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

File #: 2019-0742, **File Type:** Contract **Agenda Number:** 24.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
NOVEMBER 21, 2019

SUBJECT: SHOP TOWELS (WYPALLS)

ACTION: CONTRACT AWARD

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a two-year, Indefinite Delivery, Indefinite Quantity (IDIQ) Contract No. CY63850000 to JWL Supplies, the lowest responsive and responsible bidder for Shop Towels (Wypalls). The Contract one-year base amount is $686,565 inclusive of sales tax, and the one-year option amount is $730,453, inclusive of sales tax, for a total contract amount of $1,417,018, subject to resolution of protest(s), if any.

ISSUE

Shop towels are used on a day-to-day basis to clean and maintain facilities, equipment, and rolling stock by the rail and bus maintenance and operations departments. Metro staff throughout the agency require the shop towels to maintain safe work environments and the cleanliness of the rail and bus fleet to ensure the highest quality of customer experience when riding Metro. Award of this contract will ensure an adequate inventory of shop towels for bus and rail operations.

BACKGROUND

The Material Management usage reports revealed that on an annual basis approximately 12,000 cases of shop towels were issued throughout the rail and bus operating divisions and at other facilities and work sites to maintain the cleanliness of facilities, equipment, rolling stock, and to ensure safety for our employees. The shop towels purchased under this procurement will be maintained in inventory and managed by Materiel Management.

DISCUSSION

Shop towels have multiple uses which include efforts to meet customer facing and internal cleanliness goals and objectives. The shop towels are used primarily by maintenance personnel at bus and rail divisions. Mechanics, service attendants, and custodians support the use of these shop towels because the product’s absorbent qualities and cloth like characteristics are needed to clean surfaces, and to pick up oil and grease. The towels are also used at the operating divisions to clean the windshields and side windows of buses and rail cars.

The shop towels are used by janitorial staff for the daily cleaning of facilities throughout the Metro system, and for general purpose cleaning functions based on their individual consumption

requirements.

The Metro staff whose job functions require the use of shop towels are provided training on the proper use of these materials, and management tracks the consumption of the shop towels using the Maintenance and Materials Management (M3) system to ensure that employees are avoiding waste and using these products responsibly.

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 all of the shop towels that may be anticipated. The bid quantities are estimates only, with deliveries to be ordered and released as required. The Diversity and Economic Opportunity Department (DEOD) documented a sixty percent (60%) SBE commitment by JWL Supplies and verified that they are meeting the Small Business Prime Set-Aside requirements established for this procurement.

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

DETERMINATION OF SAFETY IMPACT

Award of this contract will ensure that all operating divisions have adequate inventory to maintain the bus and rail fleets, facilities, equipment, and supplies for other general-purpose cleaning and maintenance activities according to Metro Maintenance and facility standards, and OSHA standards.

FINANCIAL IMPACT

The twelve (12) month funding of $686,565 for shop towels is included in the FY20 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 fares, that are eligible for Bus and Rail Operating or Capital Projects. These funding sources will maximize the use of funds for these activities given approved funding provisions and guidelines.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The procurement of shop towels supports Strategic Goal 1: Provide high-quality mobility options that enable people to spend less time traveling. The shop towels will assist in maintaining the safety, cleanliness, and reliability of the rail and bus fleet and ensure the highest quality of service to our customers who expect clean vehicles that arrive at their destinations in accordance with the scheduled service intervals for Metro rail and bus operations.

ALTERNATIVES CONSIDERED

The alternative is to not award the contract and to procure shop towels on an as-needed basis. This approach is not recommended since it does not provide a commitment from the supplier to ensure availability and price stability.

NEXT STEPS

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

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary

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Phillip A. Washington
Chief Executive Officer

ATTACHMENT A

PROCUREMENT SUMMARY

PURCHASE OF SHOP TOWELS (WYPALLS)

CONTRACT NO. CY6385000

1.	**Contract Number**: CY6385000	
2.	**Recommended Vendor**: JWL Supplies	
3.	**Type of Procurement (check one):** ☒ **IFB** ☐ **RFP** ☐ **RFP–A&E** ☐ **Non-Competitive** ☐ **Modification** ☐ **Task Order**	
4.	**Procurement Dates** :	
	A. Issued: 6/21/19	
	B. Advertised/Publicized: 6/21/19	
	C. Pre-proposal/Pre-Bid Conference: N/A	
	D. Proposals/Bids Due: 8/22/19	
	E. Pre-Qualification Completed: 9/30/19	
	F. Conflict of Interest Form Submitted to Ethics: 9/12/19	
	G. Protest Period End Date: 11/21/19	
5.	**Solicitations Picked up/Downloaded**: 5	**Bids/Proposals Received**: 34
6.	**Contract Administrator**: **Tanya Allen**	**Telephone Number**: **213/922-1018**
7.	**Project Manager**: **Alex DiNuzzo**	**Telephone Number**: **213/922-5860**

A. Procurement Background

This Board Action is to approve Contract No. CY6385000 for the procurement of Shop Towels (Wypalls). Board approval of contract awards are subject to resolution of any properly submitted protest.

IFB No. CY63850 was issued in accordance with Metro's Acquisition Policy and the contract type is Indefinite Delivery, Indefinite Quantity (IDIQ).

This solicitation was issued under Metro's Small Business Enterprise (SBE) Set-Aside Program where only Metro certified SBE firms are eligible for participation. All certified SBEs must also meet the program's Commercially Useful Function (CUF) requirements to be considered fully Responsive to the IFB.

One amendment was issued during the solicitation phase of this IFB:

- Amendment No. 1, issued on July 16, 2019, provided a revised bid opening date.

A total of five (5) bids were received on May 30, 2019 and they are listed in alphabetical order:

1. Advantage Solutions, LLC
2. Bash Boy Enterprises, Inc.
3. JWL Supplies
4. Los Angeles Chemical Co., Inc.
5. Supply Solutions

B. Evaluation of Bids

This procurement was conducted in accordance and complies with LACMTA's Acquisition Policy for a competitive sealed bid. There were three bids that were deemed responsive and responsible to the IFB requirements. However, Supply Solutions the apparent low bidder was deemed non-responsive due to not requesting evaluation of their product, as an approved-equal, prior to the defined deadline specified in the IFB. Bash Boy Enterprises, Inc. was deemed non-responsive because they did not meet the Commercial Useful Function (CUF) requirements.

JWL Supplies (JWL) the lowest responsible responsive bidder was found to be in full compliance in meeting the bid and technical requirements of the IFB.

C. Price Analysis

The recommended bid price from JWL has been determined to be fair and reasonable based upon adequate price competition and current market value of shop towels.

Low Bidder Name	Bid Amount	Metro ICE
JWL Supplies	$1,417,017.60	$1,232,642
Los Angeles Chemical Co., Inc.	$1,522,663.20	
Advantage Solutions, LLC	$2,152,332.00	

D. Background on Recommended Contractor

The recommended firm, JWL Supplies located in Los Angeles, California has been in business for seven (7) years as a lead distributor in janitorial and industrial supplies. JWL has provided extensive experience in supplying show towels (Wypalls) to other municipalities and companies such as Dallas Authority Transit District (DART), Pomona and Compton Unified School Districts, Department of General Services (DGS), VA Hospital – Long Beach, and CBS Studios. JWL has provided satisfactory products and services to Metro.

DEOD SUMMARY

SHOP TOWELS (WYPALLS)/ CY63850000

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**.

JWL Supplies, an SBE Prime, is performing 100% of the work with its own workforce. JWL Supplies made a 60% SBE commitment as a regular dealer.

SMALL BUSINESS PRIME (SET-ASIDE)

	SBE Prime Contractor	SBE % Committed
	JWL Supplies	60%
	Total Commitment	**60%**

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

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) 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. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of $2.5 million.