



**City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.  
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[www.rochesterhills.org](http://www.rochesterhills.org)**

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**Legislative File No:** 2007-0779

**TO:** Mayor and City Council Members  
**FROM:** Jean Farris, Supervisor of Procurement  
**DATE:** **November 13, 2007**  
**SUBJECT:** Office Supplies and Equipment

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**REQUEST:**

City Council is requested to authorize a blanket purchase order to Office Depot Business Services Division, Plymouth, Michigan, for offices supplies and equipment in the amount not-to-exceed \$90,000.00 through December 31, 2008.

**REASON FOR PURCHASE:**

The City of Rochester Hills utilizes the U.S. Communities Government Purchasing Alliance office supply contract in conjunction with the participation of approximately 40 cities within the Michigan Intergovernmental Trade Network for the purchase of office supplies and equipment. This national contract has over 8,000 participating government agencies. The program includes a catalog of 4,000 frequently ordered items discounted up to 70% off the manufacturers' list price, a list of 500 high usage items discounted at an average of 85% off the list price and the remainder of the full-line Business Services Division catalog items at up to 45% off list price. Also, Office Depot provides on-line ordering with next day delivery directly to the departments, including the off-site buildings, and assigns an account representative to conduct on-site customer service.

In addition, the City receives a 1% reimbursement off its annual expenditures by participating in Office Depot's electronic ordering system for at least 80% of its transactions. In addition annual cost savings equal to 0.5% to 5% of the total sales volume of the cooperative is also an extended benefit. Each city receives a rebate based on its percentage of the total aggregate sales volume of the cooperative. Last year's rebate qualified at 3%.

Other available cooperative contracts were reviewed with Office Depot providing the best value for the mix of products purchased by the City of Rochester Hills. Additional cost savings will be pursued through the use of alternative vendors and products.

**PROCESS:**

**Vendor Name and Address:**

Office Depot Business Services Division  
909 N. Sheldon Road  
Plymouth, MI 48170

**Reason for Selection:**

Best Value

**Method of Purchase:**

U.S. Communities Government Purchasing Alliance/Michigan Intergovernmental Trade Network

**BUDGET:**

<b>Fund Name</b>	<b>Department Account No</b>	<b>Account No. Description</b>	<b>Budget Amount</b>	<b>Cost</b>	<b>Remaining Budget</b>
Various	727000	Office Supplies	\$92,950	\$90,000	\$2950

**RECOMMENDATION:**

It is recommended that City Council authorize a blanket purchase order to Office Depot Business Services Division, Plymouth, Michigan, for office supplies and equipment in the amount not-to-exceed \$90,000.00 through December 31, 2008.

**RESOLUTION**

**NEXT AGENDA ITEM**

**RETURN TO AGENDA**

<b>APPROVALS:</b>	<b>SIGNATURE</b>	<b>DATE</b>
<b>Department Review</b>		
<b>Department Director</b>		
<b>Budget Content: Finance Director</b>		
<b>Purchasing Process: Supervisor of Procurement</b>		
<b>Mayor</b>		
<b>City Council Liaison</b>		