



July 23, 2009

Agenda Item 15.0: Contract – Office Supply Vendor

**TO: Sacramento Public Library Authority Board Members**

**FROM: Don Tucker, Director of Facilities**

**RE: Change of Office Supply Vendor**

**RECOMMENDED ACTIONS:**

- 1. Approve** a contract for office and general supplies with Staples, Inc. for the period August 1, 2009 through June 30, 2012 in an amount not to exceed \$100,000 per fiscal year and \$300,000 for the total term of the contract. The contract will include a 30 day termination clause for convenience.
- 2. Authorize** the Library Director to sign all documents related to this contract within the approved terms.

**REASON FOR RECOMMENDATION**

In accordance with the Authority's Contracts and Procurement Policy, staff conducts periodic vendor evaluations to ensure the Library is receiving the best pricing on purchased goods and services and to ensure compliance with procurement policies. In reviewing the Library's costs for office supplies, staff determined it would be appropriate to issue a request for proposals from vendors that offered a Web-based ordering system in order to ensure the Library was receiving the best pricing available for office supplies.

The scope of the request included product pricing, billing and receiving processes and documentation, product availability and ease of use. The companies that responded to the request were Staples, Give Something Back (GSB), and Office Max, as well as Office Depot, our current vendor. Each vendor was asked to submit comparison pricing based on a three-month usage report from our current vendor.

Staff studied the pricing comparisons and each vendor was asked to give a 30-45 minute presentation to a selection committee consisting of Rick Teichert, Deputy Director of Administrative Services; Vicki Johnson, Director of Finance; Don Tucker, Director of Facilities; Diane Boerman, Sr. Accounts Payable Specialist; , and Carol Miranda, Contracts and Procurement Coordinator. Each vendor was asked to present their transition and training process, their billing and ordering process, account management process, furniture sales availability, print management capabilities, and most importantly, their pricing.

After careful consideration by all of the committee members, and given that the top two contenders, Staples and GSB, were equal in the majority of the items referenced above, the final recommendation came down to retail store availability and price. Staples' retail stores provide library personnel with the



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ability to purchase items immediately if necessary. GSB products were only available on-line. The most significant delineating factor was the over-all savings. Staples demonstrated a 16% savings over the items included in the usage comparison and an 8% savings over the closest competitor. Therefore, the staff recommendation is to designate Staples as the Library's office supply vendor through June 30, 2012.

Staples, Inc. updates pricing periodically. The proposed pricing from Staples, Inc. is in effect through January 1, 2010. Staff will monitor the pricing increases in January 2010 and thereafter, and determine if a new formal bid process may be in the best interest of the Library. A 30 day termination clause will allow the Library to transition to a different vendor if pricing or service issues warrant a change.

The Library has contracted with Office Depot in the past and has averaged expenditures of \$122,192 per year for the past four years. Expenditures for Office Depot office supplies for FY 2007/08 and FY 2008/09 were \$114,066 and \$106,154, respectively. Staff is requesting a not to exceed amount of \$100,000 per year based on expected use and cost savings proposed by Staples, Inc.