



REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604
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CONSENT
February 3, 2009

Honorable Mayor and
Members of the City Council

Title: Contracts: Janitorial Supplies

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) awarding one-year contracts with four one-year renewal options for the purchase of janitorial supplies to: a) Abe Janitorial Supply for general supplies in an amount not to exceed \$2,025,081; and b) Sac Valley Janitorial Supply for paper products in an amount not to exceed \$1,367,493; and 2) authorizing the City Manager or the City Manager's designee to execute the contracts specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).

Contacts: Craig Lymus, Interim Procurement Services Manager, 808-5524

Presenters: Not applicable

Department: General Services

Division: Procurement Services

Organization No: 13001061

Description/Analysis:

Issue: The City of Sacramento has ongoing requirements for the purchase of janitorial supplies. The Department of General Services, Procurement Services Division has bid the purchase of janitorial supplies for various City departments. The Procurement Services Division recommends that contracts be awarded to two suppliers based on the results of Invitation for Bid (IFB) No. B09324616.

Policy Considerations: The recommendations in this report are in accordance with the provisions of the City Code Section 3.56.

Committee/Commission Action: Not applicable

Environmental Considerations:

California Environmental Quality Act (CEQA): The Environmental Services Manager has determined that the action of purchasing these types of supplies does not have the potential for causing a significant effect on the environment and is therefore exempt under California Environmental Quality Act (CEQA) Guidelines, Categorical Exemption Section 15061(b)(3).

Sustainability Considerations: Some environmentally friendly ("green") products were included in this bid. Procurement Services anticipates putting out a bid exclusively for green products in the near future. In the interim, City departments seeking green products can purchase them from the Corporate Express janitorial supplies catalog until a more comprehensive green products contract is awarded.

Rationale for Recommendation: In November 2008, the Procurement Services Division, in accordance with City Code Section 3.56, issued Invitation for Bid No. B09324616 for the purchase of janitorial supplies for various City departments. Seven bids were received. Four bidders were found to be non-responsive and/or non-responsible as the bid instruction required that all items be bid in either Schedules I or II or both.

The bid contained requirements for two different schedules for general supplies and paper products. The recommendations for awards are based on cost efficiencies across the two schedules. The City reserves the right to make multiple awards. For each schedule, staff is recommending the most advantageous pricing for Council award. A summary of the bid results is provided in Attachment 1.

The City's previous contract for janitorial supplies was a one-year contract split between the following five contractors: Sac Valley Janitorial Supply in the amount of \$8,677, S & S Supplies in the amount of \$62,093, Central Sanitary Supplies in the amount of \$3,518, Cole Supplies in the amount of \$31,790, and Merit Janitorial in the amount of \$82,903. The previous contract was much smaller than the contracts recommended in this report because it was focused toward Central Stores only. The contract did not include requirements from the major consumers of janitorial supplies such as the Fire Department, Convention Center, Parks and Recreation, etc. The recommended contract enables the City to benefit from aggregated volume purchasing and leveraged procurement while avoiding the waste of time and money of maintaining separate department specific contracts. The City is taking full advantage of the depressed economy to lock in prices for the next five years. When the economy rebounds, this contract will still result in a positive situation for the contractors as they were given the opportunity to forecast and extrapolate forward pricing increases for the next five years.

Financial Considerations: This report recommends awarding and executing one-year contracts with four one-year annual renewal options for the purchase of general janitorial supplies and janitorial paper products to Abe Janitorial Supply, and Sac Valley Janitorial Supply, respectively. The potential five year term of these contracts will begin in FY2008/09 and conclude in FY2013/14. Funding for the purchase of these janitorial supplies will be provided from City department operating budgets, provided that sufficient funds are available in the budgets adopted for the applicable fiscal year(s). A five-year estimated cost table is provided in Attachment 2.

Emerging Small Business Development (ESBD): Abe Janitorial Supply is certified with the City as an emerging/small business enterprise.

As of May 31, 2008, the Department of General Services achieved an ESBD percentage of 36.84% for FY2007/08.

Respectfully submitted by: Reina J. Schwartz
for Craig Lymus
Interim Procurement Services Manager

Approved by: Reina J. Schwartz
Reina J. Schwartz
Director, Department of General Services

Recommendation Approved:

Ray Kerridge
Ray Kerridge
City Manager

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Attachment 1

Summary Bid Results
Bid No. B09324616

Bidders	Schedule I	Schedule II	Sub Total	Taxes	Total Bid Amount
All American Poly, New Jersey	\$30,974.00*	N/B*	\$30,974.00	N/A	\$30,974.00
Clean Source, Sacramento	\$345,985.95*	\$168,265.99	\$514,251.94	\$39,854.53	\$554,106.47
WW Grainger, West Sacramento	N/B*	N/B*	N/A	N/A	N/A
Supplies & Solutions, Benicia ¹	\$457,406.20	347,830.76	\$805,236.96	\$62,405.86	\$867,642.83
Sac Valley, West Sacramento ¹	N/B*	\$229,681.40	\$229,681.40	\$17,800.00	\$247,481.40
Cole Professional Supplies, Benicia	\$222,846.12*	\$157,916.44	\$380,762.56	4410,271.66	\$410,271.66
Abe Janitorial Supply, Sacramento ¹	\$350,447.78	\$265,808.10	\$616,255.88	\$47,759.83	\$664,015.71

* Incomplete bid or no bid (N/B) for either Schedules I or II. The Bid instructions required that all items be bid in either Schedules I or II or both for the contractor to be considered responsive. The lowest bidder's total amount for schedule I is \$247,482 and \$377,608 for schedule II.

¹ Contractors submitting responsive bids for either schedules I or II or both.

Attachment 2

**Janitorial Supplies
5-Year Estimated Cost**

Year	Abe Janitorial Schedule I only 3.5% annual increase	Sac Val Janitorial Schedule II only 5% annual increase
1	\$377,639.81	\$247,481.71
2	\$390,857.20	\$259,855.80
3	\$404,537.21	\$272,848.59
4	\$418,696.01	\$286,491.01
5	\$433,350.37	\$300,815.57
Total	\$2,025,080.60	\$1,367,492.67

Note: Costs above reflect discounts for prompt payment, SBE 5% preference and local tax preference.

RESOLUTION NO. 2009-XXXX

Adopted by the Sacramento City Council

February 3, 2009

AWARD OF CONTRACTS FOR JANITORIAL SUPPLIES

BACKGROUND

- A. The City of Sacramento has an ongoing requirement for the purchase of janitorial supplies.
- B. In November 2008, the City issued Invitation for Bid No. B09324616 for janitorial supplies for various departments. The bid contained the requirements for two different schedules. Seven bidders responded. Three bidders were found to be responsive bidders. The lowest responsive and responsible bidders were determined to be Abe Janitorial Supply, and Sac Valley Janitorial Supply. The City reserves the right to make multiple awards.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. Abe Janitorial Supply is awarded a one-year contract with four one-year renewal options for the purchase of general janitorial supplies in a total amount not to exceed \$2,025,081 for the five-year period.
- Section 2. Sac Valley Janitorial Supply is awarded a one-year contract with four one-year renewal options for the purchase of paper janitorial supplies in a total amount not to exceed \$1,367,493 for the five-year period.
- Section 3. The City Manager or the City Manager's designee is authorized to execute the contracts specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).