



Office of the City Manager

CONSENT CALENDAR
June 25, 2013

To: Honorable Mayor and Members of the City Council

From:  Christine Daniel, City Manager

Submitted by: Robert Hicks, Director, Finance

Subject: Purchase Order Agreements: Aramark Uniform Rental and Laundry Service

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to enter into annual Purchase Order agreements with Aramark Uniform Services to provide rental and laundering of uniforms, walk-off mats, towels, and miscellaneous items for various departments as needed for a period covering July 1, 2013 through June 30, 2016 for \$149,800 annually, and a total not to exceed \$449,400 for three (3) years, subject to the City's annual budget appropriation process.

FISCAL IMPACTS OF RECOMMENDATION

The City currently spends approximately \$152,800 annually with Aramark Uniform Services. Aramark supplies and launders uniforms, towels, and walk-off mats for City departments including Public Works (Equipment Maintenance, Transfer Station, Traffic Maintenance) Parks, Recreation and Waterfront (Parks, Forestry and Marina), City Manager (Animal Shelter), Housing (Senior Centers), Fire, and Police. Funds are annually appropriated for uniform and other laundry services, and the MOU between the City and Local 1021(maintenance) has a provision to supply protective clothing to employees at no cost. The \$149,800 to be spent annually through FY 2016 will be drawn from 23 different funds across the participating departments as follows:

Public Works (all division budget codes): 86654114103038 (\$9,500), 86557024105540 (\$30,000), 83055034325540 (\$13,120), 82055024325540 (\$11,200), 39155064315540 (\$3,840), 82056024325540 (\$11,765), 82056034325540 (\$11,765), 82056074325540 (\$10,635), 82056044325540 (\$358). \$102,183.

Parks, Recreation and Waterfront (all division budget codes): 01059814505520 (\$4,000), 01059804505520 (\$2,438), 01059754503038 (\$4,000), 82559024505540 (\$2,072), 82559054505540 (\$4,000), 82559034505540 (\$3,000), 45058024505540 (\$5,000), 45058034505540 (\$7,000), and 45058084505540 (\$4,000). \$35,510.

Health, Housing and Community Services (Senior Center): 01079214633038 - \$1,807

City Manager (Animal Shelter): 01007044105540 - \$4,100

Fire: 01064024205570 - \$3,850

Police: 01071044205570 - \$2,350

CURRENT SITUATION AND ITS EFFECTS

Since 2005, the City of Berkeley has piggy-backed off of the City of Sunnyvale's contract with Aramark. Aramark has provided rental and laundering of uniforms, walk-off mats, towels and miscellaneous items for various City departments. The City of Sunnyvale's contract with Aramark has expired. Consequently, General Services seeks authority to piggy-back off of the City of Hayward's competitively bid contract which will save the City an additional \$3,000 more annually than that of Sunnyvale's contract pricing. By piggy-backing off Hayward's contract pricing, the City of Berkeley will save money not only by keeping the same rates from 2009 but also saving an additional \$3,000 annually for the next three years.

BACKGROUND

Since March of 2005, the City of Berkeley has piggy-backed off the City of Sunnyvale's bid for uniform rental/lease services. Sunnyvale went through their competitive process and selected Aramark. Sunnyvale entered into open purchase order agreements which the City of Berkeley mirrored. The City now has an opportunity to piggy-back off of the City of Hayward's competitive bid. By doing so, the City of Berkeley will realize an annual cost savings of \$3,000, which is even better pricing than that of the Sunnyvale's contract, while maintaining the same level of service. Aramark has met all the City of Berkeley purchasing requirements, including the Sweat-Shop free ordinance and has signed all required forms, certifications and affidavit.

RATIONALE FOR RECOMMENDATION

Since the City of Hayward went out to bid and awarded a contract to Aramark, and since the City of Berkeley can piggy-back off of other public agencies competitive process, the City seeks Council authority to piggy-back off of the City of Hayward's contract pricing with Aramark. By piggy-backing off of Hayward's contract pricing, the City will receive the advantage of a cost savings due to economies of scale, due to the combination of these Cities' purchasing power.

ALTERNATIVE ACTIONS CONSIDERED

General Services conducted an informal quote based on City quantity usage to see if it will be cost effective to conduct a formal RFP. The unit rates of the quotes received were higher than the current price by approximately 7.5%. The increase in unit rates were attributable to the quantities the City uses compared to the quantities if combining with other cities and or municipalities. Because of this analysis, General Services came to the conclusion that it is in the best interest of the City to take advantage of the City of Hayward's contract pricing and is seeking Council authority to piggy-back off their contract pricing.

CONTACT PERSON

Henry Oyekanmi, General Services Manager, Finance, (510) 981-7326

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

PURCHASE ORDER AGREEMENTS ARAMARK UNIFORM RENTAL AND LAUNDRY
SERVICE

WHEREAS, the Berkeley City Charter Article XI. Public Works and Supplies, Section 67.2 allows for the use of competitively bid pricing from a public agency; and

WHEREAS, the City has been piggy-backing off of the City of Sunnyvale's competitive bid without a price increase since 2005; and

WHEREAS, the City of Berkeley can realize a cost savings by now piggy-backing off of the City of Hayward's contract pricing; and

WHEREAS, providing protective clothing and equipment to authorized City employees is part of the MOU between the City and Local 1021(maintenance) and has a provision to supply protective clothing to employees at no cost; and

WHEREAS, the City of Hayward has gone out to bid and awarded a contract to Aramark Uniform Services; and

WHEREAS, the competitive requirement is satisfied by piggy-backing off of another Public Agency bid; and

WHEREAS, the City will save approximately \$3,000 annually by utilizing the City of Hayward's pricing.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to enter into annual Purchase Order agreements with Aramark Uniform Services to provide rental and laundering of uniforms, walk-off mats, towels, and miscellaneous items for various departments as needed for a period covering July 1, 2013 through June 30, 2016 for \$149,800 annually, and a total not to exceed \$449,400 over three (3) years, subject to the City's annual budget appropriation process.