



CITY OF PLANO COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY					
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory					
Council Meeting Date:		2/23/2015			
Department:		Purchasing			
Department Head		Diane Palmer-Boeck			
Agenda Coordinator (include phone #): Corey Isaacs x5512					
CAPTION					
To approve the purchase of office supplies for City departments in the estimated annual amount of \$340,000 from Office Depot, Inc. through an existing contract with The Cooperative Purchasing Network (TCPN), and authorizing the City Manager to execute all necessary documents. (TCPN #R141703)					
FINANCIAL SUMMARY					
<input type="checkbox"/> NOT APPLICABLE <input checked="" type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP					
FISCAL YEAR:	2014-15 thru 2019-20; Annual Contract with Renewals	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget		0	198,333	1,501,667	1,700,000
Encumbered/Expended Amount		0	0	0	0
This Item		0	-198,333	-1,501,667	-1,700,000
BALANCE		0	0	0	0
FUND(S): VARIOUS FUNDS					
<p>COMMENTS: This item approves price quotes. Expenditures will be made in the various funds and cost centers within the City of Plano based on need within the approved budget appropriations for each year of the contract. The estimated amount to be spent in FY 2014-15 is \$198,333. The estimated future annual amount to be spent in FY 2015-16 \$340,000, FY 2016-17 \$340,000, FY 2017-18 \$340,000, FY 2018-19 \$340,000 and FY 2019-20 is \$141,667. The contract term will begin March 1, 2015 and run through the end of February 28, 2018 with renewals for two (2) additional one (1) year renewals. All expenditures will be made within annually approved budget appropriations.</p> <p>STRATEGIC PLAN GOAL: Providing office supplies, related products and office services for various departments within the City of Plano relates to the City's goal of a Financially Strong City with Service Excellence.</p>					
SUMMARY OF ITEM					
Staff recommends the purchase of office supplies from Office Depot, Inc. in the estimated annual amount of \$340,000 through an existing contract with The Cooperative Purchasing Network (TCPN #R141703). The City is authorized to purchase from a cooperative purchasing program with another local government or a local cooperative organization pursuant to Chapter 271 Subchapter F of the Local Government Code and by doing so					



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satisfies any State Law requiring local governments to seek competitive bids for items. (City of Plano Contract #2015-145-I).

List of Supporting Documents:
Memorandum

Other Departments, Boards, Commissions or Agencies



Memorandum

Date: February 11, 2015
To: Diane Palmer-Boeck, Chief Purchasing Officer
From: Dianna Wike, Senior Contract Analyst
Corey Isaacs, Buyer II
Subject: Office Supplies, Related Products and Office Services Recommendation

Award Recommendation: Office Depot, Inc. through The Cooperative Purchasing Network (TCPN) Contract R141703 for Office Supplies, Related Products and Office Services.

Contract Term: March 1, 2015 to February 28, 2018.

Renewals: Two (2) additional one (1) year renewals.

Process: A review of available cooperative options was conducted. Two (2) major office supply companies representing three (3) cooperative contracts were contacted with a request for information and pricing. The information requested covered a variety of issues:

- Request for contract and award documents
- Contract term(s)
- Pricing structures
- Rebate programs
- Warehousing and delivery programs
- E-Commerce/Website ordering
- Retail purchases

Cooperative Contract

The Cooperative Purchasing Network (TCPN) R141703
National Intergovernmental Purchasing Alliance (NIPA) 618-000-11-1
National Joint Powers Alliance (NJPA) 031210

Vendor

Office Depot, Inc.
Office Depot, Inc.
Staples

Information was reviewed and compared against current Office Depot, Inc. TCPN contract, utilizing item and pricing history for over 400 market basket line items over a 12-month period.

Upon final review, it is our recommendation that it is the best interest of the City to utilize Office Depot, Inc. under the terms of the TCPN Contract R141703 for the following reasons:

- Pricing is comparative and considered fair and reasonable
- E-Commerce/Website ordering is convenient and continuity is maintained for the end users
- Delivery remains uninterrupted

- A/P processing of invoices is fluid
- Contract allows for in-store retail purchases at the same contract price
- The NJPA Contract 031210 with Staples expires 07/31/2015
- The NIPA Contract 618-000-11-1 with Office Depot, Inc. expires 10/17/2016
- The TCPN Contract R141703 with Office Depot, Inc. expires 02/28/2018 and has two (2) additional one (1) year renewals, which could extend the contract to 02/28/2020

If the contract is not awarded, increased spending in office supplies would result due to a lack of contract pricing and the City would not be provided a commitment from a supplier to ensure availability and price stability. The Accounts Payable workload would increase due to invoicing from multiple suppliers. The City would lose in-store retail purchasing at contracted pricing as well as e-commerce/website ordering from a dedicated supplier, and the streamlined delivery process of office supplies would also be disrupted.