



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

**1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org**

Legislative File No: 2005-0753

TO: Mayor and City Council Members
FROM: Jean Farris, Supervisor of Procurement
DATE: November 7, 2005
SUBJECT: Office supplies and equipment

REQUEST:

City Council is requested to authorize a blanket purchase order to Office Depot Business Services Division, Plymouth, Michigan, for office supplies and equipment in the amount not-to-exceed \$109,000.00 through December 31, 2006.

REASON FOR PURCHASE:

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 8,000 participating government agencies. The program includes a catalog of 4,000 frequently ordered items discounted up to 68% off the manufacturers' list price, a list of 300 high usage items discounted at an average of 80% off the list price and miscellaneous items at up to 45% off list price. 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.

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:

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

BUDGET:

Office supplies are budgeted in departmental budgets as offices supplies.

| Fund Name | Department Account No | Account No. Description | Budget Amount | Cost | Remaining Budget |
|------------------|------------------------------|--------------------------------|----------------------|-------------|-------------------------|
| Various | 727000 | Office Supplies | \$109,400 | \$109,000 | \$400 |
| | | | | | |
| | | | | | |

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 \$109,000.00 through December 31, 2006.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

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