



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

30

2. Council Meeting Date:

April 10, 2008

TO: MAYOR & COUNCIL

3. Date Prepared: March 7, 2008

THROUGH: CITY MANAGER

4. Requesting Department: Management Services

5. SUBJECT: Extend agreement WH6-310-2280 for Envelopes to Arizona Envelope Company, for a one-year period, in an amount not to exceed \$50,000.

6. RECOMMENDATION: Request the extension of agreement WH6-310-2280 for Envelopes to Arizona Envelope Company, for a one-year period, in an amount not to exceed \$50,000.

7. HISTORICAL BACKGROUND/DISCUSSION: The requested extension is for the supply of various envelopes that are stocked in Central Supply and used by several departments within the City. Some of the products available under the requested contract include custom printed envelopes for divisions, regular plain envelopes and catalog envelopes. During the past year, the City has spent \$45,000 for envelopes on the current agreement.

8. EVALUATION PROCESS: On February 16, 2006, the City issued an Invitation to Bid WH6-310-2280 for the purchase of envelopes and an award was made to Arizona Envelope Company. The award was for a one-year period beginning May 1, 2006 with provisions to extend for four additional one-year terms. Year two extension of the contract was approved by Council on April 12, 2007. Staff is satisfied with the items and service provided by the vendor and is requesting a third year extension of the contract. Staff is requesting a not to exceed amount of \$50,000 to cover potential increased usage.

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: Move to extend agreement WH6-310-2280 for envelopes to Arizona Envelope Company for the purchase of Envelopes, for a one-year period, in an amount not to exceed \$50,000.

APPROVALS

11. Requesting Department


William Robinson, Central Supply Supervisor

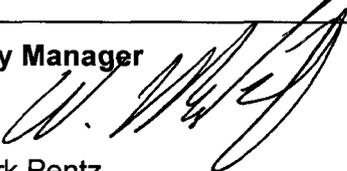
12. Department Head


Dennis Strachota

13. Procurement Specialist


Kristy Garcia, CPPB

14. City Manager


W. Mark Pentz

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

This Amendment #TWO 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 _____ day of _____, 2008.

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. This contract is extended for a one-year period, May 1, 2008 through April 30, 2009 for an amount not to exceed \$48,000.
2. Exhibit A attached hereto and incorporated by reference is added to and made part of said agreement and the parties agree thereto;
3. 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 _____ day of _____, 2008.

CITY OF CHANDLER:

By: _____
MAYOR

CONSULTANT:

By: Cindy Hamm
Title: Account Representative

APPROVED AS TO FORM:

City Attorney: JMM

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	\$21.20	\$424.00
2 7535.006.5911	Envelope, "Tax & Utility Services" #10, Window, Commercial flap, Recycled, PMS 548, Blue Ink.; 500 per box	160	\$12.73	\$2,036.80
3 7535.061.0155	Envelope, Plain, #9, Regular, White Wove, 24 lb, Commercial flap; Recycled; 500 per box	66	\$11.22	\$740.52
4 7535.061.0160	Envelope, Plain, #10, Regular, White Wove, 24 lb, Commercial flap, Recycled; 500 per box	174	\$10.23	\$1,780.02
5 7535.061.0162	Envelope, Plain, #10, Window, White Wove, 24 lb, Commercial flap, Recycled; 500 per box	150	\$12.17	\$1,825.50
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	\$48.04	\$2,402.00
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	\$48.60	\$2,430.00
8 7535.083.0170	Envelope, Plain, #10, Special Window, White Wove, 24 lb; reverse flap; Commercial flap; Recycled; 500 per box	100	\$12.70	\$1,270.00
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	\$9.36	\$5,616.00
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	\$9.42	\$5,840.40
11 7535.083.3335	Envelope, "Utility" return; #9, Regular, White Wove, Black Ink; Commercial flap; Recycled; 500 per box	1230	\$7.59	\$9,335.70
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	\$10.65	\$4,473.00
13 7535.083.3353	Envelope, "Court", #10, Window, White Wove, PMS 548 Blue Ink, Commercial flap; Recycled; 500 per box	48	\$16.71	\$802.08
14 7535.083.3354	Envelope, "Court", #10, Regular, White Wove; PMS 548 Blue; "Address Service Requested", Commercial flap; Recycled; 500 per box	20	\$15.79	\$315.80
15 7535.083.3370	Envelope, "Tax & Utility Services" #10, Window; Commercial flap; "Return Service Requested"; Recycled; 500 per box	160	\$12.76	\$2,041.60
16 7535.083.3375	Envelope, "Tax & Utility Services" #10, Window, Commercial flap; presort 1 st class; "Return Service Requested"; Recycled; 500 per box	320	\$10.48	\$3,353.60
17	Envelope, 9 x 12 Catalog; Manila; 500 per box	12	\$32.30	\$387.60
18	Envelope, 9 x 12 Catalog; White; 500 per box	12	\$30.35	\$364.20
19	Envelope, 10 x 13; Manila; 500 per box	12	\$38.49	\$461.88
20	Envelope; 10 x 13; White; 500 per box	12	\$33.91	\$406.92
21	Envelope, 6 x 9; Peel-N-Seal; White; 500 per box	20	\$32.47	\$649.40
22	Envelope, 6 x 9; White; 500 per box	20	\$24.91	\$498.20
			TOTAL	\$47,455.22