

## **City Council Agenda Summary Sheet (Purchases)**

**Agenda No:** 2004-1157  
**Date:** November 22, 2004  
**Prepared By:** Jean Farris, Supervisor of Procurement  
**City File No:**

**Meeting Date:** December 8, 2004

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### **PURPOSE:**

City Council is requested to authorize a blanket purchase order to Office Depot Business Services Division, Plymouth, Michigan, in the amount not-to-exceed \$100,000.00 through December 31, 2005.

### **DISCUSSION:**

The City of Rochester Hills participates with the Michigan Intergovernmental Trade Network (formerly Tri-County Purchasing Cooperative) for the purchase of office supplies and equipment. The membership awarded a contract to Office Depot Business Services Division under a "piggy back" addendum with Los Angeles County and U. S. Communities Government Purchasing Alliance. This national contract has over 5,000 participating government agencies. The program includes a catalog of 3,000 frequently ordered items discounted up to 68% off the manufacturers' list price, a list of 213 high usage items discounted at an average of 80% off the list price and miscellaneous items at list prices less 45%. Also, Office Depot provides 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 of its annual expenditures by participating in Office Depot's electronic ordering system for at least 80% of its transactions. Annual cost savings equal to 0.5% 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.

This is the final extension of the national contract, which will be re-bid in 2005.

The amount of the blanket purchase order for 2005 is \$25,000 less than in previous years based on the 2005 budget.

### **FISCAL INFORMATION:**

Office supplies are budgeted in departmental budgets as office supplies; no additional staffing is required.

<b>Fund Name</b>	<b>Fund Account #</b>	<b>Description</b>	<b>Budget Amount</b>	<b>Cost</b>	<b>Remaining Budget</b>
Various	727000	Office Supplies	\$101,350	\$100,000	\$1,350

**Vendor Name and Address:**

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

**Reason for Selection:**

Best Value

**Method of Purchase:**

Michigan Intergovernmental Trade Network (formerly Tri-County Cooperative)/U.S.  
Communities Government Purchasing Alliance

**RECOMMENDATION:**

It is recommended that City Council authorize a blanket purchase order to Office Depot Business Services Division, Plymouth, Michigan, in the amount not-to-exceed \$100,000.00 through December 31, 2005.

**ATTACHMENTS:**

Department Authorization:

Reviewed by:

Fiscal: *Julie Jenuwine*

Purchasing: *Jean Farris*

Clerks: *Susan Koliba-Galeczka*

Approved by: *Pat Somerville*

**RESOLUTION**

**NEXT AGENDA ITEM**

**RETURN TO AGENDA**

