



Detroit Water and Sewerage Department

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Legislation Details (With Text)

File #: 20-0003 **Version:** 1 **Name:**

Type: Contract **Status:** Passed

In control: Financial Services

On agenda: 1/15/2020 **Final action:** 1/15/2020

Title: The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve DWSD to utilize a State of Michigan MiDeal cooperative contract with Staples for the as-needed purchase of office and breakroom supplies for a total amount not-to-exceed \$1,500,000 and a term of up to 4 years, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Indexes: Board of Water Commissioners, Finance Committee

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
1/15/2020	1	Board of Water Commissioners	approved	Pass
1/7/2020	1	Finance Committee	recommended for approval	Pass

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **DWSD to utilize a State of Michigan MiDeal cooperative contract with Staples for the as-needed purchase of office and breakroom supplies for a total amount not-to-exceed \$1,500,000 and a term of up to 4 years**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of January 15, 2020

Item No. 20-0003

Contract No. 6002612

Contract Amount: \$1,500,000 (\$325,000 per year, including renewal options)

Contractor: Staples Contract & Commercial LLC (Staples)

Address: 500 Staples Drive, Framingham, Massachusetts 01702

Contract Term: 2/24/20 - 5/31/22, with two 1-year renewal options exercisable by the DWSD Director as per MiDeal's extension of cooperative contract # 190000000268

TO: The Honorable
Board of Water Commissioners
City of Detroit, Michigan

FROM: Gary Brown, Director

Detroit Water and Sewerage Department

RE: Proposed DWSD Contract No. 6002612
Office and breakroom supplies from Staples

MOTION

Upon recommendation of Mamata Burgi, Procurement Manager, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department, authorizes the Director to approve **DWSD to utilize a State of Michigan MiDeal cooperative contract with Staples for the as-needed purchase of office and breakroom supplies for a total amount not-to-exceed \$1,500,000 and a term of up to 4 years**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND / JUSTIFICATION

DWSD currently purchases office and break room supplies from Arrow Office Supply and the contract expires on February 23, 2020. In an effort to meet the on-going need for office and break room supplies, DWSD Procurement is requesting to utilize the Staples cooperative contract through the State of Michigan MiDeal program. Utilizing the MiDeal Cooperative Contract # 190000000268 allows DWSD to benefit from volume pricing while using minimal resources.

Benefits of this contract include:

- Approximately 2,400 items offered at discounted prices
- Approximately 1,200 core items offered at a deeper discount. Agencies can request items be added to the core list.
- Desktop delivery within one business day with a minimum order of \$35 per order
- In store purchases available, if needed
- 2% Annual Rebate based on annual total spend

After evaluating a sampling of DWSD's top 100 most frequently ordered items and the issuance of an ITR, DWSD Procurement recommends a contract be awarded to Staples Advantage, through the use of the State of Michigan MiDeal cooperative contract for office and break room supplies. The total contract amount being requested includes funds to cover the two year contract term and the two one-year renewal options.

PROCUREMENT METHOD

The DWSD Procurement Policy allows for participation in cooperative purchasing agreements from other public purchasing consortiums of competitively solicited contracts. MiDeal issued a Request for Proposals in 2018 for office and breakroom supplies and awarded based on the highest ranked proposal.

The DWSD Procurement Policy requires that Detroit Based Businesses (DBB) and Detroit Resident Businesses (DRB) be provided an exclusive opportunity to submit a bid that is equal to or less than the cooperative pricing, provided the DBB or DRB will meet or exceed all terms and conditions of the original cooperative contract.

To ensure compliance, DWSD Procurement issued an Invitation to Respond (ITR) on MITN, which yielded four “Intent to Bid” responses; however, only Audio Visual Equipment & Supplies, Inc. is a certified DBB. The remaining 3 firms did not meet the qualifications of the ITR, nor was their pricing lower than the cooperative prices.

Pricing for the sampling of the top 100 frequently ordered items by DWSD is as follows:

Staples Advantage (Coop)	\$88,879.00	Cooperative pricing
Arrow Office Supply	\$91,614.79	Not a DBB/DRB and not cheaper than cooperative
Audio Visual Equipment & Supplies, Inc. (DBB)	\$97,002.19	DBB but not cheaper than cooperative quote
Decima, LLC	\$140,690.53	Not a DBB/DRB and not cheaper than cooperative
Image Printing	N/A	Did not submit a bid

SUMMARY

- A. Contract Numbers: 6002616
- B. Contractor: Staples Contract & Commercial LLC
- C. Contract Term: 2/24/20 - 5/31/22, with two 1-year renewal options
- D. Contract Amount: \$1,500,000
- E. Fiscal Year Breakdown: FY 20: \$117,647.06
FY 21: \$352,941.18
FY 22: \$339,622.64
FY 23: \$352,941.18 (optional year)
FY 24: \$323,529.41 (optional year)
- F. Funding Source: O&M Funds

This proposed contract was presented to the DWSD Finance Committee on January 7, 2020. Per the DWSD Procurement Policy, Post FRC Mayoral review may be required.