



## **CITY COUNCIL COMMUNICATION**

January 11, 2011

**SUBJECT:** Award of Annual Contract for Office Supplies

**SUBMITTED BY:** Michael Lowry, Purchasing Manager

**REFERENCE NO:**

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### **ACTION REQUESTED:**

Authorize the City Manager to execute a contract with Office Depot for a one (1) year period for the purchase of office supplies through "The Cooperative Purchasing Network" (TCPN).

### **ALTERNATIVES:**

- Do No Approve
- Re-bid

### **SUMMARY OF SUBJECT:**

TCPN is a non-profit instrumentality of government that assists public agencies in reducing the cost of purchased goods through pooling the purchasing power of public agencies nationwide. This is accomplished through competitively solicited bids/proposals for quality products through lead public agencies.

The lead public agency for this contract is Region 4 Education Service Center out of Houston, Texas. The City Council approved membership in TCPN on November 11, 1999.

The contractor is Office Depot and will be serviced out of Grand Prairie for a period of one (1) year with an option to renew annually for an additional three (3) years subject to the approval of both parties.

Pricing for the new contract reflects lower pricing than the previous agreement, Copy paper will be \$5.37 a case lower than we currently pay and there will be an opportunity to capture an additional 1% rebate based on total volume of purchases. Currently we receive a 1% rebate on online orders only. This new contract pricing is a result of new TCPN competitive bids that were opened on October 20, 2009.

This is a unit price contract and actual annual expenditure will be determined by actual quantities ordered.

It is recommended that the contract for office supplies with Office Depot be awarded for the first contract year period.

**FINANCIAL CONSIDERATIONS:**

Expenditure Accounts: #61-01 and Various Department Accounts

Budgeted Fiscal Year(s):

Estimated Expenditure: \$98,000

**SUPPORTING DOCUMENTS:**

- Letter: The Cooperative Purchasing Network

**APPROVED BY:**

\_\_\_\_\_ **LG** \_\_\_\_\_ City Manager's Office

\_\_\_\_\_ **SC** \_\_\_\_\_ City Secretary's Office