

1. ACTION REQUESTED/PURPOSE:

Approve purchases of Maintenance, Repair and Operations (MRO) Products from Home Depot, under Project No. N-110498 in accord with the rebate program offered by Home Depot. The County will receive an annual rebate of up to 3% based on its cumulative annual purchases from Home Depot.

2. FUNDING SOURCE:

Various Departments. Purchases will be made based upon available budgeted funds for the specific department. Any purchases above \$100,000 will be formally presented to the Board for approval.

3. WHAT ACTION ACCOMPLISHES:

Provides another option for Departments and Divisions to purchase MRO product on an as-needed basis.

4. MANAGEMENT RECOMMENDATION: Approve as stated.

5. Departmental Category: <DeptCategory>

6. Meeting Date: 10/11/2011

7. Agenda:

Consent

8. Requirement/Purpose: (specify)

- Statute
- Ordinance
- Admin Code AC-4-1
- Other

9. Request Initiated

Commissioner:
Department: PROCUREMENT
MANAGEMENT
Division: No Divisions
By: Robert Franceschini

10. Background:

In recent years, the County has spent approximately \$200,000 annually on MRO products from Home Depot without the benefit of a savings or discount program. Recognizing this trend, Procurement Management approached Home Depot and successfully negotiated an annual rebate percentage based upon the cumulative annual purchases made by Lee County. As a result, if the spending remains at the same levels in 2011/12 and thereafter, the County will receive a \$6,000 rebate annually.

This negotiated rebate program and Project N-110498 will continue in effect until Procurement is successfully is obtaining increased discounts from Home Depot or the corporation otherwise notifies the County that the program has been eliminated. Any changes in the rebate structure obtained by Procurement will be brought back to the Board for approval.

Please see attachments:
(1) Rebate Structure

11. Required Review:

<i>Robert Franceschini</i>	<i>Jim Lewin</i>	<i>Mike Figueroa</i>	<i>David Harris</i>	<i>Robert Franceschini</i>	<Signature>
PROCUREMENT MANAGEMENT	Budget Analyst	Risk	Budget Services	Purchasing	<Department>
<Signature>	<Signature>	<Signature>	<Signature>	<Signature>	<Signature>
<Department>	<Department>	<Department>	<Department>	<Department>	<Department>

12. Commission Action: