



# REPORT TO COUNCIL

## City of Sacramento

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915 I Street, Sacramento, CA 95814-2604  
www. CityofSacramento.org

**CONSENT**  
**November 10, 2009**

**Honorable Mayor and  
Members of the City Council**

**Title: Contract: Uniform Rental and Cleaning Services**

**Location/Council District: Citywide**

**Recommendation:** Adopt a **Resolution:** 1) awarding a two-year contract with three one-year renewal options for uniform rental and cleaning services to UniFirst Corporation, the lowest responsive and responsible bidder in an amount not to exceed \$1,159,401 for the potential maximum five year term; and 2) authorizing the City Manager or the City Manager's designee to execute the contract and renewal options specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal years.

**Contact:** Christine Slay, Procurement Analyst, 808-6344

**Presenters:** Not applicable

**Department:** General Services

**Division:** Procurement Services

**Organization No:** 13001061

### **Description/Analysis**

**Issue:** The City provides uniforms to approximately 900 employees. The recommended contract will provide for rental and cleaning services for those uniforms.

**Policy Considerations:** The recommendations in this report are in accordance with all provisions of City Code Section 3.56, including Section 3.56.070, *Prevailing Wages for Certain Services*, which requires that any person performing laundry services "...shall be paid not less than the general prevailing rate of wages in private employment for similar work in the county." The City's prevailing wage rate for laundry services for FY2009/10 was established on May 1, 2009 to be \$12.25 per hour.

Staff is conducting a review of the existing prevailing wage ordinance as directed by Council. However, subsequent amendments as a result of this review would not effect the subject contract because it is governed by the existing prevailing wage ordinance until the contract term expires or is terminated.

**Commission/Committee Action:** None

**Environmental Considerations:**

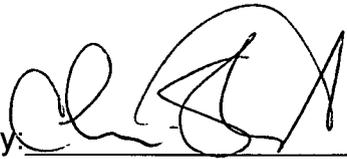
**California Environmental Quality Act (CEQA):** The current proposal involves the purchase of uniform rental and cleaning services for City employees. Ongoing non-professional services are not a "project" and are not subject to CEQA, in accordance with Section 15378(b)(2) of the CEQA Guidelines. Therefore as determined by the City's Environmental Services Planning Manager, no environmental review is necessary.

**Sustainability Considerations:** The Invitation for Bid (IFB) for the recommended contract included a requirement to provide the current environmentally friendly processing methods. UniFirst Corporation's laundering service uses 64% less water, 73% less energy, and 90% fewer chemicals than are used in home laundering. UniFirst Corporation also manages the discharge water in accordance with Environmental Protection Agency standards.

**Rationale for Recommendation:** In September 2009, the Procurement Services Division issued IFB No. B10131061003 for the purchase of citywide uniform rental and cleaning services. Three responses were received (see Attachment 1). The lowest responsive and responsible bidder was determined to be UniFirst Corporation. The recommended contract includes contract terms that are advantageous to the City of Sacramento such as increased contractor accountability, electronic funds transfer, and prompt payment discounts. A summary of the bid results and evaluation is provided in Attachment 1.

**Financial Considerations:** Funding for uniform rental and cleaning services from UniFirst Corporation in the maximum amount of \$1,159,401 for the potential five-year term is budgeted in the various operating department budgets that utilize this service. Sufficient funding is available in the FY2009/10 budget for purchases through June 30, 2010. Purchases made after June 30, 2010 are subject to funding availability in the adopted budget for the applicable fiscal year. The recommended contract will save the City approximately \$221,000 in the first year when compared to the final year of the current contract with the City's current provider, Mission Linen.

**Emerging Small Business Development (ESBD):** UniFirst Corporation is not a City certified emerging/small business.

Respectfully Submitted by:   
Christopher Stewart  
Procurement Services Manager

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

Recommendation Approved:

  
Ray Kerridge  
City Manager

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**Attachment 1**

**BID RESULTS – BID NO. B10131061003**

|  | <b>UniFirst</b>             | <b>Aramark</b>               | <b>Mission Linen</b> |
|--|-----------------------------|------------------------------|----------------------|
| <u>Category A</u><br>Rental and laundering       | \$156,413.92                | \$167,731.20                 | \$351,252.20         |
| <u>Category B</u><br>Miscellaneous rental items* | \$ 45,232.20                | \$ 54,347.28                 | \$ 69,464.72         |
| <u>Category C</u><br>Garment replacement         | \$ 27,466.20                | \$ 29,237.90                 | \$ 92,405.73         |
| Total annual cost                                | \$229,112.32                | \$251,316.38                 | \$513,122.65         |
| Prompt payment discount                          | 2%-25 Days<br><\$ 4,582.25> | 5%-21 Days<br><\$ 12,565.82> | None                 |
| Small business discount – 5%                     | None                        | None                         | None                 |
| City limit discount - 1%                         | None                        | None                         | None                 |
| Total Bid Evaluation                             | \$224,530.07                | \$238,750.56                 | \$513,122.65         |

\* Miscellaneous rental items include items such as mats, rugs, mops, shop towels, etc.

**Award of Contract To:**

UniFirst Corporation  
819 North Hunter Street  
Stockton, CA 95202

Total Five-Year Contract Amount: \$1,159,401<sup>(1)</sup>

|                         |                               |                          |                          |
|-------------------------|-------------------------------|--------------------------|--------------------------|
| No. of Bids<br>Received | No. of ESBE<br>Bids Solicited | No. of ESBE<br>Responses | Award to ESBE<br>Vendor? |
| 3                       | 8                             | 0                        | No                       |

<sup>(1)</sup> The bid from UniFirst Corporation includes a 1% price increase in years 35. This increase is included in the total five-year contract amount noted in the report. The bid from Mission Linen, the City's current provider, includes a 3% price increase in year 3 only.

**RESOLUTION NO. 2009-XXXX**

Adopted by the Sacramento City Council

**AWARD CONTRACT FOR UNIFORM RENTAL AND CLEANING SERVICES**

**BACKGROUND**

- A. The City of Sacramento has a requirement to provide uniform rental and cleaning services to approximately 900 City employees.
- B. In September 2009, the Procurement Services Division, in accordance with City Code Section 3.56, issued Invitation for Bid No. B10131061003 for uniform rental and cleaning services. Three responses were received. UniFirst Corporation was determined to be the lowest responsive and responsible bidder.
- C. Funding for uniform rental and cleaning services from UniFirst Corporation in the maximum amount of \$1,159,401 for the potential five-year term is budgeted in the various operating department budgets that utilize this service. Sufficient funding is available in the FY2009/10 budget for purchases through June 30, 2010. Purchases made after June 30, 2010 are subject to funding availability in the adopted budget for the applicable fiscal year.

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

- Section 1. UniFirst Corporation is awarded a two-year contract with three one-year renewal options for uniform rental and cleaning services in a total amount not to exceed \$1,159,401 for the potential five-year term.
- Section 2. The City Manager or the City Manager's designee is authorized to execute the contract and renewal options specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year.