



# REPORT TO COUNCIL

## City of Sacramento

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

Consent  
September 28, 2010

Honorable Mayor and  
Members of the City Council

**Title: Contract: Arts and Craft Supplies**

**Location/Council District:** Multiple locations within and outside City limits

**Recommendation:** Adopt a **Resolution:** 1) awarding a one-year contract with two one-year renewal options to S & S Worldwide for the purchase of arts and craft supplies in an amount not to exceed \$472,105 for the potential maximum three year term; 2) authorizing the City Manager or the City Manager's designee to execute the contract, renewal options specified above, and the required purchase orders provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s); 3) authorizing the Department of Parks and Recreation to make supplemental purchases of arts and craft supplies using purchase orders and purchase cards at Michaels, Jo-Ann Fabric and Craft Stores, Art Ellis, Beverly's, and Oriental Trading Company in a total amount not to exceed \$91,482 through October 1, 2013.

**Contact:** David Mitchell, Operations Manager, 808-6076; Alan Tomiyama, Recreation Manager, 808-8958

**Presenters:** Not applicable

**Department:** Parks and Recreation

**Division:** Recreation

**Organization No:** 19001511,  
19001521, 19001531, 190001541, 19001551, 19001611, 19001621, 19001631, 19001641,  
19001651, 19001711, 19001721, 19001731, 19001741, 19001751, 54000000

### **Description/Analysis**

**Issue:** The Department of Parks and Recreation has an ongoing need to purchase a variety of arts and craft supplies to operate City-wide recreation programs. As a result of a competitive bidding process, City Council is being asked to authorize the City Manager to execute a contract to purchase these arts and craft supplies from S & S Worldwide. Staff is also seeking authority for the Department of Parks and Recreation to make supplemental arts and craft purchases at Michaels, Jo-Ann Fabric and Craft Stores, Art Ellis, Beverly's and Oriental Trading Company using purchase orders and purchase cards.

**Policy Considerations:** The recommendations in this report are in accordance with the provisions of City Code Chapter 3.56 related to the purchase of supplies.

In accordance with Sacramento City Council Resolution No. 2010-346, S & S Worldwide is headquartered in Colchester, Connecticut; Michaels is headquartered in Irving, Texas; Jo-Ann Fabric and Craft Stores is headquartered in Hudson, Ohio; Art Ellis is headquartered in Sacramento, California; and, Oriental Trading Company is headquartered in Omaha, Nebraska. The proposed contract award and supplemental purchases are consistent with Resolution No. 2010-346 prohibiting the City from entering into any contract to purchase goods or services from any business or entity headquartered in Arizona.

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** This report concerns the purchase of arts and craft supplies for the Department of Parks and Recreation. Continuing administrative activities, such as the purchases of arts and craft supplies, is not a "project" for the purposes of CEQA pursuant to section 15378(b)(2) of the CEQA guidelines (Title 14 Cal. Code Reg. § 15000 et seq.) and is exempt from CEQA pursuant to section 1560(b)(3) of the CEQA Guidelines.

**Sustainability Considerations:** The contractor agrees to supply the City of Sacramento with environmentally preferable and effective products in compliance with the specifications stated in the solicitation/contract and provide services that help minimize the environmental impact resulting from use and disposal of products specified in the bid/contract. The contractor further agrees that its products specified in the bid do not contain any items, ingredients or components prohibited under the City's Sustainable Procurement Policy.

**Commission/Committee Action:** None

**Rationale for Recommendation:** The Department of Parks and Recreation has an ongoing need to purchase arts and craft supplies for the operation of recreation programs. The Department of Parks and Recreation requires the services of a vendor that is capable of supplying a large variety of arts and craft supplies.

On August 6, 2010, the Department of Parks and Recreation, in accordance with City Code Section 3.56 issued Invitation for Bid No. B111411001 for the purchase of arts and craft supplies. Three responses were received. Two responses were deemed "Non-Responsive". The lowest responsive and responsible bidder was determined to be S & S Worldwide. A summary of the bid results is provided in Attachment 1.

There are few choices of retail arts and craft providers in Sacramento, all of which refuse to participate in the bidding process and most of which will not accept a purchase order. The volume, specifications and urgency of supplemental arts and craft supplies required by Parks and Recreation programs exceeds the expenditure

limitations and requirements of Administrative Policy 4001; which requires formal bidding of such provisions. Some providers offer in-house credit accounts in lieu of accepting purchase orders; however a credit account is not an authorized method of purchase.

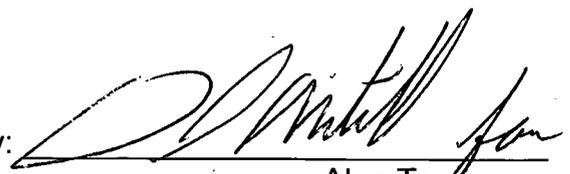
**Financial Considerations:** There are sufficient funds available in the Department of Parks and Recreation’s operating budget for arts and craft purchases in Fiscal Year (FY) 2010/11 for purchases through June 30, 2011 in the amount not to exceed \$173,124. Purchases after June 30, 2011 through the end of the contract are subject to funding availability in the budget for the applicable fiscal year(s). The table below shows the estimated annual amounts used to determine the total contract amount .

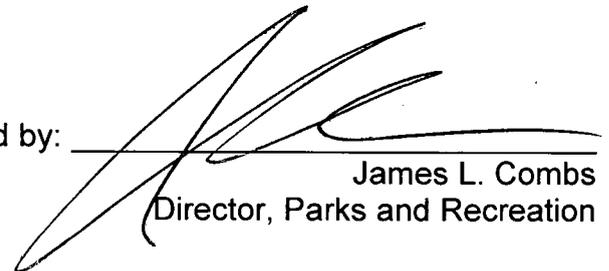
Vendor	Year 1 Estimate	Year 2 Estimate	Year 3 Estimate	Total Contract Amount
S & S Worldwide	\$142,630	\$156,893	\$172,582	\$472,105

Staff is also requesting authorization to make supplemental arts and craft supply purchases with purchase cards and to issue purchase orders for retail arts and craft providers.

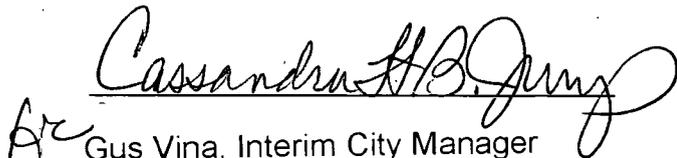
The estimated cost of supplemental arts and craft supplies to be purchased from additional retail providers- Michaels, Jo-Ann Fabric and Craft Store, Art Ellis, Beverly’s, and Oriental Trading Company through October 2013, is \$91,482. There are sufficient funds available in the Department of Parks and Recreation’s operating budget for supplemental arts and craft purchases in FY2010/11 for purchases through June 30, 2011. Purchases after June 30, 2011 through the end of the contract term are subject to funding availability in the adopted budget for the applicable fiscal year(s).

**Emerging Small Business Development (ESBD):** S & S Worldwide is not certified as an emerging/small business. In addition, Michaels, Jo-Ann Fabric and Craft Stores, Art Ellis, Beverly’s and Oriental Trading Company are not certified as an emerging/small business.

Respectfully Submitted by:   
Alan Topiyama  
Recreation Manager

Approved by:   
James L. Combs  
Director, Parks and Recreation

Recommendation Approved:

  
Gus Vina, Interim City Manager

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**Attachment 1**

**SUMMARY OF BID RESULTS- BID NO. B111411001**

	<b>S &amp; S Worldwide</b>	<b>Economy Handicrafts</b>	<b>Burkett's</b>
Arts & Craft Products	\$105,139.50	Non-Responsive	Non-Responsive
5% E/SBE Preference	None	None	Non-Responsive
1% City Limit Preference	None	None	Non-Responsive
Prompt Payment Discount	None	None	Non-Responsive
Any Product Discount	16%	16%	Non-Responsive
Total Bid Evaluation	\$105,139.50	Non-Responsive	Non-Responsive

**Award of Contract to:** S & S Worldwide  
 75 Mill Street  
 Colchester, Connecticut 06415

**Total Contract Amount: \$472,105**

<u>Number of IFB Requests</u>	<u>Number of Bids Received</u>	<u>Number of Responsive Bids</u>
<b>22</b>	<b>3</b>	<b>1</b>

The lowest responsible bid amount of \$105,139.50 represents the total for the quantities selected for evaluation purposes only, which was calculated on a selection of representative arts and craft purchases made during the course of one year. Authorization is requested to enter into a contract in an amount not to exceed \$472,105 which anticipates cost and or/volume increases and more closely reflects the actual amount anticipated to be expended overall for this potential three year contract.

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## **RESOLUTION NO. 2010-XXXX**

Adopted by the Sacramento City Council

**SEPTEMBER 28, 2010**

### **AWARD CONTRACT FOR THE PURCHASE OF ARTS AND CRAFT SUPPLIES**

#### **BACKGROUND**

- A. The Department of Parks and Recreation has an ongoing need to purchase a variety of arts and craft supplies to operate City-wide recreation programs.
- B. On August 6, 2010, the Department of Parks and Recreation, in accordance with City Code Chapter 3.56 issued Invitation for Bid No. B111411001 for the purchase of arts and craft supplies. Three responses were received. Two responses were deemed "Non-Responsive". The lowest responsive and responsible bidder was determined to be S & S Worldwide.
- C. The estimated cost of providing arts and craft supplies from S & S Worldwide through September 2013 is \$472,105.
- D. The Department of Parks and Recreation has a need to make supplemental purchases of arts and craft supplies using purchase orders and purchase cards at Michaels, Jo-Ann Fabric and Craft Stores, Art Ellis, Beverly's, and Oriental Trading Company in a total amount not to exceed \$91,482 through October 1, 2013.

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

- Section 1. S & S Worldwide is awarded a one-year contract with two one-year renewal options for the purchase of arts and craft supplies in an amount not to exceed a total of \$472,105 for the potential maximum three year term.
- Section 2. The City Manager or the City Manager's designee is authorized to execute the contract, renewal options specified above, and the required purchase orders provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).
- Section 3. The Department of Parks and Recreation is authorized to make supplemental purchases of arts and craft supplies using purchase orders and purchase cards at Michaels, Jo-Ann Fabric and Craft Stores, Art Ellis, Beverly's, and Oriental Trading Company in a total amount not to exceed \$91,482 through October 1, 2013.