



Legislation Text

File #: 09-0087, **Version:** 1

Resolution Authorizing the City of Ann Arbor to Join the NJPA (National Joint Purchasing Alliance) Contract for Office Supplies awarded to Staples Business Advantage and Approve a Three-Year Contract with Staples Business Advance with a Two-Year Renewal Option

Attached for your review and approval is a resolution to authorize the City of Ann Arbor to join the NJPA (National Joint Purchasing Alliance) contract awarded to Staples Business Advantage for purchase of office supplies and to approve a three-year contract with Staples Business Advantage with a two-year renewal option.

The City of Ann Arbor's previous contract with Staples Business Advantage was piggy-backed on the Washtenaw County contract with the Company; which was publicly bid and included a provision allowing other government entities to "piggy-back" on the bid process when contracting with Staples Business Advantage. That contract expired January 9, 2009. Staples has agreed to continue service under the previous contract terms until a new contract has been approved by City Council.

The City recently joined NJPA Cooperative Purchasing Program. This gives the City access to more than 200,000 competitively bid products from more than 40 nationally recognized vendors.

There are two other cooperative programs offering office supply contracts, MiDeal with OfficeMax and US Communities with Office Depot. A price comparison has resulted in Staples being the lowest responsible vendor.

Purchases of office supplies from Staples city-wide totaled approximately \$176,000.00 for the 2007 calendar year. The NJPA pricing structure reduces our current pricing by 3.72%. The City of Ann Arbor would receive a 2% per year conversion rebate, in addition to a 2% NJPA volume rebate per year. We currently receive a 1.5% rebate from Staples annually. This results in a savings of 6.22% (\$10,947.00) each year of the contract.

Staff recommends approval of this contract.

Prepared by: Dee Lumpkin, Procurement Assistant

Reviewed by: Tom Crawford, Chief Financial Officer

Approved by: Roger Fraser, City Administrator

Whereas, The City of Ann Arbor purchased office supplies that totaled approximately \$176,000.00 in calendar year 2008;

Whereas, The current contract with Staples Business Advantage (Staples) expired on January 9, 2009;

Whereas, A price comparison of three cooperative purchasing contracts was performed by the Procurement Services Office with Staples Business Advantage being the lowest responsible bidder;

Whereas, A cost reduction of 6.72% (\$10,947.00) will be realized each year of the contract;

Whereas, Funds are included in each Service Area/Unit approved budget and available for expenditure; and

Whereas, Staples Business Advantage received Human Rights approval on February 1, 2009;

RESOLVED, That City Council approve joining the NJPA contract awarded to Staples Business Advantage and approve a contract with Staples Business Advantage for three (3) years, with the option to renew for an additional two (2) years; and

RESOLVED, That the City Administrator be authorized to take all necessary administrative actions to implement this resolution.