



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

22

2. Council Meeting Date:

April 12, 2007

TO: MAYOR & COUNCIL

3. Date Prepared: March 26, 2007

THROUGH: CITY MANAGER

4. Requesting Department: Management Services

5. SUBJECT: Extend contract for Envelopes Contract No. WH6-310-2280 to Arizona Envelope Company for a total amount not to exceed \$45,000.

6. RECOMMENDATION: Recommend extension of contract WH6-310-2280 for Envelopes to Arizona Envelope Company in an amount not to exceed \$45,000 for one-year with the option to renew for two (2) additional one-year periods for a total possible contract amount not to exceed \$180,000 and authorize the City Manager/designee to approve and execute any such extensions.

7. HISTORICAL BACKGROUND/DISCUSSION: City staff issued a bid for various Envelopes stocked in Central Supply and used by several departments within the City. After reviewing annual usage estimates, it was determined that the City was spending approximately \$45,000 annually for various types of envelopes. Taking this into consideration, it was determined that it was in the best interest of the City to establish a term contract for the purchase of Envelopes.

8. EVALUATION PROCESS: On February 16, 2006 Council approved contract WH6-310-2280 for the purchase of Envelopes with Arizona Envelope Company in an amount not to exceed \$180,000 for one year with three (3) renewals. Staff is recommending renewal of the contract to Arizona Envelope Company.

9. FINANCIAL IMPLICATIONS: Funds for purchase of Envelopes will be from the Central Supply Inventory account 101.0000.0000.1516 and charged back to various departments' printing accounts.

10. PROPOSED MOTION: Recommend renewal of contract with Arizona Envelope Company for the purchase of Envelopes in an amount not to exceed \$45,000 for one-year with the option to renew for two (2) additional one-year periods for a total amount not to exceed \$180,000 and authorize the City Manager/designee to approve and execute any such extensions.

APPROVALS

11. Requesting Department

William Robinson

12. Department Head

O.D. Burr, Acting Management Services Director

13. Buyer

Sharon Brause, CPPB

14. City Manager

W. Mark Pentz

**AMENDMENT NUMBER ONE,
TO AGREEMENT BETWEEN THE CITY OF CHANDLER AND
ARIZONA ENVELOPE COMPANY;
BID No. WH6-310-2280**

This Amendment #ONE to that certain Agreement Between the City Of Chandler and Arizona Envelope Company for the purchase of Envelopes dated May 5, 2006 between the City of Chandler (CITY) and Arizona Envelope Company is entered into this 27 day of March, 2007.

WHEREAS, CITY awarded a contract to CONTRACTOR for the purchase of Envelopes in April 2007 for an initial one (1) year period with provisions to renewal for up to three (3) additional years

NOW THEREFORE, the parties agree as follows:

1. Exhibit A attached hereto and incorporated by reference is added to and made part of said agreement and the parties agree thereto;
2. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this 27 day of March, 2007.

CITY OF CHANDLER:

By: _____
City Manager/designee

CONSULTANT:

By: Cindy Samon
Title: Acct Representative

APPROVED AS TO FORM:

City Attorney [Signature]

ATTEST: (If corporation)

ATTEST:

Secretary

City Clerk

WITNESS: (If individual or Partnership)

[SEAL]

EXHIBIT A

ITEM #	DESCRIPTION	QTY (box)	PRICE (per box)	EXTENDED PRICE
1 7535.001.5920	Envelope, "Accounting Division", #10, Window; White Wove, 24#, PMS 548, Blue Ink; Commercial flap.; 500 per box	20	\$20.83	\$416.60
2 7535.006.5911	Envelope, "Tax & Utility Services" #10, Window, Commercial flap, Recycled, PMS 548, Blue Ink.; 500 per box	160	\$12.42	\$1,987.20
3 7535.061.0155	Envelope, Plain, #9, Regular, White Wove, 24 lb, Commercial flap; Recycled; 500 per box	66	\$10.91	\$720.06
4 7535.061.0160	Envelope, Plain, #10, Regular, White Wove, 24 lb, Commercial flap, Recycled; 500 per box	174	\$9.92	\$1,726.08
5 7535.061.0162	Envelope, Plain, #10, Window, White Wove, 24 lb, Commercial flap, Recycled; 500 per box	150	\$11.62	\$1,743.00
6 7535.061.0180	Envelope, Printed, #10, Regular, Classic Crest, 3 Color "City of Chandler" logo, (PMS 548 Blue / PMS 431 Gray /PMS 222 Red); Comm'l flap, Recycled; 500 per box	50	\$46.72	\$2,336.00
7 7535.061.0182	Envelope, Printed, #10, Window, Classic Crest, 3 Color "City of Chandler" logo, (PMS 548 Blue/ PMS 431 Gray / PMS 222 Red); Commercial flap, Recycled; 500 per box	50	\$47.01	\$2,350.50
8 7535.083.0170	Envelope, Plain, #10, Special Window, White Wove, 24 lb; reverse flap; Commercial flap; Recycled; 500 per box	100	\$12.39	\$1,239.00
9 7535.083.3320	Envelope, "Tax & Utility Services", Mail-Out, "Address Service Requested", #10 window; Commercial flap; presort 1 st class; Recycled; 500 per box	600	\$9.06	\$5,436.00
10 7535.083.3322	Envelope, "Tax & Utility Services" Mail-Out, "Address Service Requested", #10 window, Comm'l flap, presort 1 st class with back printing; Recycled; 500 per box	620	\$9.12	\$5,651.30
11 7535.083.3335	Envelope, "Utility" return; #9, Regular, White Wove, Black ink; Commercial flap; Recycled; 500 per box	1230	\$7.29	\$8,966.70
12 7535.083.3340	Envelope, "Sales Tax Return", #9, Regular, White Wove, 24 lb, Commercial flap; Recycled; Green PMS 355 ink with back printing; 500 per box	420	\$10.34	\$4,342.80
13 7535.083.3353	Envelope, "Court", #10, Window, White Wove, PMS 548 Blue Ink, Commercial flap; Recycled; 500 per box	48	\$14.60	\$700.80
14 7535.083.3354	Envelope, "Court", #10, Regular, White Wove; PMS 548 Blue; "Address Service Requested", Commercial flap; Recycled; 500 per box	20	\$13.20	\$264.00
15 7535.083.3370	Envelope, "Tax & Utility Services" #10, Window; Commercial flap; "Return Service Requested"; Recycled; 500 per box	160	\$12.44	\$1,990.40
16 7535.083.3375	Envelope, "Tax & Utility Services" #10, Window, Commercial flap; presort 1 st class; "Return Service Requested"; Recycled; 500 per box	320	\$10.17	\$3,254.40
17	Envelope, 9 x 12 Catalog; Manila; 500 per box	12	\$30.25	\$363.00
18	Envelope, 9 x 12 Catalog; White; 500 per box	12	\$29.20	\$350.40
19	Envelope, 10 x 13; Manila; 500 per box	12	\$36.01	\$432.12
20	Envelope; 10 x 13; White; 500 per box	12	\$32.54	\$390.48
21	Envelope, 6 x 9; Peel-N-Seal; White; 500 per box	20	\$31.73	\$634.50
22	Envelope, 6 x 9; White; 500 per box	20	\$24.21	\$484.20
TOTAL				\$45,779.54