

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: ALAN ALTON, CHIEF FINANCIAL OFFICER
SUBJECT: APPROVE ISSUANCE OF A BLANKET PURCHASE ORDER AND
UTILIZATION OF SOURCEWELL COOPERATIVE AGREEMENT
FOR THE PURCHASE OF OFFICE SUPPLIES

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Finance Department that the Council, by resolution, approve the City's utilization of cooperative purchasing through Sourcewell Contract #070924-SCC for the purchase of office supplies from Staples Contract & Commercial LLC, Framingham, Massachusetts, by approving issuance of a Blanket Purchase Order (BPO) with BPO Terms and Conditions for a term of four (4) years through February 2, 2029, with three (3) one-year renewal options for a total amount not to exceed \$1,000,000.

EXECUTIVE SUMMARY

In order to procure office supplies from Staples Contract & Commercial LLC as a cooperative purchase under the Sourcewell Supplies Program (Sourcewell Contract #070924-SCC), the Finance Department is requesting approval to issue a blanket purchase order (BPO) for office supplies with Staples Contract & Commercial LLC for a four-year term, renewable annually for a total period not to extend beyond February 2, 2029, in a total amount not to exceed \$1,000,000. The City of Santa Rosa has a membership agreement that was signed by the Purchasing Agent on June 25, 2020, which authorizes the City for continued utilization of Sourcewell's cooperative agreements under registration #79480.

BACKGROUND

The City is currently utilizing a Sourcewell Cooperative Contract with Staples Contract & Commercial LLC through a Sourcewell solicitation for office supplies under Sourcewell Contract #070924-SCC under BPO F002199, which expires on February 2, 2029.

All departments within the City of Santa Rosa utilize the office supplies contract. City departments currently have designated employees to place office supply orders via the internet or customer service call center on a weekly basis. The contractor assists the City

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departments in monitoring office supply orders to provide alternative and recycled office product solutions to conserve City funds and comply with the City's Environmentally Preferable Purchasing Policy. In addition to the wide range of office supply products supplied under the contract, the contractor provides a variety of services such as desktop delivery, timely order return processing, on-line order capability and electronic billing.

PRIOR CITY COUNCIL REVIEW

Not applicable.

ANALYSIS

The Finance Department requests that the Council authorize the utilization of cooperative purchasing under Sourcewell's Contract #070924-SCC with Staples Contract & Commercial LLC for the purchase of office supplies by all City departments. The Sourcewell contract is effective for use by public agencies, including the City, beginning February 3, 2025, and expires on February 2, 2029, with the option of up to three (3) one-year extensions. The City will issue its own blanket purchase order in a total amount not to exceed \$1,000,000 for a term of four (4) years, not to extend beyond February 2, 2029, with option to extend for three (3) additional one-year terms.

The Sourcewell Cooperative Purchasing Program is "Procurement conducted by, or on behalf of, one or more Public Procurement Units" as defined by the American Bar Association Model Procurement Code for State and Local Governments.

Sourcewell was created by state law as a service cooperative to provide programs and services to members in education and government. Sourcewell was established with the statutory purpose to assist members in meeting specific needs which are more efficiently delivered cooperatively than by an entity individually. Sourcewell serves over 50,000 member agencies nationally. All contracts are subject to periodic business reviews throughout the term of the contract to ensure compliance.

Sourcewell is authorized to establish competitively awarded cooperative purchasing contracts on behalf of itself and its member agencies. Staff reviewed the process Sourcewell used to select Staples Contract & Commercial LLC and determined it was competitive. Sourcewell exclusive contracts are offered to its members with nationally leveraged volume purchasing discounts that may not be obtained through a single competitive process. Agency members obtain volume discount pricing, and additional cost savings by eliminating the need for conducting its own in-house competitive process. This cooperative purchase is advantageous to the City because it is the result of a national solicitation that offers discounts on a vast amount of standard purchase office supplies. Staff compared the top 50 office supply items purchased on the current contract with the new contract and there is an average of 5.8% increase in pricing.

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The current Producer Price Index (PPI) PCU33994 for San Francisco/Oakland/San Jose indicates a 7% increase on office supply product manufacturing since February 2023. Based on the current PPI price data, staff concludes that it is in the City's best interest to authorize utilization of cooperative purchasing under Sourcewell's Contract #070924-SCC with Staples Contract & Commercial LLC for the purchase of office supplies by all City departments.

Sourcewell's cooperative contracts are available for use by the City of Santa Rosa and are allowed by City Code Section 3.08-160, when advantageous to the City.

FISCAL IMPACT

Funds for this expense are included as a routine City-wide expense in the current fiscal year budget.

ENVIRONMENTAL IMPACT

The Council finds that pursuant to CEQA Guidelines Section 15378, the proposed action is not a "project" subject to the California Environmental Quality Act (CEQA) because it does not have a potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. In the alternative, the proposed action is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the project may have a significant effect on the environment.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution/Exhibit A – Sourcewell Cooperative Contract #070924-SCC

PRESENTERS

Alan Alton, Chief Financial Officer
Jennifer Myles, Purchasing Agent