

BEFORE THE METRO CONTRACT REVIEW BOARD

FOR THE PURPOSE OF EXEMPTING)	RESOLUTION NO. 94-1998
UNIFORM SUPPLY AND LAUNDRY SERVICE)	
FOR THE METRO WASHINGTON PARK ZOO)	
FROM COMPETITIVE BID, AND AUTHORIZING)	Introduced by Rena Cusma,
A SOLE SOURCE EXTENSION TO THE)	Executive Officer
INDUSTRIAL LAUNDRY SERVICE)	
CONTRACT NO. 901378.)	

WHEREAS, Metro Washington Park Zoo is required to provide uniforms and laundry services pursuant to Metro's Collective Bargaining Agreement with the Laborers International Union (L.I.U.) local 483; and

WHEREAS, Industrial Laundry Service competitively bid for and was awarded a 3 year contract for those garments and laundry service which was executed in August, 1990 and expired May 20, 1994; and

WHEREAS, the Zoo has determined that less than 30% of its eligible employees actually utilize the employer provided service, many do not use the full compliment of clothing offered, and most prefer to launder their own garments; and

WHEREAS, the Zoo has discussed this situation and various alternatives with Union representatives, and the Union while not wishing to bargain outside of their current Collective Bargaining Agreement, is willing to explore more cost effective alternatives as part of negotiations prior to the contract's expiration on June 30, 1995; and

WHEREAS, Industrial Laundry Service has responsively provided those garments and laundry services over the past years, owns the existing stock, and is willing to grant an eighteen (18) month extension to the existing contract at a cost increase of less than 4% over its 1990 bid; and

WHEREAS, in recognition of the initial start-up costs for such a contract, there would be limited potential and it would not be cost effective for the Zoo to solicit competitive bids for the supplying and laundry of those uniforms on less than a 3 year contractual arrangement; and

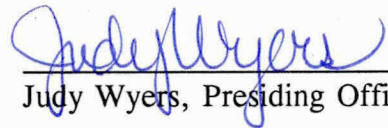
WHEREAS, the Metro Washington Park Zoo proposes to proceed with the existing contract relationship by extending contract 901378 for an additional 18 months so that a reasonable alternative can be formulated and bid, and

WHEREAS, it is unlikely that such a contract extension would encourage favoritism or diminish competition for such contracts, and there are obvious potential savings in utilizing the existing contract and pursuing an alternative plan as part of the collective bargaining process; now, therefore

BE IT RESOLVED,

That the Metro Contract Review Board pursuant to Metro Code Section 2.04.041(c) hereby declares that the extension of the Industrial Laundry Service contract no 901378 pursuant to the circumstances as outlined above constitutes a sole source procurement exempt from competitive bidding and directs the Executive Officer to execute the contract amendment as attached as Exhibit 1, to accommodate that designation and accomplish the proposed action.

ADOPTED by Metro's Contract Review Board as of this 14th day of July, 1994.



Judy Wyers, Presiding Officer

EXHIBIT 1
CHANGE ORDER OR AMENDMENT SUMMARY

MAY 10 1994

CHANGE ORDER NO. 2

INITIATION DATE: May 4, 1994

CONTRACT NO. 901378

PROJECT: Staff Uniforms

CONTRACTOR: Industrial Laundry Service

VENDOR NO. 4466

PROPOSED BY: Mike Keele, Assistant Curator, Animal Management

FINANCIAL IMPACT

BUDGET CODE/TITLE: 120-221200-526910-00000 (Animal Mgmt)
120-221300-526910-00000 (Facilities Mgmt)
Uniform Supply and Cleaning

Original Contract Sum: \$57,868

Net Change Orders to Date: 0

Contract Sum Prior to this C/O: \$57,868

This Change Order Request: \$33,126
(see attached worksheet for 80 week extension of contract with new pricing)

New Contract Sum, Post C/O: \$90,994

Fiscal Year 1993-94 and 1994-95

Appropriation	'93-'94 AM	\$17,575
	FM	\$11,440
	'94-'95 AM	\$18,340
	FM	\$13,500

Contract, Paid to Date \$57,868

Est. Appropriation Remaining: 0

EFFECTIVE DATE(S): May 20, 1994 - November 27, 1995

REVIEW AND APPROVAL:

Division Manager _____ Date _____

Mike Keele 5/9/94
Department Director _____ Date _____

Director Regional Facilities _____ Date _____

Fiscal _____ Date _____

Budget (multi-year only) _____ Date _____

Legal _____ Date _____

AMENDMENT OR CHANGE ORDER NO. 2

CONTRACT NO. 901378

This Agreement hereby amends the above titled contract between Metro, a metropolitan service district, organized under the laws of the state of Oregon and the 1992 Metro Charter, and INDUSTRIAL LAUNDRY SERVICE, hereinafter referred to as "Contractor."

This amendment is a change order to the original Scope of Work as follows:

1. Termination date shall change to 27 November 1995.
2. Add the following to item #9. Angelica pants and jackets currently in service will be replaced with RedCap pants and jackets (color brown) as needed and for new staff.
3. New pricing as attached shall apply from date of execution.

Except for the above, all other conditions and covenants remain in full force and effect.

In Witness to the above, the following duly authorized representatives of the parties referenced have executed this agreement:

INDUSTRIAL LAUNDRY SERVICE

METRO

 SIGNATURE DATE

 NAME

 TITLE

 SIGNATURE DATE

 NAME

 TITLE

New prices and billing for Industrial Laundry Services for Animal Management and Facilities Management. Billing is weekly.

<u>Item (Qty)</u>	<u>New Price</u>	<u>New billing</u>
3x5 mat (6)	\$2.50	\$15.00
3x10 mat (1)	\$6.00	\$6.00
24" mop (1)	\$1.04	\$1.04
Pants (136)	\$0.57	\$77.52
Shirts (136)	\$0.42	\$57.12
Coveralls (101)	\$0.99	\$99.99
Jackets	\$0.88	\$69.52
Counter coats (8)	\$0.88	\$7.04
Lab coats (19)	\$0.99	\$18.81
#1 shop towels (160)	\$0.06	\$9.60
White shop towels (160)	\$0.06	\$9.60
Seat cover(1)	\$0.52	\$0.52
Fender cover(1)	\$0.52	\$0.52
Zoo towels	\$0.26	\$32.50
Huck towels	\$0.19	\$1.90
Bar towels	\$0.16	\$0.80
Steamer towels	\$0.22	\$6.60

Total weekly billing **\$414.08**

#Weeks left in calendar year 1994 - 32

#Weeks left in calendar year 1995 (to 27 November 1995) - 48

Total # weeks for contract amendment - 80 x \$414.08 = \$33,126

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 94-1998 REQUESTING THE CONTRACT REVIEW BOARD TO EXEMPT UNIFORM SUPPLY AND LAUNDRY SERVICES FROM COMPETITIVE BIDDING AND AUTHORIZING A SOLE SOURCE EXTENSION TO CONTRACT NO. 901378 WITH INDUSTRIAL LAUNDRY SERVICE.

Date: June 16, 1994

Presented by: Mike Keele

PROPOSED ACTION:

Section 2.04.041(c) of the Metro Code allows the Contract Review Board, where appropriate, to exempt specific contracts from the general requirement for competitive bidding, and direct the use of alternate contracting and purchasing practices.

The Metro Code references ORS 279.015 as the basis for requiring that all public contract be based upon competitive bid and sets forth a process by which the following findings will permit an exemption and allow execution of a sole source contract extension. The Board must find that:

- It is unlikely that the exemption will encourage favoritism in the awarding of public contracts or substantially diminish competition for public contracts; and
- The award of a public contract pursuant to the exemption will result in substantial cost savings to the public contracting agency.

FACTUAL BACKGROUND AND ANALYSIS:

Since August, 1990, Industrial Laundry Service has supplied uniform and laundry services pursuant to an existing contract no. 901378. That contract was originally awarded as the result of competitive bid and the company has responsibly supplied the needed garments and weekly laundry service over the course of the last 4 years and for approximately 100 regular, regular part-time and temporary Zoo employees represented by the Laborers International Union (L.I.U.), local 483.

The Zoo now wishes to extend that contract for an additional 18 months to coincide with the expiration and renegotiation of that Collective Bargaining Agreement based upon the following logic:

The current Collective Bargaining Agreement specifies that the employer must provide uniforms and laundry service for those employees required to wear uniforms. However, the Zoo has determined that 30% or less of those employees actually use the laundry service, preferring instead to launder the garments themselves. Furthermore, many of the uniformed employees do not use the full compliment of clothing which has been provided.

In an effort ensure reasonable value and to contain costs, the Zoo and Metro's Personnel Department have discussed alternative arrangements including a uniform allowance or the Zoo's purchase of the garments and employee care and laundry with Union representatives. However, no action has been taken since the Union does not wish to bargain outside the current Collective Bargaining Agreement which expires June 30, 1995.

Negotiations for the next agreement will begin prior to that date, and the Zoo will either provide the uniforms as in the past or establish and competitively bid a mutually acceptable alternative arrangement. Therefore, the question is what to do in the interim.

The Collective Bargaining Agreements are for 4 year terms, so a concurrent 4 year garment supply and laundry service contract would seem logical. A supply and service contract of less than 3-4 years would dramatically increase the monthly costs to Metro since the contractor would be forced to recoup its initial garment investment over an extremely short time frame, and unless the Zoo purchased the garments or specifically provided for a long-term relationship, a 30 day cancellation would reasonably require a corresponding settlement provision as part of such action.

BUDGET IMPACT:

Significant cost savings should result from exempting those services from competitive bid and authorizing a sole source extension of the existing contract with Industrial Laundry Service:

- Industrial Laundry Service currently maintains the garment inventory necessary to accommodate the required uniform changes per week, so no new acquisition costs would apply to a contract extension;
- Industrial Laundry Service has agreed to continue their current service for a cost increase which is less than 4% over their 1990 bid.

The projected costs of the proposed contract extension are in line with the \$31,840 currently budgeted in the Metro Washington Park Zoo's 1994-95 fiscal year budget, and Council had given prior approval for this project's competitive bidding as a "B" contract.

Therefore, no change in the current budget is anticipated and if the proposed contract extension is approved, reasonable costs in the present and potential savings in the future are forecasted.

EXECUTIVE OFFICER'S RECOMMENDATION:

The circumstances as outlined above provide ample justification for the Contract Review Board to waive competitive bidding of the uniform supply and laundry service, and direct the Executive Officer to execute the attached amendment for the sole source extension of contract no. 901378.

REGIONAL FACILITIES COMMITTEE REPORT

RESOLUTION NO. 94-1998, EXEMPTING UNIFORM SUPPLY AND LAUNDRY SERVICE FOR THE METRO WASHINGTON PARK ZOO FROM COMPETITIVE BID, AND AUTHORIZING A SOLE SOURCE EXTENSION TO THE INDUSTRIAL LAUNDRY SERVICE CONTRACT NO. 901378.

Date: July 7, 1994

Presented by: Councilor Gates

COMMITTEE RECOMMENDATION: At its July 6, 1994 meeting the Regional Facilities Committee voted 4-0 to recommend Council adoption of Resolution No. 94-1998. Voting in favor were Councilors Hansen, Gates, McFarland, and Moore. Councilor Washington was absent.

COMMITTEE DISCUSSION/ISSUES: Assistant Curator Mike Keele presented the staff report. Councilor Hansen said she had originally had concerns about extending this contract until she read the staff report, which convinced her there was a strong reason for extending the contract rather than put it out to bid now.

Councilor Moore asked why the expiration date was in November 1995 instead of a time closer to the beginning of the next fiscal year. Mr. Keele said the date was to allow enough time to bid and award a new contract which would be consistent with the terms to be negotiated in the collective bargaining agreement. He added that staff wanted to provide a little extra time in case negotiations were not concluded by the end of the fiscal year. Councilor Moore asked if we could provide an allowance or a reimbursement rather than continue with this contract, since only 30% of the staff use the service. Mr. Keele said the labor agreement calls for this method for providing clean uniforms; and the union was not willing to negotiate on this one item, preferring to bargain the entire contract when it is up for negotiations this fiscal year. He added that reimbursement raised questions of tax liability for the employees.