

**Board Report**

File #: 2017-0441, **File Type:** Contract**Agenda Number:** 28

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE
JULY 20, 2017****SUBJECT: SHOP TOWELS****ACTION: AWARD CONTRACT FOR SHOP TOWELS****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a 24-month, indefinite delivery/indefinite quantity Contract no. MA38768002 to JWL Supplies, the lowest responsive and responsible bidder, for shop towels for a total contract amount of \$1,158,984; subject to resolution of protest(s), if any. The award is for a base year amount of \$579,492, inclusive of sales tax, and a one-year option amount of \$579,492, inclusive of sales tax.

ISSUE

Shop towels are required throughout the Agency by Metro staff on a day-to-day basis for operations to clean and maintain facilities, equipment, rolling stock, and for general purposes.

DISCUSSION

The shop towels purchased under this procurement will be maintained in inventory and managed by Materiel Management. The paper products are used throughout the Agency's Operating Divisions, building and work sites to maintain cleanliness and safety for our employees.

Metro purchases a variety of towels based on the functional requirements of the various user groups. The cellulose paper products are used primarily by mechanics, Bus and Rail Divisions, service attendants and custodians at the CMF, and rail/bus stations because of the product's absorbency qualities and cloth like characteristics needed to clean surfaces, and to pick up oil and grease. The windshield towels are used by the services attendants at the operating division to clean the bus and rail car windshields. Other towels are used by janitorial staff to stock bathrooms, facilities daily cleaning, and for general purpose and cleaning functions based on their individual consumption requirements.

The Contract to be awarded is a "requirements type" agreement in which Metro commits to order up to the specified quantity for a specific duration of time, but there is no obligation or commitment for Metro to order any or all of the shop towels that may be anticipated. The bid quantities are estimates only, with deliveries to be ordered and released as required.

Paper products will be purchased, maintained in inventory and managed by Materiel Management. As the paper products are issued, the appropriate budget project numbers and accounts will be charged.

DETERMINATION OF SAFETY IMPACT

Award of contracts will ensure that all operating divisions have adequate inventory to maintain the bus and rail fleets, equipment, and general purposes according to Metro Maintenance and facility standards, and OSHA standards.

FINANCIAL IMPACT

The funding of \$663,940 for shop towels is included in the FY18 budget in various cost centers for Administration and Bus and Rail Operations. The paper products will be funded from each cost center's Material and Supplies budget line item number 50431 under multiple operating projects.

Since this is potentially a multi-year Contract, the Cost Center Managers and respective SBU Chief will be accountable for budgeting the cost in future fiscal years.

Impact to Budget

The source of funds for this procurement will come from Federal, State and local funding sources including sales tax and fares that are eligible for Bus and Rail Operating Projects. These funding sources will maximize the use of funds for these activities given established funding guidelines.

ALTERNATIVES CONSIDERED

The alternative is to not award the Contract and procure shop towels on the open market at a lower cost. However, this would be contrary to the Board's directives regarding the Set-Aside program.

NEXT STEPS

Metro's requirements for shop towels will be fulfilled under the provisions of the contracts.


ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

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