



## CITY COUNCIL ACTION REPORT

December 28, 2006

TO: Phillip L. Nelson, City Manager

FROM: John M. Lamerato, Assistant City Manager/Finance & Administration  
Jeanette Bennett, Purchasing Director

SUBJECT: Standard Purchasing Resolution 4: AEPA Cooperative - Copiers

### **BACKGROUND**

- With the advent of the e-agenda in the Spring of 2001, IT and Purchasing researched and tested small copiers that would allow departments connectivity to the network with printing and scanning capabilities to enable departmental expeditious processing of e-agenda items and other scanning activities.
- Purchasing has analyzed copier contracts currently available and determined that the best price for tested equipment can be obtained through an AEPA (Association of Educational Purchasing Agencies) Cooperative contract.
- The premise of the bids for the copier contracts between the cooperative and state were different and, therefore, resulted in pricing differentials. A price comparison of like equipment between the State Contract and the AEPA Cooperative contract is attached.
- On a monthly basis, the City is projected to save at least \$125.00 per month per copier over like equipment available through the State. The State contract includes a minimum number of copies per month with the AEPA Cooperative contract allowing a user to pay only for copies made.
- Konica Minolta Albin has agreed to extend the cost per copy pricing from the expired MITN contract to the new AEPA contract for a cost savings of \$.0039 per copy.

### **FINANCIAL CONSIDERATIONS**

- Funds are available from the various departmental operating budgets under Office Supplies #7728.

### **LEGAL CONSIDERATIONS**

- There are no legal considerations associated with this item.

### **POLICY CONSIDERATIONS**

- Products were competitively bid thus ensuring best price practices. (Goal #1)

### **OPTIONS**

- The Purchasing Department requests approval and authorization to obtain copiers for various City departments on an on-going basis from Konica Minolta Albin, 46921 Enterprise Ct, Wixom, MI 48393 through the AEPA Cooperative contract under the prices, terms, and conditions of bid AEPA IFB #005.

**Copier Price Comparison  
State of Michigan vs. AEPA Cooperative**

	AEPA Price		State Of Michigan	
	Konica 200 20PPM	Konica 250 25PPM	Cannon C2270 22PPM	Cannon C2870 28PPM
<b>COPIES ONLY</b>				
Base Price (monthly lease 48 months)			\$ 176.23	\$ 191.44
Copies Included - 5,000			Included*	N/A
Copies Included - 8,000			N/A	Included**
Maintenance/Labor			\$ 66.92	\$ 91.92
<b>Final Cost (per month):</b>			\$ 243.15	\$ 283.36
<b>COPY, FAX</b>				
Base Price (monthly lease 48 months)			194.52	\$ 209.73
Base Price (Monthly lease 36 months)				
Copies Included - 5,000			Included*	N/A
Copies Included - 8,000			N/A	Included**
Maintenance			66.92	\$ 91.92
<b>Final Cost (per month):</b>			\$ 261.44	\$ 301.65
<b>COPY, PRINT, SCAN</b>				
Base Price (monthly lease 48 months)	\$ 121.67	\$ 126.14	210.32	\$ 225.53
Copies Included - 5,000	\$ 32.50	N/A	Included*	N/A
Copies Included - 8,000	N/A	\$ 52.00	N/A	Included**
Maintenance	Included	Included	66.92	\$ 91.92
<b>Final Cost (per month):</b>	\$ 154.17	\$ 178.14	\$ 277.24	\$ 317.45
<b>COPY, PRINT, SCAN, FAX</b>				
Base Price (monthly lease 48 months)	\$ 137.29	\$ 141.76	228.61	\$ 243.82
Copies Included - 5,000	\$ 32.50	N/A	Included*	N/A
Copies Included - 8,000	N/A	\$ 52.00	N/A	Included**
Maintenance	Included	Included	66.92	\$ 91.92
<b>Final Cost (per month):</b>	\$ 169.79	\$ 193.76	\$ 295.53	\$ 335.74

**IKON:**

\*Over 5,000 copies, copy cost is \$0.0121

\*\*Over 8,000 copies, copy cost is \$0.0100

**KONICA:**

Konica has agreed to extend the cost per page of \$.0065 from the MITN Contract

There are no minimum copies required, only pay for what is used

NOTE: The Konica 200 & 250 come out standard with copy/scan/print technology

**OaklandSchools**

MODIFICATION # 0002

**CONTRACT MODIFICATION**

**Between Oakland Schools and Konica Minolta Business Solutions**

This Modification is entered into this 16<sup>th</sup> day of June, 2006 by and between OAKLAND SCHOOLS, a Michigan Intermediate School District, whose address is 2111 Pontiac Lake Road, Waterford, Michigan 48328 and Konica Minolta Business Solutions U.S.A. Inc., whose business address is 100 Williams Drive, Ramsey, NJ 07446, to modify AEPA IFB 005C; Oakland Schools' contract 06-0011, between the parties, dated March 2, 2006, with respect to the following description:

Add the following language to paragraph "C" of the "Michigan, Oakland Intermediate School District, OISD - TERMS AND CONDITIONS:

"In addition, this contract is also available for use by cities, townships, villages, counties, and other government and/or municipal agencies within the State of Michigan, to the extent allowable by their respective rules, ordinances, regulations, laws, etc."

The original contract terms and conditions, unless otherwise specified in this amendment, shall remain in effect.

**Konica Minolta Business Solutions**

**Oakland Schools**

Denise Blackwell-Burns  
(Print Name and Title of Authorized Representative)  
Regional Sales Manager  
Denise Blackwell-Burns  
(Authorized Representative Signature)

Mike Rangos, Director - Regional Services  
(Print Name and Title of Authorized Representative)  
[Signature]  
(Authorized Representative Signature)

Date: July 14, 2006

Date: 7/24/06

Business Address:

Business Address:

Konica Minolta Business Solutions  
100 Via Riccardo  
Thousand Oaks, CA 91320

Oakland Schools  
2111 Pontiac Lake Road  
Waterford, Michigan 48328

### EXTENSION OF AGREEMENT

Contract EXTENSION AGREEMENT made by and between

**Konica Minolta Business Solutions**

and

**Oakland Schools**

**2111 Pontiac Lake Road**

**Waterford, Michigan 48312**

**Agency phone: 248-209-2209; Agency FAX: 248-209-2523**

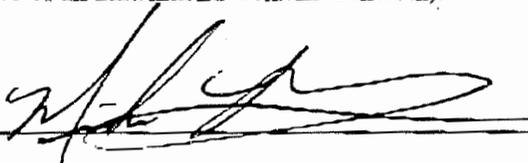
said Agreement being numbered: AEPA 05-C Digital Copiers and Related Equipment; Oakland Schools number 06-0011.

The existing Agreement initially commencing upon award terminates on February 28, 2006. The Term of Contract and Extension in the AEPA Bid provides the Agreement may be extended by mutual written agreement. AEPA has approved this extension and now Oakland Schools desires to extend the Agreement for an additional term of one (1) year until February 28, 2007. Upon the signature of an authorized officer of the Agency and of the above named company or corporation, the Agreement is hereby extended.

This extension shall be subject to the same Terms and Conditions as contained in the original AEPA Bid and in Contract Number AEPA 05A; and in the original Oakland Schools Contract Number 06-0011 (inclusive of all attachments contained therein).

**OAKLAND SCHOOLS**

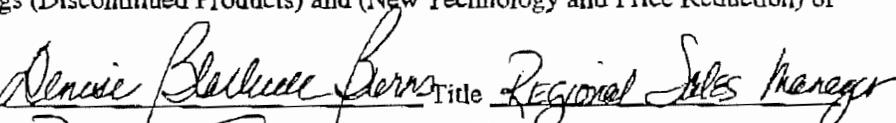
Authorized Signature \_\_\_\_\_



**KONICA MINOLTA BUSINESS SOLUTIONS**

Contractor agrees to provide complete information of any deleted and new products or prices as allowed under headings (Discontinued Products) and (New Technology and Price Reduction) of the IFB.

Authorized Signature \_\_\_\_\_



Title Regional Sales Manager

Typed Name \_\_\_\_\_

DENISE BLACKWELL-BURNS

NOTE: This agreement should be received by 5:00 p.m. at the offices of the Agency on or before February 28, 2006.

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If you do not want to extend contract, please sign below and return this agreement.

~~Discontinue: We desire to discontinue the contract, effective February 28, 2006.~~

Signature: \_\_\_\_\_

Date: \_\_\_\_\_



## Terms and Conditions

### 1. Ordering Address and Procedures

Order will be accepted for the AEPA Agencies and Agency's Approved Members  
All order must be placed as follows:

**Konica Minolta Business Solutions U.S.A., Inc**  
Attn: Renique Keating  
*C/o Dealership Name*  
100 Williams Drive  
Ramsey, NJ 07446

Phone: 201-818-5729  
Email: rkeating@kmb.s.konicaminolta.us  
Fax: 888-651-1907

Electronic or facsimile orders are acceptable.

### 2. Ordering Procedures / Purchase Orders

Please include the following information with your purchase order:

Contract Number: "AEPA" must appear  
Product Model / Accessories  
Product Description  
Quantity of Item ordered  
Acquisition Plan with unit prices extended and PO totaled  
Any additional charges/items to be delivered with the copier to be listed  
Delivery Address, Contact Name and Number  
Purchase order / Sales Order for Purchases / Lease must be signed

### 3. Payment Address

For purchase contract, remit to address is per invoice.

For lease contracts, payments will be made to:

**Konica Minolta Business Solutions**  
1961 Hirst Drive  
Moberly, MO 65270

### 4. Payment Terms

All payments (lease / purchase) are net thirty (30) days. Cost Per Copy (CPC)  
payments will be made monthly in arrears.

All invoices shall contain the agency's purchase order number used to purchase or lease the equipment. Each agency will monitor invoices to verify that the cost is accurate for the equipment installed at its location. Invoices will be based on the lease or CPC charge stated on the purchase order.

5. **Delivery**

Delivery will be made within thirty days or sooner after receipt of order.

6. **Transportation / Delivery**

FOB Destination.

7. **Inquires**

All Inquires regarding shipping, billing, delivery and purchase order status must be directed to Konica Minolta Business Solutions U.S.A. Inc.'s Customer Support Department at:

**Konica Minolta Business Solutions U.S.A. Inc.**  
Customer Support Department  
100 Williams Drive  
Ramsey, NJ 07446  
Phone: 800-622-2565  
Email: MAPCustomerSupport@kmbs.konicaminolta.us  
Fax: 888-510-0014

8. **Lease Agreements**

Each copier ordered can be leased for 36, 48 or 60 months terms. The lease term begins on the date the copier is installed in the agency / members facility. Sixty (60) notice of return of equipment at the end of lease is required.

9. **Maintenance Service (Cost per Copy)**

Maintenance for full service and supply coverage based on a cost per copy charge can be obtained at the time of initially ordering the equipment or before equipment is installed. Any service agreements after the initial installation are subject to inspections fees and standard maintenance agreements.

Normal business hours are from 8:30 am through 5:00 pm, Monday through Friday, excluding holidays.

All equipment maintenance shall be ON-SITE, unless otherwise approved by the customer. This means the repair shall occur where the equipment is located.

Preventative maintenance includes lubrication, necessary adjustments and replacement of parts. The schedule will be based on the manufacturer's suggested preventative maintenance cycle.

Response time, defined as the time interval between the problem call by the customer and the on-site arrival of the Contract Vendor's technician, shall not exceed an average of four (4) working hours within a 50 mile radius of the service center.

The Cost Per Copy (CPC) charge includes normal operating supplies, including but not limited to toners (black & color), developers, fusing rollers, fuser oil, PM kits or any item required to make the machine run. Normal operating supplies DO NOT INCLUDE paper, transparencies or staples.

#### **10. Warranty**

Konica Minolta offers a warranty for one year to the AEPA that covers all parts and labor (any consumable items such as toner, developer, etc are not included) for the equipment acquired under the National Agreement. All supplies must be genuine Konica Minolta supplies acquired by the authorized servicing agency for this warranty. Any service call related to key operation error or abuse will be a chargeable call. This warranty does not cover service or damage due to non Konica Minolta items that may cause a malfunction of parts, accessories or supplies. Any alterations, modifications or changes to the equipment by someone other than a Konica Minolta authorized servicing agent may result in the termination of the warranty or service agreement. The warranty does not cover damage through accident, abuse, misuse, theft, neglect, electrical power fluctuations, and acts of third party, fire, water or any other natural force. During the warranty period, the use of the equipment must be installed and utilized within manufacture's recommended specifications.

**B. BID, ACCEPTANCE OF BID AND CONTRACT AWARD**  
**AEPA IFB 005C - Digital copiers and Related Equipment**

**BID, ACCEPTANCE OF BID**  
**And**  
**CONTRACT AWARD**

**TO BE COMPLETED BY BIDDER**

In compliance with the Invitation to Bid, the undersigned warrants that I/we have examined the Instructions to Bidders, and, being familiar with all of the conditions surrounding the proposed projects, hereby offer and agree to furnish all labor, materials, and supplies incurred in compliance with all terms, conditions, specifications and amendments in the INVITATION TO BID and any written exceptions to the bid. Signature also certifies understanding and compliance with the certification requirements of the Agency Terms and Conditions and the special Terms and Conditions. The undersigned understands that his/her competence and responsibility and that of hi proposed subcontractors, time of completion, as well as other factors of interest to the Agency as stated in the evaluation section will be a consideration in making the award.

Company Name Konica Minolta Business Solutions U.S.A. Inc Date March 28, 2005

Company Address 100 Williams Drive City Ramsey State NJ Zip 07446

Contact Person Denise Blackwell-Burns Title Regional Sales Manager

Authorized Signature (ink only) *Denise Blackwell Burns* Title *Regional Sales Mgr*

**ACCEPTANCE OF BID AND CONTRACT AWARD TO BE COMPLETED ONLY BY AGENCY**

Your bid for contracting services is hereby accepted. As contractor, you are now bound to sell the materials and services listed by the attached bid based upon the solicitation, including all terms, conditions, specifications, amendments as set forth in the Invitation for Bid. As contractor you are hereby cautioned not to commence any billable work or provide any material or service under this contract until contractor receives an executed purchase order from the Agency. The parties intend this contract to constitute the final and complete agreement between the Agency and contractor, and no other agreements, oral or otherwise, regarding the subject matter of this contract, shall bind any of the parties hereto. No change or modification of this contract shall be valid unless it shall be in writing and signed by both parties to this contract. If any provision of this contract is deemed invalid or illegal by any appropriate court of law, the remainder of this contract shall not be affected thereby. The term of the agreement shall commence on award and continue until February 28, 2006 unless terminated, canceled or extended. By mutual written agreement, the contract may be extended for three additional 12-month periods ending on February 28, 2007; February 29, 2008 and February 28, 2009.

Awarding Agency: \_\_\_\_\_

Agency Executive \_\_\_\_\_

Awarded this \_\_\_\_\_ day of \_\_\_\_\_ Contract Number \_\_\_\_\_

C. QUESTIONNAIRE FOR BIDDERS

Company Name Konica Minolta Business Solutions

Please check Yes/No answers. "Days" requested are calendar days. If room provided is inadequate indicate, "see attached" and label the attachment with the question number.

- 1. Can your company serve all AEPA states with the best service offered?  X YES / \_\_\_ NO
- 2. Do you currently have representatives for all AEPA states?  X YES / \_\_\_ NO  
(If no, a plan and timeline for providing these services is to be attached.)
- 3. Is your pricing guaranteed for the term of the contract?  X YES / \_\_\_ NO
- 4. Is shipping/handling (S/H) included in the price?  X YES / \_\_\_ NO
- 5. If Prepaid and Add (PP & A), estimate S/H on purchases \_\_\_\_\_

6. Describe your return policy \_\_\_\_\_

7. Do you have a restocking fee?  \_\_\_ YES / X NO

8. What is your restocking fee, if any? (Not to exceed 15%) \_\_\_\_\_

9. Will you offer Participating Agencies a quick pay discount?  \_\_\_ YES / X NO

10. If YES, what is the discount? \_\_\_\_\_ Number of days? \_\_\_\_\_

11. How many line items are you offering under this bid category? \_\_\_\_\_

12. If some of the line items that you sell are not covered under this bid, do you have a way to block orders for these items?  N/A YES / \_\_\_ NO

Delivery of stocked items is promised within  30 days

13. What is your average time from receipt of order to shipping stocked items?  5-10 days

14. Delivery of non-stocked items is promised within  30 days

15. Do you offer an electronic ordering system?  X YES / \_\_\_ NO

Do you have minimum order requirements?  \_\_\_ YES / X NO

If yes, please describe. \_\_\_\_\_

16. As an important part of the evaluation of your offer, you must indicate the level of support you are offering in this bid. A bid will be determined to be non-responsive if this question is unanswered. Check either line a, b, or c. Prices offered in this bid are:

\_\_\_ a. The same as we offer on single school district bids.

\_\_\_ b. The same as we offer to cooperatives and state purchasing departments.

X c. Better than we offer to cooperatives or state purchasing departments.

If either line b or c is checked, indicate the percent lower (on single items) than the best price ordinarily offered to educational institutions, cooperatives, or state purchasing departments.

\_\_\_ Two percent (2%)  \_\_\_ Three percent (3%)  \_\_\_ Four percent (4%)

\_\_\_ Five percent (5%)  \_\_\_ Six percent (6%)  X Other  \_\_\_ varies

Additional quantity or volume discounts are identified on the pricing page  \_\_\_ YES / X NO

Denise Blackwell Burns

Signature (Same signature as on Bid Affidavit Signature and Acceptance Form)

**G. PRICING**

An Excel workbook document is available through the AEPA website. It consists of eight workbook sheets, one for each "Volume Band" of copiers as follows:

Volume Band I	500 to 10,000 CPM
Volume Band II	2,500 to 18,000 CPM
Volume Band III	5,000 to 30,000CPM
Volume Band IV	10,000 to 45,000 CPM
Volume Band V	15,000 to 75,00 CPM
Volume Band VI	30,000 to 150,000 CPM
Volume Band VII	50,000 to 300,000 CPM
Volume Band VIII	75,000 to 500,000 CPM

  
Signature (Same signature as on Bid Affidavit Signature and Acceptance Form)

(End of Part C)