

City Council Report

Date: September 14, 2009
To: City Council
Through: Bryan Raines, Deputy City Manager
From: Edward Quedens, Business Services Director
Subject: Term Contract for Stockless Office Supplies for Use by all City Departments (Contract #2009104)

Strategic Initiatives



Purpose and Recommendation

Council is requested to approve a Term Contract for Stockless Office and Classroom Supplies as recommended. Proposals were obtained and evaluated by an evaluation team comprised of City staff from various departments and two representatives of local school districts.

The Purchasing Division recommends awarding the contract to the highest scored proposal from WIST Office Products at \$975,000.00 annually (Mesa's portion) based on estimated purchases.

Background/Discussion

The contract will provide next-day, desktop-delivery office and classroom supplies on an as-needed basis to various City of Mesa delivery locations and other members of Strategic Alliance for Volume Expenditures (SAVE) purchasing cooperative comprised of 207 member agencies including municipalities, counties, political agencies, and school districts.

Mesa was the lead agency on this contract with fifty members of the SAVE cooperative expressing an up-front interest in this solicitation and the resulting contract. The final decision to participate rests solely with the individual agency. SAVE members who may not have expressed an interest to date are not precluded from participating. The successful vendor will be responsible for reaching out to these agencies to market the products and services available under the contract. The cumulative estimated potential spend for office and classroom supplies for these organizations, including the City of Mesa is nearly \$8,000,000, which enabled respondents to offer greater volume discounts.

7 responses were received; 3 local responses from national chains and 3 local businesses including 1 from Mesa. Staff determined that the seventh response was incomplete and was deemed non-responsive.

The City invited 17 vendors to submit proposals along with our standard advertisements on the City's website and in the Arizona Republic, East Valley Tribune, the Record Reporter and BidNet. 21 vendors downloaded the RFP.

During the evaluation process, staff rated the six competing vendors on six specific evaluation elements including: background and references; ordering website for content and ease of use; overall program presentation; core list pricing; ink and toner pricing; and non-core list pricing. WIST scored the highest in all criteria including submitting the lowest prices in all three price categories.

WIST set up their website with the City's Core and Non-Core price lists and clearly demonstrated their website's content and ease of use. It identifies whether the item is a core-list or non-core list item and as whether an item is from a Historically Underutilized Business or is a "Green" product. The website also notifies the user of more cost-effective and "Green" alternate products. Staff also checked WIST's references and all provided very positive comments on this vendor's customer service, products and policies. WIST offered a 1% annual purchase rebate for agencies spending more than \$100,000 and using internet ordering more than 90% of the time.

WIST's copy paper prices are also very close to the State contract that the City uses and therefore the City will be able to transition part of its paper purchases to this contract; providing next-day, desk-top delivery and reducing the City's cost to warehouse and deliver paper from the City's Materials & Supply Warehouse.

The initial term of this contract is one-year with two (2) two-year renewal options possible. Prices will be held firm for one-year and future price increases will be negotiated between the City and the vendor based on manufacturer's prices changes.

Alternatives

Council may choose not to award this contract and new proposals will be obtained or cooperative contracts will be evaluated.

Fiscal Impact

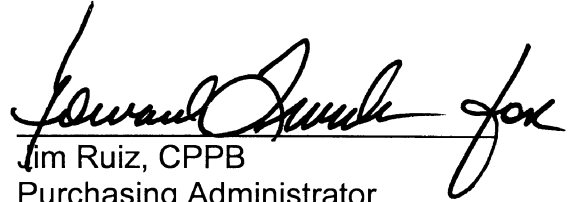
The total annual amount of \$975,000.00 is cumulatively available from City Departments using this contract.

Coordinated With

Finance Department - Accounting
Police Department
Information Technology Department
Business Services Department
Purchasing Division
SAVE Representatives – SAVE and Mesa Public Schools Representative



Pamela Chavez,
Management Assistant II



Jim Ruiz, CPPB
Purchasing Administrator



Edward Quedens, CPPO, C.P.M.
Business Services Director



Bryan Raines,
Deputy City Manager

**CITY OF MESA
 AWARD RECOMMENDATION
STOCKLESS OFFICE AND CLASSROOM SUPPLIES
 (REQUEST FOR PROPOSAL #2009104)**

**WIST Office Products
 Tempe, AZ**

Description	Award Amount
Term Contract to include, office and classroom supplies including Core and Non-Core catalog items (binders, computer accessories, envelopes, filing accessories, writing instruments, paper, classroom and general supplies, bookcase, desk, chair, file cart, etc.), new ink and toner cartridges, with next-day, desktop delivery for at least 95% of items in vendor catalog	\$975,000.00

Proposals Received from:

- ConServe Flag Company – Sidney, NE (Non-Responsive - company does not offer full line of office and classroom supplies)
- East Valley Office Supplies, Inc. – Chandler, AZ
- Lofgreens' Inc. – Mesa, AZ
- Office Depot , Inc. – Phoenix, AZ
- OfficeMax, Inc. – Phoenix, AZ
- Staples – Phoenix, AZ
- WIST Office Products – Tempe, AZ

“No-Bid Response” Received From:

- Sax Arts and Crafts – Greenville, WI

August 2009 Proposal Results:

Evaluation Elements	Points Possible	WIST Office Products	East Valley Office Supplies Inc.	Office Depot Inc.	Office Max Inc.	Lofgreen's Inc.	Staples
Firm Background & References	75	75	75	75	75	75	75
Ordering Website-Content & Ease of Use	150	150	125	100	75	52	25
Overall Program Presentation	250	250	200	150	50	75	30
Core List Pricing	275	275	256	242	253	264	267
Ink and Toner Pricing	100	100	91	85	92	98	93
Non-Core List Pricing	150	150	102	74	102	75	113
Total Points Awarded	1000	1000	849	726	647	639	603