

Memorandum



CITY OF DALLAS

DATE June 12, 2015

TO Members of the Budget, Finance & Audit Committee: Jerry R. Allen (Chair),
Jennifer S. Gates (Vice Chair), Tennell Atkins, Sheffie Kadane, Philip T. Kingston

SUBJECT Upcoming Agenda Item: Master Agreement for Office Supplies

The June 17, 2015 Council Agenda includes an item for your consideration to authorize a five-year master agreement for office supplies with Office Depot, Inc. through Public Sourcing Solutions in an amount not to exceed \$5,625,143 - Financing: Current Funds.

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis.

This master agreement will provide office supply products for all City departments. The master agreement will allow the City to purchase approximately twenty-five hundred City core office supply products at a significant discount off manufacturer's list price. In an attempt to reduce the cost of office supplies and to promote a green initiative, this contract will be structured in a manner where "store brand" and "green" items will be offered where available. The City currently purchases 99% of all office supply items utilizing web-based ordering, this process provides efficient ordering and delivery of products.

The agreement includes terms such as:

- Web-based ordering
- Next-day desktop delivery
- Consolidated billing
- Quarterly reports on City buying trends
- Restrictions on City identified products
- Opportunity to purchase comparable environmentally-friendly items

In order to capture the best price for the City, Business Development and Procurement Services requested pricing from four office supply vendors. The pricing provided by these vendors was based on the City's last 12 months of usage and included item description, quantity purchased and the Universal Product Code as an additional identifier. Additionally, vendors were requested to submit pricing for the national brand name items as well as their comparable "store brand" items. Office Depot, Inc. through Public Sourcing Solutions (PSS) provided the best overall submittal.

PSS is a cooperative purchasing organization, which leverages the collective purchasing power of government agencies nationwide and establishes cost-effective volume pricing. This agreement provides the City the lowest available pricing discounts from the vendor regardless of the size of the order.

PSS conforms to the requirements of Texas statutes that are applicable for competitive bids and proposals, in accordance with the Interlocal Cooperation Act, Chapter 791, Texas Government Code. In addition, PSS receives bids from manufacturers and dealers throughout the United States.

Please let me know if you need additional information.



Jeanne Chipperfield
Chief Financial Officer

c: Honorable Mayor and Members of City Council
A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Mark McDaniel, Assistant City Manager
Eric D. Campbell, Assistant City Manager
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager