




To: Honorable City Council

From: Mike Homant, CTO and Deputy CIO 

Date: February 5, 2024

Subject: Contract 6005614 City Wide Secured Document Scanning and Shredding Services

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This memo is to provide additional information regarding contract 6005614 “City Wide Secured Document Scanning and Shredding Services” scheduled to appear before Committee of the Whole on Tuesday February 6, 2024.

*Contract No. 6005614 - 100% City Funding – To Provide City Wide Secured Document Scanning and Shredding Services. – Contractor: Bluepoint International, LLC – Location: 28501 Ryan Road, Suite A, Warren, MI 48092 – Contract Period: Upon City Council Approval through January 30, 2027 – Total Contract Amount: \$828,022.00*

**Background:**

As part of proper document management, the City requires document shredding to comply with various regulations including CJIS, HIPAA, and IRS 1075 which requires document chain of custody control and output of less than a 1 mm by 5mm, this standard is also called level 7 shredding or document disintegration. The 1mm by 5mm standard is more demanding than all mobile shredding companies researched whose output is between 32x – 297x larger than this standard.

This is a city-wide contract. Some of the largest users of the contract are expected to be Health, Tax, Law, HR, CRIO, and OCFO. Currently there is an inventory of approximately 5,000 boxes of documents to be processed (3.9k shred and 1.1k scan/shred). This inventory is taking up critical space and presenting other problems for the departments.

The contract is for 3 years, and the requested amount is based on current inventory of documents plus projected volumes for the next 3 years. The cost per box of shredding is 24% lower than the prior contract.

**Outreach:**

- OCP invited 197 companies to bid, 31 of those companies had Detroit addresses. Detroit addresses received the most invitations to bid with 31 then it falls off rapidly, next 2 were Southfield 9, and Troy 5.
- Outreach to Council Members with a copy of the RFP requesting they forward to any qualified bidders from their district or the city was sent via email on May 26, 2023 4:38



- PM. All future outreach like this will also include the Council Member's Chief of Staff.
- Searched the shredding industry trade and certification group, National Association of Information Destruction (NAID) for any members with Detroit addresses to ensure they were invited to bid.
    - Found 34 certified document destruction companies within 30 miles of Detroit.
    - Only one had a Detroit address, that is Human-I-T a great company that DoIT's Office of Digital Equity and Inclusion worked with to get them to open a Detroit location - unfortunately, they do not offer paper records destruction. I have spoken with them; they will review if it is something wish to bid on in the future.
    - One company had Detroit in their name, but their address is Troy, "Shred-it - Detroit, a Stericycle, Inc. Solution 2741 Elliott Dr. Troy, MI US, 48083.

It is important to note that NAID membership or certification was not a requirement of the RFP. NAID AAA certification confirms the company follows proper chain of custody processes and shreds documents to the 1mm x 5mm standard.

### **Bidding**

RFP number 183616 opened May 26, 2023, reposted with an update June 6, 2023, and closed on July 14, 2023.

6 bids were received:

- a. Avalon Document Services [35 points]
- b. Bluepoint International, LLC [60 points]
- c. Canon [29 points]
- d. Consumers Advantage LLC [26 points]
- e. Global Solutions Group [75 points]
- f. Netlink Software Group of America [did not meet minimum qualifications]

Note: Original award went to Global Solutions for both services. This vendor declined the award due to capacity reasons. Therefore, the 2nd highest ranked bid by Blueprint was awarded the contract.

Consumers Advantage was the only bidder with a Detroit address. They proposed subcontracting 100% of the work to Pure Data Services 4459 13th St, Wyandotte, MI 48192, had higher cost, and ranked last in the scoring. OCP did a debrief with that vendor (and always does with any vendors that ask) to provide feedback and guidance for future bids including encouraging them to pursue CRIO certification.



Bluepoint has done work for DWSD and the City departments including Health and HR. Some of the other industries they have done work for include colleges, healthcare providers, law offices, automotive suppliers, and credit bureau (Equifax).

The services will be performed at the following locations:

- Scanning - Bluepoint's Headquarters location. 28501 Ryan Rd., Warren MI 48092
- Shredding - Bluepoint's subcontractor Rapid Shred 2181 N Updyke Rd., Auburn Hills MI 48326. Note: This location has been NAID AAA certified since 2015.

The cost per box of shredding is 24% lower than the prior contract.

Please let me know if you have any questions via email, teams, or my cell phone 313-353-4841.

Thank you for your time.

Cc: Honorable Council Members  
Amber Easton, Department of Innovation and Technology  
Justin Early, Office of Contracting and Procurement  
James Glavin, Office of Contracting and Procurement  
Raquel Newell, Mayor's Office  
Art Thompson, Chief Information Officer  
Sandra Yu Stahl, Chief Procurement Officer  
Malik Washington, Mayor's Office  
David Whitaker, Director Legislative Policy Division