

MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors
FROM: Brett Wood, Purchasing Manager *BW*
DATE: July 10, 2012
SUBJECT: Approve the Renewal of a Countywide Blanket Purchase Order with Staples Using a Competitively Bid Public Agency Agreement for Office Supplies in the Maximum Amount of \$800,000.00

RECOMMENDATION

Approve the renewal of a Countywide blanket purchase order (BPO) with Staples of Sacramento, CA using a competitively bid public agency agreement awarded by the National Joint Powers Alliance, and authorize the Purchasing Manager to sign the resulting BPO in the maximum amount of \$800,000.00.

BACKGROUND

On June 7, 2011 your Board approved the award of a Countywide BPO to Staples for office supplies for the period June 1, 2011 through July 31, 2012. The award was based on a competitively bid public agency cooperative agreement awarded to Staples by the National Joint Powers Alliance (NJPA), a consortium of state, local, and educational agencies. The County's initial decision to purchase from Staples was made as the result of Procurement's analysis of several cooperative agreements that provide the wide variety of products and the level of service required by Placer County. The analysis originally showed that a contract offered by National Purchasing Partners (NPP), which was competitively bid by the League of Oregon Cities, was approximately 1.5% lower than other available contracts. In May 2011 another comparison was made, which showed that NJPA Contract No. 031210-SCC was 3.12% lower than the NPP contract. In addition, the NJPA contracts offers a rebate of 4% of the total amount spent by the County. The rebate is issued on an annual basis, typically in mid-July. This year's rebate is estimated to be approximately \$27,000.

Section 1.3(e)(3) of the Purchasing Policy Manual permits the use of contracts awarded by another public agency as the result of a competitive bid. NJPA Contract No. 031210-SCC is effective through July 31, 2014 and meets this definition.

COST SAVINGS INITIATIVES

County departments continually search for methods to reduce their operating expenses, including their office supply costs. A change in policy which allows the purchase of remanufactured toner and ink cartridges is saving approximately \$15,000 per year, countywide, over the cost of brand-name toners and inks. Departments also purchase other generic products when the quality and performance is substantially the same as the more expensive brand name products, saving approximately \$40,000 per year countywide. Administrative Services' IT Division is also exploring options for establishing a more robust printer maintenance contract which may include the cost of toners and inks. This measure has the potential to significantly reduce the County's expenditures on the office supply contract, however the exact impact cannot be determined until the program is fully implemented.

Honorable Board of Supervisors
July 10, 2012
Re: Countywide Office Supplies
Page 2 of 2

FISCAL IMPACT

Procurement recommends the award of a renewal BPO to Staples using NJPA Contract No. 031210-SCC for the period August 1, 2012 through July 31, 2013 in the maximum amount of \$800,000.00, a reduction of \$100,000 from the current BPO amount. Each department is responsible for budgeting properly for its own expenditures from this Countywide BPO.

cc: Jerry Gamez, Director of Administrative Services