

MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors

FROM: Jim Boggan, Purchasing Manager *JB*

DATE: June 7, 2011

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 \$900,000.00

RECOMMENDATION

Approve the renewal of a Countywide blanket purchase order (BPO) with Staples of Sacramento 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 \$900,000.00.

BACKGROUND

On June 8, 2010 your Board approved the award of a Countywide BPO to Staples for office supplies for the period June 1, 2010 through May 31, 2011. The award was based on a competitively bid public agency cooperative agreement awarded to Staples by the National Purchasing Partners (NPP), in cooperation with the League of Oregon Cities. The decision to piggyback on this contract was made as the result of Procurement's extensive analysis of cooperative agreements that were served by large office supply firms that provided on-line ordering, next-day delivery, and had the ability to provide the level of service required by Placer County.

Procurement has discovered a more recent competitively bid public agency cooperative agreement that offers better pricing than the NPP contract. Contract No. 031210-SCC was awarded to Staples by the National Joint Powers Alliance (NJPA), a consortium of state, local, and educational agencies. Procurement's cost analysis revealed that, based on the County's current spending pattern, the NJPA contract could save up to 6.34% over the NPP contract. The NJPA contract is effective through July 31, 2014. Staples has agreed to renew with NJPA contract pricing.

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. The NJPA contract meets this definition.

COST SAVINGS INITIATIVES

County departments are experiencing a reduction in office supply costs primarily due to cost savings measures that were implemented during the past fiscal year. One of the most significant measures is the practice of purchasing remanufactured printer inks and toners instead of more costly brand-name toners. Some remanufactured products have not performed well in certain printers. However, these problems have occurred in less than 3% of the County's purchases. Remanufactured inks and toners have saved the County approximately \$25,000 over the past year. In response to another cost savings measure, Departments have diligently purchased less expensive, generic items rather than name brands whenever possible. This measure has saved the County about \$42,000 since last August.

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FISCAL IMPACT

Procurement recommends the award of a renewal BPO to Staples using NJPA Contract No. 031210-SCC for the period June 1, 2011 through July 31, 2012 in the maximum amount of \$900,000.00, 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: Clark L. Moots, Director of Administrative Services