



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

34

2. Council Meeting Date:

January 12, 2012

TO: MAYOR & COUNCIL

3. Date Prepared: November 21, 2011

THROUGH: CITY MANAGER

4. Requesting Department: Management Services

5. SUBJECT: Approve purchase of Office Supplies from OfficeMax, utilizing the City of Flagstaff extended Contract #28117 in an amount not to exceed \$220,000.

6. RECOMMENDATION: Recommend approval of the use of the City of Flagstaff extended contract #28117 with OfficeMax, for the purchase of Office Supplies in an amount not to exceed \$220,000.

7. HISTORICAL BACKGROUND/DISCUSSION: In July 2008, the City of Flagstaff Procurement Office bid office supplies and an award was made in September 2008 to OfficeMax. The City of Flagstaff renewed the contract with OfficeMax for an additional year in September 2009, September 2010 and again in September 2011. The City has used each of those contracts. In the last 12-months, the City has spent approximately \$200,000 for office supplies. OfficeMax offers ordering of their office supplies using a desktop method placing orders through the internet with next day delivery. In addition, City staff only places orders using their Purchasing Card, which increases our rebate for the Purchasing Card program.

8. EVALUATION PROCESS: OfficeMax offers best overall delivery, pricing, web ordering capabilities, sustainable products, reporting and tracking, and cost containment tools in comparison to other available contracts that were evaluated for office supplies. OfficeMax retail stores are also conveniently located throughout Chandler which is convenient for employees to make purchases on the same day, if needed. In addition, the contract provides the City of Chandler with office supplies at guaranteed prices for a period of one year, and the ability to customize a preferred office supply list to match the City's needs which saves the City money on volume buying. It also helps in meeting sustainability goals by recommending recycled products. Last year's savings from customizing our preferred list totaled \$29,797 over the previous year's pricing. OfficeMax also offers a 2% volume rebate back to the City. The rebate for this year is \$4,696.83. The City has an approved Intergovernmental Agreement with the City of Flagstaff.

9. FINANCIAL IMPLICATIONS: Funds for office supplies will be from various departments' office supply accounts.

10. PROPOSED MOTION: Move to approve use of the City of Flagstaff extended contract #28117 for the purchase of Office Supplies from OfficeMax in an amount not to exceed \$220,000.

APPROVALS

11. Requesting Department

Mike Mandt

Mike Mandt, CPPB
Acting Purchasing Supervisor

12. Department Head

Dennis Strachota

Dennis Strachota, Management Services Director

13. Procurement Officer

Kristy Garcia

Kristy Garcia, CPPB

14. City Manager

Rich Dlugas

Rich Dlugas