



**TO:** Board of Contracts and Awards  
**FROM:** Patsy Best, Procurement and Payables Manager, Finance/Procurement and Payables  
Dawn Leischner, Purchasing Financial Manager, Finance/Procurement and Payables  
**COPY:** City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and Andrew Cherullo, Finance Director  
**SUBJECT:** Office Supplies Citywide Contract  
The Cooperative Purchasing Network (TCPN), Request for Proposal No. 14-17, Office Depot Contract No. R141703 – April 19, 2016]  
**DATE:** March 21, 2016

**SUMMARY:**

Finance, Procurement and Payables Division recommend a citywide contract be awarded to Office Depot, Kent, WA, in the amount of \$1,000,000 plus sales tax for the purchase of office supplies as needed for May 1, 2016 to February 28, 2018. This competitively bid contract allows the City to continue its sustainable purchasing efforts for office supplies. It includes limited packaging and twice per week delivery schedule requirements, an on-line ordering system with payment by procurement card. The requested contract amount is based on historical annual usage of past citywide contracts. Office Depots primary warehouse is located in Kent; however they also have a store front in Tacoma.

**STRATEGIC POLICY PRIORITY:**

- Encourage and promote an open, effective, results-oriented organization.

This contract has aggressive fixed discounts and is widely used by many departments within the City.

**BACKGROUND:**

In 2013, the City started using WA State Contract 04411 which was a result of a Request for Proposals issued by the Washington State Department of Enterprises Services (DES).

**ISSUE:** The current citywide contract expires April 30, 2016. Although this contract offers renewal options, Procurement and Payables recommends moving to another interlocal agreement through The Cooperative Purchasing Network (TCPN) for a larger variety of sustainable and general office supplies that have higher discounts and a potential rebate that would be given to the City based on volume spending. On the current contract, the vendor gives the State of Washington (DES) the rebate.

**ALTERNATIVES:** The alternative course of action would be to issue a new solicitation for office supplies.

**COMPETITIVE SOLICITATION:** TCPN Contract No. R141703 (issued per Request for Proposals No. R141703) is a competitively solicited contract valid until February 28, 2018. Region 4 Education Service Center (ESC) took the lead in issuing the solicitation on behalf of itself, other government agencies and non-profits, made available through The Cooperative



Purchasing Network (TCPN). Ten submittals were received on October 8, 2014. This contract meets Tacoma's competitive solicitation requirements by means of an interlocal cooperative purchasing agreement with The Cooperative Purchasing Network (TCPN). Office Depot was one of five suppliers awarded a contract. The contract term was for three years with the option to renew for two additional one year terms.

**COMPETITIVE ANALYSIS:** This contract offers 20,000 discounted supplies, including environmentally friendly, no minimum purchase requirement, no cost to use the contract and a rebate based on the amount of monies spent. The discounts with the rebate are more desirable than the current citywide contract. The contract language allows City of Tacoma to incorporate its own standard terms and conditions, including payment by procurement card.

**CONTRACT HISTORY:** New contract.

**SUSTAINABILITY:** Office Depot offers many green products.

**SBE/LEAP COMPLIANCE:** Not applicable.

**RECOMMENDATION:**

Finance, Procurement and Payables Division recommend a citywide contract be awarded to Office Depot, Kent, WA, in the amount of \$1,000,000 plus sales tax for the purchase of office supplies as needed for May 1, 2016 to February 28, 2018.

**FISCAL IMPACT:**

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various Department Funds			\$1,000,000
<b>TOTAL</b>			

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
<b>TOTAL</b>			

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$500,000**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes**