



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
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www.rochesterhills.org

Legislative File No: 2011-0466

TO: Mayor and City Council Members
FROM: Jean Farris, Supervisor of Procurement
DATE: October 25, 2011
SUBJECT: Office Supplies and Equipment

REQUEST:

City Council is requested to authorize a blanket purchase order to Office Max, Warren, Michigan and other office supply vendors as appropriate for office supplies and equipment in the amount not-to-exceed \$65,000.00 through December 31, 2012.

REASON FOR PURCHASE:

The City of Rochester Hills participated with several Michigan Intergovernmental Trade Network (MITN) communities in the Oakland County Request for Proposals for office supplies and equipment. The intent of the cooperative effort was to reduce costs, standardize the amount of products being purchased and aggregate 500 of the most commonly purchased office supply items across the group.

In response to the Request for Proposals, four proposals were received by Oakland County and reviewed by purchasing staff from Oakland County, Farmington Hills, Dearborn, SMART, Huron-Clinton Metro Park and Rochester Hills.

The resulting best value award to Office Max will aggregate the MITN group spend creating an annual volume rebate to the City of 4%. There are 650 catalog items on the core discounted list with other catalog merchandise at a 30-50% off list. A website provides users with on-line ordering and alternate value pricing. The contract offers next day desk top delivery with no shipping charges, an on-site customer service representative, many green product choices and in-store discounts. An additional 10% conversion discount is included during the first 120 days of the contract. Departments are encouraged to utilize product alternates offered through the website to achieve further savings.

Over the past several years, Purchasing has identified other contracts providing cost savings on paper products and toner cartridges. These products represent 35% of the total cost volume of office supplies. The Purchasing Division continuously monitors toner and paper pricing from various suppliers to achieve cost savings for the City.

PROCESS:

Vendor Name and Address:

Office Max
13301 Stephens Rd
Warren, MI 48098

Central Michigan Paper
PO Box 2649
Grand Rapids, MI 49501

Precision Data Products
5036 Falconview SE
Kentwood, MI 49512

Reason for Selection:

Best Value

Method of Purchase:

Michigan Intergovernmental Trade Network – Office Max
Regional Educational Media Center Association of Michigan – Paper/Toner

BUDGET:

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Various	727000	Office Supplies	\$70,630.00	\$65,000.00	\$5,630.00

RECOMMENDATION:

It is recommended that the Rochester Hills City Council authorize a blanket purchase order to Office Max, Warren, Michigan and other office supply vendors as appropriate for office supplies and equipment in the amount not-to-exceed \$65,000.00 through December 31, 2012.

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