



Board Report

File #: 2019-0653, File Type: Contract

Agenda Number: 28.

SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE OCTOBER 17, 2019

SUBJECT: UNIFORM RENTAL SERVICES

ACTION: APPROVE CONTRACT MODIFICATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to Execute Modification No. 3 for Contract No. OP671430003367 with Prudential Overall Supply, to continue providing uniform rental services by exercising and increasing the value of the one, three-year option term by \$600,000, from \$3,372,104.00 to \$3,972,104.00, increasing the not-to-exceed contract value from \$3,447,304.00 to \$7,419,408.00, and extending the contract term from February 1 2020 to January 31, 2023.

ISSUE

Per the current ATU and TCU Collective Bargaining Unit agreements Metro is required to provide each of the unit employees 11 uniforms per person as well as provide laundry services for such regulation uniforms. Currently, uniform rental services are provided to over 2,585 Metro represented labor employees as well as providing vehicle seat covers and laundry services for hand towels and floor mats.

The existing three-year base contract term expires on January 31, 2020. The contractor has been providing satisfactory uniform rental services.

To avoid uniform rental services interruption, a contract modification is required to exercise and increase the one, three-year option term from \$3,372,104.00 to \$3,972,104.00, and extend the period of performance through January 31, 2023.

BACKGROUND

On January 19, 2017, Metro Board of Directors awarded Contract No. OP671430003367 to Prudential Overall Supply to provide uniform rental services for approximately 2,300 Metro represented labor employees as well as providing vehicle seat covers and laundry services for hand towels and floor mats.

DISCUSSION

Under the existing contract, 8% SBE/DVBE goal was established. The contractor exceeded the goal with 2.7% SBE commitment and 6.3% DVBE commitment for a total combined commitment of 9%.

For the existing contract, the number of employees receiving uniform rental services has increased by 285 from 2,300 to 2,585 to accommodate expansion projects and maintenance needs system-wide.

In addition, during FY20, 200 bus mechanics' uniforms will change from the cotton blend to the Flash Resistant (FR) uniforms to accommodate their job duties performing maintenance services on Metro's new fleet of electric buses.

These changes will result in a cost increase of \$600,000 for the one, three-year option term, from \$3,372,104.00 to \$3,972,104.00.

Staff continues to work closely with the ATU representatives and employees to ensure delivery of timely and quality services. Under this contract, improvements implemented include but are not limited to replacing all 376 aged lockers with new bigger size units throughout Metro bus and rail facilities, posting signs throughout Metro facilities to improve employee awareness of the scheduled uniform pick-up dates, implementing new uniform service request procedures and forms, along with ongoing oversight of contractor's performance and service delivery, and maintaining effective communications among all parties involved to ensure quality and timely service delivery.

DETERMINATION OF SAFETY IMPACT

The approval of this item will ensure the supply of uniforms that clearly identify Metro represented labor employees and continue delivering safe, quality, on-time and reliable services system-wide.

FINANCIAL IMPACT

Funding of \$937,936 for this contract is included in the FY20 budget cost center 8370 - Contracts and Administration, account 50215, F/B Uniforms, under various projects.

Since this is a multi-year contract, the Sr. Director, Facilities Maintenance, and the Sr. Executive Officer, Maintenance and Engineering will be accountable for budgeting the cost in future years.

Impact to Budget

The source of funds for this action will come from state and local funds including fares that are eligible for Bus and Rail Operating Projects. These funding sources will maximize funds used on approved funding allocation provisions.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This board action supports Strategic Goal 5; Provide responsive, accountable, and trustworthy governance within the Metro organization. By providing uniforms to represented employees, Metro is

in compliance with both ATU and TCU Collective Bargaining Unit agreements.

ALTERNATIVES CONSIDERED

Staff considered purchasing uniforms, hand towels, mats, and vehicle seat covers, along with providing in-house laundry services. This consideration would require the hiring and training of additional personnel, purchase of additional equipment, vehicles, and supplies to support the expanded responsibilities. The staff assessment indicates this is not a cost-effective or efficient option for Metro.

NEXT STEPS

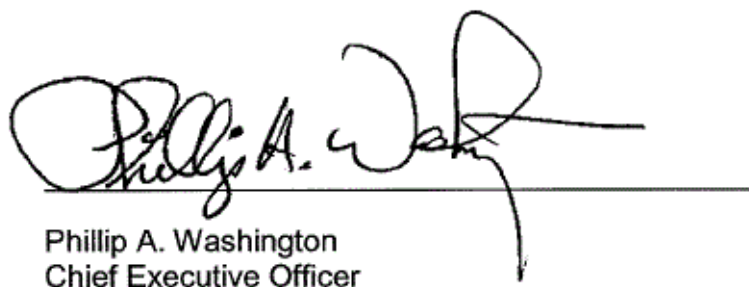
Upon approval by the Board, staff will execute Modification No. 3 for Contract No. OP671430003367 with Prudential Overall Supply, to continue providing uniform rental services by exercising and increasing the value of the one, three-year option term by \$600,000, from \$3,372,104.00 to \$3,972,104.00, increasing the total contract not-to-exceed amount from \$3,447,304.00 to \$7,419,408.00, and extending the contract term from February 1, 2020 to January 31, 2023.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log
Attachment C - DEOD Summary

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Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

UNIFORM RENTAL SERVICES/OP671430003367

1.	Contract Number: OP671430003367		
2.	Contractor: Prudential Overall Supply		
3.	Mod. Work Description: Exercise option, increase contract value, and extend contract term		
4.	Contract Work Description: Provide uniform rental services		
5.	The following data is current as of: 9/3/19		
6.	Contract Completion Status		Financial Status
	Contracts Awarded:	1/19/17	Contracts Award Amounts: \$3,372,104
	Notice to Proceed (NTP):	2/15/17	Total of Modifications Approved: \$75,200
	Original Complete Date:	1/31/20	Pending Modifications (including this action): \$3,972,104
	Current Est. Complete Date:	1/31/23	Current Contracts Values (with this action): \$7,419,408
7.	Contract Administrator: Rommel Hilario		Telephone Number: (213) 922-4654
8.	Project Managers: Alberto Garcia		Telephone Numbers: (213) 922-6762

A. Procurement Background

This Board Action is to approve Modification No. 3 to Contract No. OP671430003367 with Prudential Overall Supply to exercise the three-year option term to provide uniform rental services for Metro represented labor employees. Modification No. 3 also includes a \$600,000 increase in contract authority for the base term for 285 additional maintenance personnel and increase in uniform costs for 200 bus mechanic uniforms which will change from the cotton blend to the Flash Resistant (FR) uniforms to accommodate their job duties performing maintenance services on Metro's new electric buses.

This Contract Modification will be processed in accordance with Metro's Acquisition Policy and the contract type is firm fixed unit rate.

In January 2017, the Board approved a three-year contract, that included one, three-year option term, to Prudential Overall Supply to provide uniform rental services, which include laundry services, and providing of vehicle seat covers, hand towels and floor mats.

Refer to Attachment B – Contract Modification/Change Order Log.

B. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based on rates that were evaluated as part of the competitive contract award in 2017. Rates remain unchanged and are subject to living wage rates set by Metro.

Modification Amount	Metro ICE	Negotiated Amount
\$3,972,104	\$3,972,104	\$3,972,104

CONTRACT MODIFICATION/CHANGE ORDER LOG

UNIFORM RENTAL SERVICES/OP671430003367

Mod. No.	Description	Date	Amount
1.	Purchase of new uniform lockers	6/21/17	\$75,200
2	Add Payment Certification form	9/5/19	\$0
3	Exercise 3-year Option Term and increase contract authority for base term	PENDING	\$3,972,104
	Modification Total:		\$4,047,304
	Original Contract:	1/19/17	\$3,372,104
	Total Contract Value:		\$7,419,408

DEOD SUMMARY

UNIFORM RENTAL SERVICES/OP671430003367

A. Small Business Participation

Prudential Overall Supply (POS) made a 9% commitment, inclusive of a 2.7% SBE and 6.3% DVBE commitment. The project is 40% complete and POS is exceeding their commitments with a current SBE participation of 10.04% and DVBE participation of 16.79%.

Small Business Commitment	2.7% SBE 6.3% DVBE	Small Business Participation	10.04% SBE 16.79% DVBE
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	SBE Subcontractors	% Commitment	% Participation¹
1.	Becnel Uniforms, Inc.	2.7%	10.04%
	SBE Total	2.7%	10.04%

	DVBE Subcontractors	% Commitment	% Participation¹
1.	Image Gear, Inc.	6.3%	16.79%
	DVBE Total	6.3%	16.79%

¹Current Participation = Total Actual amount Paid-to-Date to SBE firms ÷ Total Actual Amount Paid-to-date to Prime.

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is not applicable to this modification.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this modification.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.