

## Pre-Inspection

The first step in our manufacturing process is the inspection of all incoming toner cartridges. During this step all cartridges are thoroughly examined to ensure that the exterior cases are not damaged. If the cartridges pass this inspection process they are retained and are ready for manufacturing. If the cartridges fail our initial inspection, the cartridges are disassembled and sent to a local recycling center.

## Compatible Cartridge Manufacturing

After the toner cartridges pass our initial inspection process, they are ready to be manufactured. All cartridges are completely disassembled. Any waste or remaining toner is removed with clean, dry, refrigerated air to reduce the amount of static build-up during the remanufacturing process. After the cartridges are completely cleaned, and the internal components are removed, the cartridge casings are then given a second inspection to insure that they are free of cracks or other defects. Next, **the internal components of the cartridges are replaced with 100% new internal components.** These components include the optical imaging drum, the wiper blade, the metering blade, the magnetic roller, the primary charge roller, and various mylar blades and foam seals. The cartridges are then filled with pre-bottled, engine specific toner, ensuring that each cartridge is receiving the OEM-specified amount of toner every time. Finally, the cartridges are re-assembled, cleaned with an anti-static toner cloth, labeled with tracking information, and sent to our cartridge testing area.

## **Cartridge Post Testing**

Upon completion of our manufacturing process, a member of our quality control team tests each cartridge. The first step in our testing process is a visual inspection to ensure that every cartridge is correctly assembled, all external components are present, and that there are no cracks or other defects to the cartridge case. The next step is to test each cartridge on a specially designed cartridge analyzer, which tests the internal operating components of the cartridge. The analyzer also tests the OPC drum, the magnetic roller, and the primary charge roller coating thickness to ensure that no mid-cycle failures will occur. The final step in our testing process is to run a variety of print tests in a laser printer to ensure that the quality of each cartridge meets or exceeds our rigorous quality standards.

## **Packaging**

After each cartridge has been tested and has passed our quality control process, it is then sent to the packaging area. The first step at the packing area is to wipe the cartridge with an anti-static cloth and apply the specified labels. Then the appropriate smart chip technology is added to the cartridge. Next, the cartridge is placed in a heat sealed mylar bag, which protects the cartridge from exposure to light and moisture. Finally, the cartridge is then fitted with specially designed protective foam inserts and placed into our private-label packaging.

## **Cartridge Tracking**

After each cartridge has been remanufactured it is marked with a tracking label that includes the cartridge number, build date, and batch number of the toner. In addition to this information, a detailed database is maintained to track which technician built the cartridges and a detailed listing of all the new components that were installed during the remanufacturing of the cartridges.

# Manufacturing Process

Inspection of incoming  
empty cartridges

OEM Compatible  
Cartridge



Emptied and  
Cleaned

Internal Parts  
Replaced

Filled with  
Toner

Reassembled  
and cleaned

Post Testing



Visually

Cartridge Analyzer

Print Tests

Packaging



Wipe off  
Cartridge

Apply appropriate  
labels

Place in heat  
sealed Mylar bag

## **PPS Quality**

### **Quality Control Testing**

To ensure that our cartridges perform as good as their OEM equivalents, we test the yields of the cartridges monthly, following the industry standard 5% page coverage (see page 10). Example - the HP 4000 (27X cartridge) uses a 500 Gram load from a pre-measured bottle of toner and with a new Fuji drum, which yields 10,500 pages, based on 5% coverage. After the cartridges are boxed and put into inventory, a percentage of the cartridges are then randomly pulled and tested to ensure our quality standards.

### **Quality Control of Incoming Goods Used in Production**

When cartridge components are received, our Quality Control team pulls a sample lot and conducts specific tests to ensure that the components meet or exceed our quality standards. If the components are accepted, they are put into inventory. If the components do not meet our standards, they are refused and sent back to our vendor. Some of the tests we perform include weighing the pre-measured bottles of toner to ensure that they are filled properly, and testing the coating thickness on the OPC drum, magnetic rollers, and primary charge rollers.

### **Reliability Assurances**

PPS has an approximate warranty rate of 2.0%. This compares to an approximate OEM fail rate of 0.75%. Most customers are quite comfortable with that differential, considering the amount of money that they can save by purchasing our compatibles. We will exchange or credit back any cartridge that experiences a quality issue. We also have a warranty program that if a printer is damaged from a cartridge and a service technician needs to be called, we will pay for the service call and repair. In over 17 years of selling cartridges, we have had to pay for 2 service calls due to cartridge issues. PrecisePrint guarantees that all cartridges will meet or exceed OEM yield, reliability, and quality standards.

**Vendor Information**

It is understood that all bid prices shall remain in effect for at least ninety (90) days from the date of the quote opening or the award, whichever comes first, except for the successful proposer whose prices are to remain firm through contract.

The proposer affirms that he/she is duly authorized to execute bid, that this company, corporation, firm partnership or individual has not prepared this bid in collusion with any other proposer and that the contents of this bid as to prices, terms or conditions have not been communicated by the undersigned, nor by any employee or agent, to any competitor, and will not be, prior to the award and the proposer has full authority to execute any resulting contract awarded as a result of, or on basis of the quotation.

The submission of a bid hereunder shall be considered evidence that the proposer is satisfied with respect to the conditions to be encountered and the character, quantity and quality of the work to be performed.

**COMPANY NAME:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

**CITY:** \_\_\_\_\_ **STATE:** \_\_\_\_\_ **ZIP:** \_\_\_\_\_

**TELEPHONE:** \_\_\_\_\_ **FAX:** \_\_\_\_\_

**EMAIL:** \_\_\_\_\_ **WEBSITE:** \_\_\_\_\_

**AUTHORIZED REPRESENTATIVE'S NAME:**

\_\_\_\_\_

**SIGNATURE:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

The City reserves the right to split or abstract any or all quotations and award multiple contracts for the same quotation, based on price, availability and service when, in its judgment, best serves the City of Ann Arbor; therefore, it is necessary that you provide pricing for every item.

**TERMS AND CONDITIONS**

1. The right is reserved to cancel this order if not filled within the time and in accordance with the terms specified.
2. Invoices, Bills of Lading, Shipping Documents and all correspondence relating to this order must show the Purchase Order Number.

3. The prices indicated on this order are not subject to change without written notification in advance.

4. All shipments must be accompanied by Packing Slips and containers properly marked with Purchase Order Number, Invoice Number, etc. No charges will be allowed for boxing or packing unless agreed herein.

5. Acceptance of this order includes specifications, prices, delivery and conditions included herein. Material is subject to inspection on our property. If rejected, we agree to first advise Vendor before returning goods. All freight and extra handling charges derived from any rejection shall be borne by the Vendor.

6. Purchase Order is subject to correction of typographical errors.

7. The City of Ann Arbor is a Michigan Municipal Corporation and as such is exempt from Federal Excise and Michigan Sales Taxes.

8. All orders are F.O.B. destination, unless otherwise indicated.

9. To the fullest extent permitted by law, the Vendor agrees to defend, pay in behalf of, indemnify, and hold harmless the City of Ann Arbor, its elected and appointed officials, employees and volunteers and others working in behalf of the City of Ann Arbor against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against or from the City of Ann Arbor, its elected and appointed officials, employees, volunteers or others working in behalf of the City of Ann Arbor, by reason of personal injury, including bodily injury or death and/or property damage, including loss of use thereof, which arises out of or is in any way connected or associated with this contract.

10. The vendor shall carry insurance as follows: 1) Workers Compensation in accordance with all laws of the State of Michigan; 2) Commercial General Liability insurance, including contractual liability, products and completed operations, and independent contractors coverages, and 3) Vehicle Liability insurance, including Michigan No-Fault coverages, covering all owned, non-owned and hired vehicles. Certificates of insurance for all coverages shall be furnished to the City of Ann Arbor upon request. Limits of liability shall be determined solely by the City of Ann Arbor. The vendor shall name the City of Ann Arbor as additional insured.

11. Invoice orders promptly and separately.

12. For all applicable items, Material Safety Data Sheets must be shipped with each product.

13. The Purchase Order number shall appear on all invoices and shippers associated with the Purchase Order.

14. The Terms and Conditions on the front and reverse side of the City of Ann Arbor purchase order and bid submittal are the only Terms and Conditions that will be accepted and no other terms and conditions will be accepted.

15. The Vendor, on this purchase order, will provide guaranteed, certified delivery.

## PURCHASE ORDER TERMS AND CONDITIONS

1. No changes may be made in this order without written authorization of the purchasing agent.
2. The purchasing agent may in writing grant additional time for delivery when the buyer is at fault or if he is satisfied the delay is beyond the control of the vendor.
3. In case of default of the contractor, the buyer may procure the articles or services from other sources and the contractor will be liable for increased costs or any other damages caused by the default.
4. Quantities specified in the order are not to be exceeded.
5. Inspection of delivered goods will be made at the delivery point, materials must be properly packaged. Damaged material will not be accepted.
6. The purchaser is exempt from the provisions of the Robinson-Patman Act and from Federal Transportation and Excise Taxes and from State Sales Tax.
7. All prices must be F.O.B. delivery point. The vendor shall prepay shipping charges and add same to invoice where specified purchase is negotiated F.O.B. shipping point.
8. Unless otherwise specified all containers or reels shall become the property of the purchaser.
9. At the vendor's risk and expense, all rejected material will be returned to the vendor.
10. All claims for payment must be submitted in duplicate. Claims for partial deliveries must be so indicated.
11. It is agreed that materials, goods, and services delivered shall comply with all Federal, State or Local Laws relative thereto.
12. FAIR EMPLOYMENT PRACTICE - The vendor agrees not to discriminate against any employee or applicant for employment based upon that persons race, religion, national origin, age or sex and to comply with the affirmative action provisions of Chapter 112 of the Ann Arbor City Code.
13. INDEMNITY CLAUSE - Vendor agrees to indemnify, defend and hold harmless the City of Ann Arbor and its agents and employees from any claims as a result of any personal injury or property damage which may occur as a result of the vendor's performance of any activity undertaken pursuant to this agreement.
14. All materials and supplies shall meet the requirements of OSHA and MOSHA.







**ITB-4023  
ADDENDUM NO. 2**

**Questions and City's Responses:**

1. Can you provide me with any current pricing information that you are paying for these items? If this was bid out last year, a copy of last years bid tabulation would suffice

**Response: These cartridges were not bid out last year. I do not have a prepared list of current pricing information.**

2. Do you require Cartridges to be STMC or ASTM Certified. (These are specific certifications in our industry that pertain to compatible cartridges. They ensure that the cartridges are constructed with the highest quality and meet all OEM specifications)

**Response: Cartridges that are quoted must be guaranteed to perform as stated in your bid response so certifications should be included, if applicable.**

**REVISED BID LIST INCLUDES COLUMN FOR YIELD PER CARTRIDGE.**

Dee Lumpkin  
Procurement Assistant  
City of Ann Arbor  
TEL: 734-794-6576  
FAX: 734-994-1795