

**MEMORANDUM**  
**COUNTY OF PLACER**  
**DEPARTMENT OF ADMINISTRATIVE SERVICES**  
**PROCUREMENT SERVICES DIVISION**

**TO:** Honorable Board of Supervisors  
**FROM:** Jim Boggan, Purchasing Manager *JB*  
**DATE:** June 8, 2010  
**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 \$1,000,000

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**RECOMMENDATION**

Approve the award of a Countywide blanket purchase order (BPO) with Staples of Sacramento, CA using a competitively bid public agency agreement awarded by National Purchasing Partners, and authorize the Purchasing Manager to sign the resulting BPO in the maximum amount of \$1,000,000.

**BACKGROUND**

On May 26, 2009 your Board approved the award of a Countywide BPO to Corporate Express for office supplies for the period June 1, 2009 through May 31, 2010. The award was based on a competitively bid public agency cooperative agreement which was bid and awarded to Corporate Express by 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 an extensive analysis of cooperative agreements which are served by large office supply firms that provide on-line ordering, next-day delivery, and have the ability to provide the level of service required by Placer County. The analysis revealed that the NPP contract with Corporate Express (which is now a Staples company) was the most cost-effective for Placer County's needs. Section 1.3(e)(3) of the Purchasing Policy Manual permits the use of contracts awarded by another public agency, provided the contract was competitively bid and awarded, and that Placer County receives the same or better pricing and terms. The NPP contract meets this definition.

NPP has extended their contract with Staples through May 31, 2012. Based on Procurement's previous analysis, it is in the County's best interest to renew its BPO with Staples for an additional year.

**COST SAVINGS INITIATIVES**

The County's long-standing policy was to purchase only name brand printer inks and toners, to assure overall quality and performance and to avoid potential damage to printers from off-brand products. In August 2009 the Administrative Services Department's Information Technology Division evaluated a line of high-quality "remanufactured" products and determined that they met the County's standards in terms of overall quality and performance. These remanufactured cartridges are also 25-40% less expensive than the name-brand cartridges. In November 2009, your Board approved a recommendation from the Purchasing Cost Savings Committee to have departments order remanufactured printer cartridges through Staples whenever they are available at a cost savings.

The Countywide BPO has always provided flexibility for departments to order a wide variety of office supplies, including name-brand items as well as generic "equals", which are usually priced 5-30% lower than name-brands, and the Staples ordering website now offers generic equals when a name-brand product is requested. In November 2009, your Board also approved a recommendation from the Purchasing Cost Savings Committee to direct that County departments purchase the most economically-priced products available that meet their needs.

Procurement Services trained all Staples website users to implement both cost savings directives and recent reports show that County departments have experienced savings averaging 24-27% due to the above initiatives.

#### **FISCAL IMPACT**

Staff estimates that approximately \$1,000,000 will be required for the new BPO period of June 1, 2010 through May 31, 2011. Each department is responsible for budgeting properly for its own expenditures from this Countywide BPO.

cc: Clark L. Moots, Director of Administrative Services