

City of Sacramento

Legislation Text

File #: 2019-01111, **Version:** 1

Title:

Cooperative Contract: Citywide Office Supplies

File ID: 2019-01111

Location: Citywide

Recommendation:

Pass a Motion authorizing the City Manager, or the City Manager's designee, to increase the not-to-exceed amount with Staples Advantage on the cooperative contract 010615-SCO by \$1 million for a total not-to-exceed amount of \$5 million through August 1, 2020.

Contact: Ashley Petralli, Contract & Compliance Specialist, 916-808-5749, Department of Finance

Presenter: None

Attachments:

1-Description/Analysis

2-Cooperative Contract 010615-SCO

Description/Analysis

Issue Detail: The City has been using the Staples Advantage cooperative agreement for office supplies and related materials since 2015. Over the last four years, our average annual spend on these supplies has been approximately \$950,000 per year. Our total spend-to-date on this contract is \$3.8 million. The cooperative contract was extended through August 1, 2020, and the City is seeking an additional \$1 million to be added to our not-to-exceed amount to cover expenses for office supplies and related materials through the end of the extended contract.

Policy Considerations: The recommendations in this report are in accordance with City Code Chapter 3.56.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): The proposed activity is not a project pursuant to the CEQA. CEQA Guidelines Section 15378(b)(2). The activity is a continuing administrative or maintenance activity, such as the purchase of supplies, personnel-related actions, or general policy and procedure making, and is not subject to CEQA. CEQA Guidelines Section 15060(c)(3).

Sustainability: Under the City of Sacramento's Climate Action Plan, all applicable "green" alternatives will be considered prior to the purchase of supplies and accessories.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: In an ongoing effort to maximize cost savings and staff resources, many government agencies share contracting efforts through cooperative purchasing. This procurement method increases pricing competitiveness and lowers operating costs through volume buying. When comparing the administrative costs of procurement, staff considers product research, source selection, specifications, advertising, staff reports, awarding, protests, and administration of the contract. It is often more cost-effective to eliminate the cost and time spent on these administrative processes and purchase items and services through cooperative purchasing programs.

The cooperative purchasing agreement pricing terms and conditions were determined through a competitive solicitation that was conducted by NJPA and the Lodi Unified School District. The total value of the cooperative purchasing agreement is \$200 million, which is approximately 40 times the City's total projected expenditures. Increasing the not -to-exceed amount will allow the City to continue benefiting from significant volume discounts beyond what could be achieved solely by the City of Sacramento.

Financial Considerations: Departments will use their own operating budgets as funding is available to purchase office supplies and related materials as needed and as budgets allow.

Local Business Enterprise (LBE): Staples is a Local Business Enterprise.