



# Detroit Water and Sewerage Department

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## Legislation Text

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**File #:** 17-0133, **Version:** 1

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The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department (DWSD) authorizes the Director to **secure a contract with Arrow Office Supply for general office supplies for a total amount not to exceed \$129,496.84 for a duration of two (2) years**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

### **Agenda of August 16, 2017**

**Item No: 17-0133**

**DWSD RFQ No. 70001**

**Amount: \$129,496.84**

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

**FROM:** Gary Brown, Director  
Water and Sewerage Department

**RE:** **DWSD RFQ No. 70001 “General office supplies - desk top delivery”  
Arrow Office Supply**

### **MOTION**

Upon recommendation of Marcus Hudson, CFO, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **secure a contract with Arrow Office Supply for general office supplies for a total amount not to exceed \$129,496.84 for a duration of two (2) years**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

### **BACKGROUND**

JIT (Just-In-Time) inventory management was initiated in 2013, which replaced our previous practice of securing and storing basic office supplies in bulk and directly buying non-catalog items not maintained in the warehouses. JIT program supports the importance of carrying effective, minimum amount of items.

Traditionally, our warehouses aimed to carry a surplus so they would not run out of stock. However, by minimizing inventory, JIT general office supplies - desk top delivery method will help eliminate waste and free up resources to employ elsewhere within DWSD. The JIT general office supply program is to provide all necessary office supply items to the entire department in a more timely and efficient way. This contract will be for a two (2) year period.

### **JUSTIFICATION**

The JIT general office supply contract will serve to ensure that all DWSD general office supply needs are managed more efficiently and effectively addressed. Requesters take ownership as they understand that nothing

goes to waste and that they control the process to improve the efficiency of DWSD and reduce cost. The process helps to eliminate stock piling that in the past caused waste. JIT program services are essential for the everyday function of DWSD facilities.

### **BIDDERS**

Kerr Albert Office Supplies	Wright Tool Company
Arrow Office Supply Co.	Staples Contract & Commercial Inc.
Integrity Business Solutions	RM International Resource
LB Office Product	Audio Visual Equipment
Kamar Office Express	

### **PROCUREMENT METHOD**

This was an open competitively bid contract. The Request for Proposal (RFQ) was advertised during the week of July 10, 2017 and closed on July 19, 2017 on the Michigan Inter-Governmental Trade Network (MITN) website. This requirement was solicited to over one-hundred forty-nine (149) companies in MITN on RFQ 70001, which yielded nine (9) responsive, responsible bidders.

Purchasing recommends awarding a two (2) year contract to the lowest responsive, responsible bidder, Arrow Office Supply and request approval for the contract amount of \$129,496.84 for general office supply. Kerr Albert Office Supplies, the lowest bid received, disqualified and was rejected for not submitting all the required documentation. If the recommended bidder is unable to respond, the award should be made to the next lowest, responsive, responsible bidder without further Board action.

### **DETAILS**

Funding Source	Operation & Maintenance
GLString	5720.20170.485112.620100.000204.10731.0000.000000
Annual Cost	\$64,748.42
2-year total	\$129,496.84

This contract was presented to the Finance Committee August 10, 2017 and is an Operations and Maintenance funded item.