

**Board Report**

File #: 2016-0968, **File Type:** Contract**Agenda Number:** 34

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE
JANUARY 19, 2017****SUBJECT: NON-INVENTORY PAPER SUPPLIES****ACTION: AWARD CONTRACTS****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award four-year contracts to the following four lowest, responsive and responsible bidders for **non-inventory paper supplies** for an indefinite delivery, indefinite quantity for a total amount not-to-exceed \$3,000,000, inclusive of sales tax, effective February 2, 2017, subject to resolution of protest(s), if any.

- A. Contract No. PS2039471406-2000/001 with Bashboy Enterprises dba California Printing Consultants for a total contract amount not to exceed \$600,000,
- B. Contract No. PS2039471406-2000/002 with Gorilla Stationers for a total contract amount not to exceed \$150,000,
- C. Contract No. PS2039471406-2000/003 with Spicer's Paper, Inc. for a total contract amount not to exceed \$2,100,000; and
- D. Contract No. PS2039471406-2000/004 with Veritiv Operating Company for a total contract amount not to exceed \$150,000.

ISSUE**RATIONALE**

Metro's in-house printing department requires non-standard paper supplies in addition to the standard-size papers that are regularly purchased and maintained in inventory by the Supply Chain Management Department. Print jobs for which an appropriate paper stock must be obtained include, but are not limited to:

- Timetables for buses and trains
- LACMTA business forms and letterhead
- Brochures, posters, and other public communications materials

The amount of the non-inventory paper required is substantial enough to gain favorable pricing by entering into multi-year contracts with suppliers. Paper is obtained on an on-going basis as required. These Contracts also permit Metro immediate access to required papers without having to warehouse the supplies.

FINANCIAL IMPACT

Funding for these materials in the amount of \$880,000 is included in the FY17 budget in Cost Center 7140, Customer Communications, Line 50442, Printing Equipment and Supplies, under Project Number 306005 Public Affairs.

Since these are multi-year contracts, the cost center manager and Chief Communications Officer will be responsible for budgeting required funds in future years.

Impact to Budget

There is no impact to the current, FY17 budget, as the funding already exists within it. The funding sources include Sales Taxes, TDA, STA, and other Bus and Rail operating revenues.

ALTERNATIVES CONSIDERED

The alternative is to implement individual paper procurements on an “as-needed” basis. This is not recommended since it does not provide a commitment from a supplier to ensure the availability and timely delivery of the products needed. Further, Metro would not benefit from the discounts and price stability of a multi-year contract; historically, pricing in the wholesale paper market has been volatile.

NEXT STEPS

Upon approval by the Board, staff will execute Contract Nos. PS2039471406-2000/001-004 with Spicer’s Paper, Inc., Gorilla Stationers, Bashboy Enterprises dba California Printing Consultants, and Veritiv Operating Company to provide non-inventory paper supplies effective February 2, 2017.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary

Prepared by: Robert Hartert, Printing Services Supervisor, (213) 922-4353

Reviewed by: Glen Becerra, Deputy Executive Officer, Communications (213) 922-5661
Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

NON-INVENTORY PAPER SUPPLIES / PS2039471406-2000

1.	Contract Number: PS2039471406-2000/001-004	
2.	Recommended Vendors: Spicer's Paper, Inc. (001) Bashboy Enterprises dba California Printing Consultants (002) Veritiv Operating Company (003) Gorilla Stationers (004)	
3.	Type of Procurement (check one): <input checked="" type="checkbox"/> IFB <input type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: September 26, 2016	
	B. Advertised/Publicized: September 28, 2016	
	C. Pre-Bid Conference: October 12, 2016	
	D. Bids Due: October 31, 2016	
	E. Pre-Qualification Completed: December 6, 2016	
	F. Conflict of Interest Form Submitted to Ethics: November 3, 2016	
	G. Protest Period End Date: January 24, 2017	
5.	Solicitations Picked up/Downloaded: 11	Bids Received: 4
6.	Contract Administrator: Antwaun Boykin	Telephone Number: (213) 922-1056
7.	Project Manager: Robert Hartert	Telephone Number: (213) 922-4353

A. Procurement Background

This Board Action is to approve Contract Nos. PS2039471406-2000/001-004 issued in support of non-inventory paper supplies for Metro's Print Shop. The Project Manager will order supplies from the vendor with the lowest bid price for that specific paper product. Board approval of contract awards are subject to resolution of any properly submitted protest.

IFB No. PS2039471406-2 was issued in accordance with Metro's Acquisition Policy and the contract type is an indefinite delivery, indefinite quantity.

Three amendments were issued during the solicitation phase of this IFB:

- Amendment No. 1, issued on October 13, 2016 clarified Pre-Bid Documents;
- Amendment No. 2, issued on October 21, 2016 clarified approval of like items and extended the bid due date; and
- Amendment No. 3, issued on October 25, 2016 clarified approval of like items.

A pre-bid conference was held on October 12, 2016 and was attended by three participants representing two firms.

A total of four bids were received on October 31, 2016.

B. Evaluation of Bids

This procurement was conducted in accordance and complies with Metro's Acquisition Policy for a competitive sealed bid. The four bids received are listed below in alphabetical order:

1. Bashboy Enterprises dba California Printing Consultants
2. Gorilla Stationers
3. Spicer's Paper, Inc.
4. Veritiv Operating Company

All firms were determined to be responsive, responsible, and technically qualified to perform the services based on the IFB's requirements.

C. Price Analysis

The recommended prices from all four firms have been determined to be fair and reasonable based upon adequate competition and a review of historical pricing/usage of non-inventory paper supplies.

Pricing evaluation was based on each separate line item for the various paper commodities included in the IFB. Each line item is awarded to the lowest bidder for that line item, as shown in Exhibit I. Since each firm provided the lowest price on specific line items, all four firms, Spicer's Paper, Inc., Bashboy Enterprises dba California Printing Consultants, Veritiv Operating Company and Gorilla Stationers, are being recommended for award of a contract. Metro's recommended not to exceed contract award amounts are based upon total estimated non-inventory paper needs of the agency over the next five years.

D. Background on Recommended Contractors

1. Bashboy Enterprises dba California Printing Consultants

Bashboy Enterprises dba California Printing Consultants (CPC) has been widely recognized in Southern California as a complete printing service provider specializing in printing services contracts, stock tab, corporate branding, marketing strategies and distribution. CPC has vast experience in performing government and private-sector printing projects similar to the services described in the IFB.

2. Gorilla Stationers

Gorilla Stationers has been servicing businesses and government agencies throughout the country since 2012 with their diligent customer service in addition to their knowledge of all products within the office solutions industry. Their relationship with one of the largest purveyors of office products in the world, along with their direct relationship with manufacturers, gives them access to over 150,000 products resulting in savings for their customers.

3. Spicer's Paper, Inc.

Spicer's Paper, Inc. is a division of Central National Gotesman, Inc., a national company with offices in Santa Fe Springs, California. Spicer's Paper, Inc. has been in business for over 45 years and has had the copy paper contract with the City and County of Los Angeles for over 25 years.

4. Veritiv Operating Company

Veritiv has been in business in Southern California since 1859. Veritiv has over \$20,000,000 in printing paper inventory in greater Los Angeles. The assigned sales representative has over 45 years of industry experience, as well as, 10 years of experience servicing the Metro print shop.

EXHIBIT I

Line Item Awards

Item	Weight	Color	Size	Finish	Awardee
1	80#	White	19 x 25	Soproset Opaque Smooth	Spicer's Paper Inc.
2	110#	Canary	23 X 35	Index	Spicer's Paper Inc.
3	110#	Blue	23 X 35	Index	Spicer's Paper Inc.
4	110#	Green	23 X 35	Index	Spicer's Paper Inc.
5	110#	Cherry	23 X 35	Index	Spicer's Paper Inc.
6	10 pt	White	20 x 26	Carolina or Tango coated 2 sides or NORDIC Plus	Spicer's Paper Inc.
7	15 pt	White	25 X 38	Carolina or Tango Cover C2S or NORDIC Plus	Spicer's Paper Inc.
8	50#	White	11 X 17	Offset	Spicer's Paper Inc.
9	100#	MANILA	22 1/2 X 28 1/2	Tag	Spicer's Paper Inc.
10	110#	White	22 1/2 X 35	Index	Spicer's Paper Inc.
11	50#	White	17 x 28	White Offset Vellum (No Smooth!)	Spicer's Paper Inc.
12	50#	Canary	25 x 38	Offset Opaque	Spicer's Paper Inc.
13	50#	White	17 1/2 X 40	Offset Vellum Rolls (no Smooth!)	Spicer's Paper Inc.
14	15#	2 Part	8 1/2 X 11	2 pt Reverse NCR or Excel One NCR	California Printing Con.
15	15#	3 Part	8 1/2 X 11	3 pt Reverse NCR or Excel One NCR	California Printing Con.
16	15#	4 Part	8 1/2 X 11	Superior 4 pt Reverse NCR	Spicer's Paper Inc.
17	15#	5 Part	8 1/2 X 11	Superior 5 pt Reverse NCR o	Spicer's Paper Inc.
18	.035	-	26 X 38	Chipboard	Veritiv Operating Co.
19	24#	White	#10	Window Envelope	Spicer's Paper Inc.
20	24#	White	#10	Regular Envelope	Spicer's Paper Inc.
21	24#	White	9 x 12	Booklet Envelope	Gorilla Stationers
22	24#	White	10 x 13	Catalog Envelope	Gorilla Stationers
23	100#	White	19 x 25	U-Velvet Dull text or ECO Porcelain text	Spicer's Paper Inc.
24	100#	White	28 x 20	U-Velvet Dull text or ECO Porcelain text	Spicer's Paper Inc.
25	100#	White	20 x 28	U-Velvet Dull text or ECO Porcelain text	Spicer's Paper Inc.
26	100#	White	20 x 29	U-Velvet Dull text or ECO Porcelain text	Spicer's Paper Inc.
27	24#	White	#14	Window envelope	Veritiv Operating Co.
28	15#	2 Part	11 x 17	2 pt Reverse NCR or Excel One NCR	California Printing Con.
29	15#	3 Part	11 x 17	3 pt Reverse NCR or Excel One NCR	California Printing Con.
30	15#	4 Part	11 x 17	4 pt Reverse NCR or Excel	California Printing Con.

				One NCR	
31	24#	Brilliant White	35 x 23	Mohawk Smooth Writing	California Printing Con.
32	24#	Kraft	#10	Kraft Envelope	Spicer's Paper Inc.
33	24#	White	9 x 12	Catalog Envelopes	Spicer's Paper Inc.
34	15#	3 part	8 1/2 x 14	3 pt Reverse NCR or Excel One NCR	Spicer's Paper Inc.
35	15#	4 part	8 1/2 x 14	4 pt Reverse NCR or Excel One NCR	California Printing Con.
36	70#	White	20 x 29	Finch Offset Opaque or Starbrite Opaque Ultra	Spicer's Paper Inc.
37	12 pt.	White	20 x 26	Carolina or Tango Coated 2 sides or NORDIC Plus	Spicer's Paper Inc.
38	18 pt.	White	25 x 38	Carolina or Tango coated 2 sides or NORDIC Plus	Spicer's Paper Inc.
39	24#	White	10 x 13	Booklet Envelopes	California Printing Con.
Spicer's Paper Inc.					27 line items
California Printing Consultants					8 line items
Veritiv Operating Co.					2 line items
Gorilla Stationers					2 line items

DEOD SUMMARY

NON-INVENTORY PAPER SUPPLIES / PS-2039471406-2000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 10% Disadvantaged Business Enterprise (DBE) goal for this solicitation. All proposers met or exceeded the goal as listed in the following table.

	DBE Primes & Subcontractors	Ethnicity	DBE Commitment
a.)	Bashboy Enterprises dba California Printing Consultants (DBE Prime)	Hispanic American	80%
	Veritiv Corporation Company	N/A	0%
TOTAL COMMITMENT			80%
b.)	Gorilla Stationers (DBE Prime)	Caucasian Female	60%
TOTAL COMMITMENT			60%
c.)	Spicer's Paper Inc.	N/A	0%
	AFA Suppliers (DBE)	African American	10%
TOTAL COMMITMENT			10%
d.)	Veritiv Operating Company	N/A	0%
	RGE Truck Lines, Inc. (DBE)	Hispanic American	10%
TOTAL COMMITMENT			10%

B. Living/Prevailing Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this contract.