Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

Metro

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.

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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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Phillip A. Washington
Chief Executive Officer

ATTACHMENT A

PROCUREMENT SUMMARY

SHOP TOWELS / MA38768002

1.	**Contract Number**: MA38768000 (Line 2), MA38768001 (Line 3), MA38768002 (Line 4)	
2.	**Recommended Vendor**: • Ammmm, Inc. 28364 S. Western, Rancho Palos Verde, CA 90275 • Gorilla Stationers15165 Triton Lane, Huntington Beach, CA 92649 • JWL Supplies, 4569 Don Diego Dr., Los Angeles, CA 90008	
3.	**Type of Procurement (check one): ☒ IFB ☐ RFP ☐ RFP–A&E** **☐ Non-Competitive ☐ Modification ☐ Task Order**	
4.	**Procurement Dates**:	
	A. Issued: 2/24/17	
	B. Advertised/Publicized: 2/24/17	
	C. Pre-proposal/Pre-Bid Conference: N/A	
	D. Proposals/Bids Due: 4/13/17	
	E. Pre-Qualification Completed: 5/16/17	
	F. Conflict of Interest Form Submitted to Ethics: 06/19/17	
	G. Protest Period End Date: : July 20, 2017	
5.	**Solicitations Picked up/Downloaded**: 24	**Bids/Proposals Received**: 5
6.	**Contract Administrator**: Tanya Allen	**Telephone Number**: 213/922-1018
7.	**Project Manager**: Lena Babayan	**Telephone Number**: 213/922-5860

A. Procurement Background

This Board Action is to approve multiple Contracts No. MA38768002 to be issued in support of Shop Towels to be used agency-wide. Board approval of contract awards are subject to resolution of any properly submitted protest.

IFB No. MA38768 was issued in accordance with Metro's Acquisition Policy and the contract type is Indefinite Delivery, Indefinite Quantity (IDIQ).

No amendments to the IFB were issued. A total of five bids were received on April 13, 2017.

B. Evaluation of Bids

This procurement was conducted in accordance, and complies with LACMTA's Acquisition Policy for a competitive sealed bid. Four bidders were deemed fully responsive and compliant with the requirements of the IFB; Ammmm Incorporated, Gorilla Stationers, RC Consolidated Services and JWL Supplies. Los Angeles Chemical Company's formal bid was deemed non-responsive to the bid requirements and was not considered in the bid evaluation process.

Metro's IFB No. MA38768 gave the agency the right to choose the lowest bid price from each line item and to award multiple contracts based on the lowest responsive responsible bidder for each bid line item. Firms being recommended for award are Ammmm Incorporated for bid line item 2; Gorilla Stationers for line item 3, and JWL Supplies for line item 4.

Staff will award contracts to bid line items 1, 2 and 3 under its own delegation of authority, and is only presenting bid line item 4 to the Board for award recommendation and approval.

The award of bid line item 1 is not being recommended for award at this time. The apparent low bidder for that bid line item has offered a product that requires further evaluation as an approved equal. Staff has decided to proceed with the award of bid line items 2, 3 and 4 at this time. The estimated price of bid line item 1 is less than $60,000 and will not require Metro Board approval.

No.	Lowest Responsive Responsible Bidder Name	Bid Amount
1.	TBD	TBD
2.	Ammmm Inc.	$19,561.00
3.	Gorilla Stationers	$126,350.00
4.	JWL Supplies	$1,158,985.00

C. Price Analysis

The recommended bid prices, to be awarded on a line item basis for items 2, 3, and 4 have been determined to be fair and reasonable based upon adequate price competition.

Line item 3, Ammmm Inc., was initially the apparent low bidder but was deemed non-responsive to the technical requirements on line #3 upon completion of Metro full evaluation. Ammmm Inc. was deemed responsive and responsible for Line #2.

Line Item No.	Low Bidder Name	Low Bid Amount	Second Low Bidder Name	Bid Amount	Metro ICE
1	*Item to be awarded separately at a later date under separate authorization.	TBD	TBD	TBD	$60,000
2	Ammmm Inc.	$19,561	RC Consolidated Services, Inc.	$46,013	$118,688
3	Gorilla Stationers	$126,350	RC Consolidated Services, Inc.	$174,524	$237,375
4	JWL: Supplies	$1,158,985	RC Consolidated Services, Inc.	$1,429,947	$1,136,869

*The product item presented by the apparent low bidder (Ammmm) is being technically evaluated as an approved equal product.The approved equal technical evaluation process will be completed within 60 days.

D. Background on Recommended Contractors

Ammmm, Inc. (MA38768000)
The recommended firm for line item no. 2, Ammmm, Inc., is located in Rancho Palos Verdes, CA and has been in business for nine years. Ammmm, Inc. has provided shop towels and various related products to other agencies including Department of Veteran Affairs – State of California, California State Parks, and California Department of State Hospitals. In the past, Ammmm, Inc. has provided satisfactory products and services to Metro.

Gorilla Stationers (MA38768001)
The recommended firm for line item no. 3, Gorilla Stationers, is located in Huntington Beach, CA and has been in business for five years. In the past, Gorilla Stationers has provided satisfactory products and services to Metro.

JWL Supplies (MA38768002)
The recommended firm for line item no. 4, JWL Supplies is located in Los Angeles, CA and has been in business for 18 years. JWL Supplies has provided safety and various related products to other agencies including UCLA, CBS Television, Pomona Unified School District, and Compton Unified School District. In the past, JWL Supplies has provided satisfactory products and services to Metro.

DEOD SUMMARY

SHOP TOWELS
CONTRACT NO. MA38768

A. Small Business Participation

Pursuant to Metro's Board-approved policy, competitive acquisitions with three or more Small Business Enterprise (SBE) certified firms within the specified North American Industry Classification System (NAICS) as identified for the project scope shall constitute a Small Business Set-Aside procurement. Accordingly, the Contract Administrator advanced the solicitation, including posting the solicitation on Metro's website, advertising, and notifying certified small businesses as identified by NAICS code(s) that this solicitation was open to **SBE Certified Small Businesses Only**.

All three recommended bidders are SBE Prime Suppliers, each with a 60% SBE commitment. While the SBE Prime Suppliers are performing 100% of the work with their own workforces, only 60% of the cost of materials and supplies can be credited toward its commitment.

	SBE Prime Contractor	**SBE % Committed**
1.	JWL Supplies (SBE Prime)	60%
	Total Commitment	**60%**
2.	Ammmm, Inc. (SBE Prime)	60%
	Total Commitment	**60%**
3.	Gorilla Stationers (SBE Prime)	60%
	Total Commitment	**60%**

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 wages 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.