

OPERATIONS COMMITTEE NOVEMBER 20, 2008

SUBJECT:

UNIFORM RENTAL PROGRAM

**ACTION:** 

AWARD NEW CONTRACT NO. OP30002227 TO PRUDENTIAL OVERALL SUPPLY, INC. AND EXTEND EXISTING CONTRACT

TERM DURING TRANSITION PERIOD

#### RECOMMENDATION

Authorize the Chief Executive Officer to:

- A. Award a six-year, firm fixed unit rate variable quantity contract, Contract No. OP30002227, to Prudential Overall Supply, Inc. to provide uniform rental service including laundry services for hand towels, mats, and vehicle seat covers in the not-to-exceed amount of \$2,792,162, inclusive of one three-year option and a 10% contingency, effective December 5, 2008; and
- B. Issue Contract Modification No. 04 for a not-to-exceed amount of \$150,000 to extend Contract No. OP3000646 with Aramark Uniforms and Career Apparel, Inc., from January 2, 2009 through April 1, 2009.

#### **RATIONALE**

In accordance with Article 34 of the collective bargaining unit agreement between us and the Amalgamated Transit Union (ATU), we provide uniforms and laundry service for ATU members. The Uniform Rental Program commenced in December 2003 and has satisfactorily provided uniform and towel rental services at multiple locations for a period of almost five years. We have benefited by providing employees adequate uniforms and towels to perform daily assigned duties. Proper uniforms are required for employees to present a professional image, and provide protection from grease, oil, undesirable substances and harsh weather. Hand towels are provided to employees to clean buses and present a clean environment to our patrons.

Contract OP30002227 will continue to provide eligible employees with uniform and towel rental services. In addition, the Contract includes mat and non-revenue vehicle seat cover rental services. Mat rental services are essential to provide a safe working environment. Seat cover rental services for the Non-Revenue Department are necessary to protect vehicle seat fabrics and maintain clean seats.

The three-month time extension for the existing Contract No. OP3000646 and overlap of the contract terms between contractors will allow for uninterrupted service while the new contractor, Prudential Overall Supply, Inc. installs lockers, bins and provides new uniforms for our employees. The funding will also address lost and damaged uniform claims.

The Uniform Rental Program provides stringent requirements and enhancements that include, but is not limited to new uniforms at the start of the contract; new uniforms at the start of year four of the contract; additional sets of uniforms for designated employees who work six days a week; and a strict tracking requirement to account for rented items picked-up and delivered.

#### FINANCIAL IMPACT

The funding of \$487,650 for the Uniform Rental Program is included in the FY09 budget in multiple operating cost centers and projects.

Since this item is a multi-year contract, the Chief Operations Officer, General Manager Rail Operations and cost center managers will be accountable for budgeting funds for future years. In FY08, the Uniform Rental Program incurred expenditures totaling \$479,940.

#### **ALTERNATIVES CONSIDERED**

One alternative considered would be reverting to the practice of purchasing uniforms, hand towels, mats, vehicle seat covers, and the outsourcing of laundry services separately. This alternative is not recommended because it is neither efficient nor cost effective. Not providing this service would also be a violation of Article 34 of the current agreement with the ATU and is not recommended.

#### **ATTACHMENTS**

- A. Procurement Summary
- A-1 Procurement History
- A-2 List of Subcontractors

Prepared by: Brady Branstetter, Director, Facilities Maintenance

Victor Ramirez, Contract Administration Manager

Jose Chu, Sr. Administrative Analyst

Nicole Dang, Asst. Contract Administrator

Carolyn Flowers
Chief Operations Officer

Roger Snoble
Chief Executive Officer

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# BOARD REPORT ATTACHMENT A PROCUREMENT SUMMARY

## **UNIFORM RENTAL PROGRAM**

1.	Contract Number: OP30002	Contract Number: OP30002227					
2.	Recommended Vendor: Prudential Overall Supply, Inc.						
3.	Cost/Price Analysis Information:						
	A. Bid Price:		Recommended Price:				
	\$2,538,329			\$2,538,329 plus a 10% contingency			
	B. Details of Significant Variances are in Attachment A-1.D						
4.	Contract Type: Firm Fixed Unit Rate						
5.	Procurement Dates:	Procurement Dates:					
	A. Issued: August 01, 2008						
	B. Advertised: August 08, 2008, August 12, 2008						
	C. Pre-Bid Conference: August 14, 2008						
	D. Bids Due: September 09, 2008						
	E. Pre-Qualification Completed: September 25, 2008 F. Conflict of Interest Form Submitted to Ethics: No						
6.	Small Business Participation:						
	A. Bid/Proposal Goal: No Goal Recommended		Date Small	Date Small Business Evaluation			
			Completed	Completed: July 16, 2008			
	mall Business Commitment: No commitment						
7	Invitation for Bid Data:						
}	Notifications Sent: Bids/Proposal						
		4 up: 8			4		
8	Evaluation Information:						
	A. Bidder's Names:  Prudential Overall Supply, Inc. Aramark Uniform and Career Apparel, Inc. Cintas, Inc. Unifirst, Inc.		Bid Am	ounts:	Best and Final		
}			40 700		Offer Amount:		
			\$2,538		Not Applicable to Sealed Bid		
			\$2,718	,4/2	Procurement		
			\$2,840	114	rioculentent		
ļ			\$3,620				
	J 3, 020,700						
-	B. Evaluation Methodology: Sealed Bid						
9.	Protest Information: N/A						
	A. Protest Period End Date: October 30, 2008						
	B. Protest Receipt Date: N/A						
	C. Disposition of Protest Date: N/A						
10.	Contract Administrator:	Telephone Nu	ephone Number:				
			(213) 922-7438	213) 922-7438			
11.			Telephone Number:				
L	Jose Chu	(213) 922-8806					

## BOARD REPORT ATTACHMENT A-1 PROCUREMENT HISTORY

#### UNIFORM RENTAL PROGRAM

## A. Background on Contractor

Prudential Overall Supply, Inc. specializes in offering a variety of uniform programs and is a supplier of facility services and industrial products such as dust control mops, towels, mats, restroom supplies and paper products. Prudential Overall Supply, Inc., located in Commerce, California, has been in business for 76 years. Some of their current municipal customers include City of Commerce, City of Alhambra, City of Long Beach, City of Laguna Beach, and City of Los Angeles.

## B. <u>Procurement Background</u>

Procurement staff utilized a competitive sealed bid-type procurement under Invitation for Bids (IFB) No. 30002227. The base contract period is for three years, with one three-year option, for a total potential contract term of six years. The contract period of performance is anticipated to begin in December 2008. Prior to the September 9, 2008 bid deadline, four firms submitted bids: Prudential Overall Supply, Inc., Aramark Uniform and Career Apparel, Inc., Cintas, Inc., and Unifirst, Inc.

The Diversity and Economic Opportunity department (DEOD) does not recommend a Disadvantaged Business Enterprises Anticipated Levels of Participation (DALP) for this procurement based on a level of participation that could reasonably be expected in this type of contract.

#### C. Evaluation of Bids

This procurement was conducted in accordance, and complies with, standard Procurement policies and procedures for a competitive sealed bid. Bids were received from four firms. All four firms, Prudential Overall Supply Inc., Aramark Uniform and Career Apparel, Inc., Cintas, Inc., and Unifirst, Inc. were determined to be responsive, responsible and qualified to perform the required services based on the IFBs minimum requirements and technical evaluation by the Project Manager. Reference checks were performed for all four responsive and responsible bidders and resulted in positive remarks.

### D. Cost/Price Analysis Explanation of Variances

The recommended contract amount has been determined to be fair and reasonable based on adequate competition consisting of four responsive and responsible bidders. In addition to adequate competition, the recommended bidder's price is 40% lower than our Independent Cost Estimate (ICE).

## BOARD REPORT ATTACHMENT A-2 LIST OF SUBCONTRACTORS

## **UNIFORM RENTAL PROGRAM**

**PRIME CONTRACTOR** – Prudential Overall Supply, Inc.

<u>Small Business Commitment</u> <u>Other Subcontractors</u>

N/A N/A

Total Commitment N/A