

Agenda Report

September 28, 2015

TO: Honorable Mayor and City Council
FROM: Department of Finance
SUBJECT: PURCHASE ORDER CONTRACT AWARD TO XPEDX, LLC. TO FURNISH PAPER SUPPLIES NOT TO EXCEED \$110,000

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines in accordance with Title 14, Chapter 3, Class 1, Section 15301; and
2. Find that the proposed contract is exempt from competitive bidding and selection requirements pursuant to City Charter Section 1 002(h), and Pasadena Municipal Code Section 4.08.049(A)(3), contracts with other governmental entities; and
3. Authorize the issuance of a purchase order contract with Xpedx, LLC. for costs associated with blank paper supply for Printing Services operations in an amount not to exceed \$110,000 for a one-year term, renewable at the discretion of the City Manager for an additional year, also not to exceed an annual amount of \$110,000.

BACKGROUND:

One of the many services that Printing Services provides is fulfillment of orders for blank paper. The cost of the paper is recovered through chargebacks as a method of mitigating costs of operation, and the sale of blank paper is a significant source of income for the section. In order to provide the greatest savings to the city, and ensure the best product pricing, an informal comparison was performed across several vendors. Xpedx provided the best pricing for the specific needs of the City. Additionally, printing prices are dependent on the cost of substrate, and in order to maintain market-appropriate pricing on printing, costs associated with materials must be kept to a minimum.

The City of Los Angeles issued request for quotation (RFQ) #EV00002873 for paper supplies in On October 01, 2011, the City of Los Angeles entered purchasing contract #59312 with Xpedx, LLC for purchase of paper supplies.

On June 3, 2015 the City of Los Angeles chose to exercise Contract Renewal Option No. 4 which extended the contract through September, 2016.

The Pasadena Printing Services Section spent approximately \$110,000 in FY2015 against fund 8101 (Materials and Supplies) for paper supplies with number of individual vendors. To improve efficiency and consistency of materials, the Section has conducted an informal request for quotes and selected a single vendor with a preexisting government contract that was competitively bid.

Paper (Pre-Cut)	Weight Factor (Annual)	SPICERS Santa Fe Springs, CA	XPEDX Downey, CA	KELLY Pasadena, CA
8.5 x 11 20# cypypaper 100% recycled – white	6.5 Mil sheets	\$ 9.12 per m	\$8.05 per m	\$8.30 per m
8.5 x 11 20# cypypaper 30% recycled – white	6.5 Mil sheets	\$7.82 per m	\$6.19 per m	\$6.58 per m
8.5 x 11 20# cypypaper non-recycled – white	900,000 sheets	\$ 5.09 per m	\$5.60 per m	\$5.70 per m
8.5 x 11 24# writing Strathmore Platinum – white	50,000 sheets	NO QUOTE	\$30.65 per m	\$40.00 per m
8.5 x 11 20# cypypaper recycled – colors	300,000 sheets	\$9.98 per m	\$7.30 per m	\$8.00 per m
8.5 x 11 24/60 Astrobrite – colors	150,000 sheets	\$ 12.14 per m	\$16.72 per m	\$16.80 per m
8.5 x 11 65# Astrobrite – colors	100,000 sheets	\$57.20 per m	\$33.11 per m	\$33.36 per m
8.5 x 11 67# vellum cover, colors	150,000 sheets	\$ 81 per m	\$17.56 per m	\$18.00 per m
11 x 17 20# cypypaper 100% recycled – white	75,000 sheets	NO QUOTE	\$16.49 per m	NO BID
11 x 17 20# cypypaper 30% recycled – white	75,000 sheets	\$ 13.48 per m	\$13.10 per m	\$13.80 per m
11 x 17 20# cypypaper non-recycled – white	50,000 sheets	\$12.40 per m	\$13.79 per m	\$13.00 per m
NCR				
Carbonless Black Print 11 x 17 Precol 4PT	30,000 sets	\$ 40.20 per m	\$38.49 per m	\$42.80 per m
Carbonless Black Print 11 x 17 Precol 3PT	95,000 sets	\$ 37.60 per m	\$36.01 per m	\$40.00 per m
Carbonless Black Print 11 x 17 Precol 2PT	95,000 sets	\$ 33.36 per m	\$31.91 per m	\$35.00 per m

The City has previously done business with Xpedx, LLC, and in FY2015 spent approximately \$58,000 with this vendor.

FISCAL IMPACT:

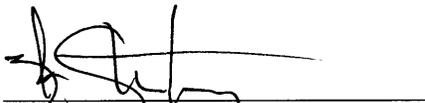
The cost of this action will be \$110,000 and will be spent throughout fiscal year 2016. The entire funding is included in the existing budgeted FY 2016 budget appropriations in account 8101-508-325300. This action will not increase the cost currently budgeted for paper supplies and will have no fiscal impact on any indirect or support cost requirements. The anticipated impact to other operational programs or capital projects as a result of this action will be none.

Respectfully submitted,



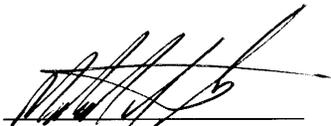
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MICHAEL J. BECK
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