



STAFF REPORT

DATE: April 16, 2019
TO: Ronald L. Olson, City Manager
FROM: Hilary Shine, Executive Director of Communications
SUBJECT: Rejecting all bids received for Bid #19-13 Print Shop Supplies

BACKGROUND AND FINDINGS:

The City of Killeen operates an internal Print Shop to create printed materials in support of the organization. Supplies are necessary to provide this service.

City staff solicited bids for print shop supplies that included envelopes, bond paper, color copy paper, covers, index paper, laminating pouches, business card boxes, and letterhead boxes. The bid was constructed to be awarded per item because of the variety needed and to ensure supplies could be obtained at the best cost. The bid was issued in compliance with Texas Local Government Code and City Purchasing Policy.

The bid was advertised on February 10 and February 17, 2019. Two bids were received and opened February 26. Both bidders have since declined to honor the one-year contract term and pricing.

Staff has subsequently reevaluated expenditures for print supplies and determined that purchases will not exceed the \$50,000 threshold for required bidding. We have also found that obtaining quotes from three vendors monthly is producing better pricing than that quoted in the competitive bid.

THE ALTERNATIVES CONSIDERED:

1. Reject all bids and rebid
2. Reject all bids

Which alternative is recommended? Why?

Alternative 2 is recommended. Upon reevaluating expenditure actuals, supply expenditures will not exceed the \$50,000 bid threshold.

CONFORMITY TO CITY POLICY:

Rejection of all bids is in compliance with the competitive bid process required per Local Government Code, Killeen City Charter and the City's purchasing policy.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

N/A

Is this a one-time or recurring expenditure?

N/A

Is this expenditure budgeted?

N/A

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

N/A

RECOMMENDATION:

Staff recommends that City Council reject all bids received for Bid #19-13 Print Shop Supplies.

DEPARTMENTAL CLEARANCES:

Purchasing
Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Bid