



Legislation Text

File #: 19-239, **Version:** 1

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: January 8, 2020

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a five-year master agreement for office supplies for citywide use with Office Depot, Inc. through the Public Sourcing Solutions cooperative agreement, Staples Business Advantage through the Sourcewell cooperative agreement, Greenwood Office Outfitters through the National Cooperative Purchasing Alliance cooperative agreement, and Limitless Office Products through the Omnia Partners cooperative agreement and The Interlocal Purchasing System cooperative agreement - Estimated amount of \$6,180,000 - Financing: Various Funds (see Fiscal Information)

BACKGROUND

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This master agreement will allow for the purchase of a variety of office supply products for all City departments. The master agreement will allow the City to purchase approximately 1,725 City core office supply products at a significant discount off manufacturer's list price.

In an attempt to reduce the cost of office supplies and to promote a green initiative, this contract will be structured in a manner where "store brand" and "green" items will be offered where available. The City currently purchases 99 percent of all office supply items utilizing web-based ordering, this process provides efficient ordering and delivery of products.

The agreement includes terms such as:

- Web-based ordering
- Next day desktop delivery
- Consolidated billing

- Restrictions on City identified products
- Quarterly reports on City buying trends
- Opportunity to purchase comparable environmentally-friendly items

The cooperative purchasing organizations listed in this agenda item leverages the collective purchasing power of government agencies nationwide and establishes cost-effective volume pricing. This agreement provides the City the lowest available pricing discounts from the vendors regardless of the size of the order.

The Public Sourcing Solutions, Sourcewell, National Cooperative Purchasing Alliance, Omnia Partners, and The Interlocal Purchasing System cooperative agreements are authorized by Chapter 791 of the Texas Government Code and Subchapter F, Chapter 271, Texas Local Government Code. Section 271.102 of the Texas Local Government Code authorizes a local government to participate in a Cooperative Purchasing Program with another local government or a local cooperative organization.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 9, 2010, City Council authorized participation in a purchasing agreement with Public Sourcing Solutions; and a three-year master agreement for office supplies with Office Max through Public Sourcing Solutions by Resolution No. 10-1462.

On June 17, 2015, City Council authorized a five-year master agreement for office supplies with Office Depot, Inc. through Public Sourcing Solutions by Resolution No. 15-1137.

FISCAL INFORMATION

General Fund - \$4,359,430.00 (Estimated amount)
Enterprise Funds - \$1,475,315.00 (Estimated amount)
Internal Service Funds - \$214,499.00 (Estimated amount)
Other Funds - \$130,756.00 (Estimated amount)

Funds	FY 2019-20	FY 2020-21	Future Years
General Fund	\$ 871,886.00	\$ 871,886.00	\$2,615,658.00
Enterprise Funds	\$ 295,063.00	\$ 295,063.00	\$ 885,189.00
Internal Service Funds	\$ 42,900.00	\$ 42,900.00	\$ 128,699.00
Other Funds	\$ 26,151.00	\$ 26,151.00	\$ 78,454.00
Total	\$1,236,000.00	\$1,236,000.00	\$3,708,000.00

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$6,180,000.00	CO-OP	N/A	N/A	N/A

• The Business Inclusion and Development Plan does not apply to Cooperative Purchasing Agreements (CO-OPs), however one of the vendors is a certified M/WBE

PROCUREMENT INFORMATION

Cooperative Purchasing	<ul style="list-style-type: none">• Cooperative Purchasing Agreements enable the City to associate with State agencies, other local governments, or local cooperative organizations comprised of other state and local governments, to leverage market buying power and enable the City to purchase goods or services at lower prices• Cooperative Purchasing is an alternative method of meeting the requirements for competitive bidding or competitive sealed proposals, not an exception from that requirement
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OWNERS

Office Depot, Inc.

Robert C. Smith, President
Steve Calkins, Vice President

Staples Business Advantage

John Lederer, Executive Chairman
J. Alexander (Sandy) Douglas, Chief Executive Officer

Limitless Office Products

Mita Guha, President
Tappan Guha, Vice President

Greenwood Office Outfitters

George Wood, President
Joshua Ochs, General Manager