



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Authorize the Issuance of a Blanket Purchase Order to P&R Paper Supply Company, Inc. for Janitorial Supplies (F19-222)

REPORT IN BRIEF

Approval is requested to authorize the issuance of a blanket purchase order to P&R Paper Supply Company, Inc. of Redlands, CA. in an amount not to exceed \$120,000 for janitorial supplies for a one-year period. Approval is also requested to authorize the City Manager to amend and renew the purchase order for three additional one-year periods, subject to available budget, if pricing and service remain acceptable to the City.

EXISTING POLICY

Pursuant to Section 2.08.040 of the Sunnyvale Municipal Code (SMC), City Council approval is required for the procurement of goods and/or services exceeding \$100,000 in any one transaction.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

BACKGROUND AND DISCUSSION

Janitorial supplies such as cleaning chemicals, hand towels and brooms are used regularly throughout City facilities. Items that are used on a regular, high-volume basis are stocked at the Central Stores warehouse, while supplies needed for emergencies or special projects are purchased on an as-needed basis. All purchases are coordinated through Central Stores staff.

Bid specifications were prepared by Central Stores and Purchasing staff. Purchasing issued an Invitation for Bids through the City's DemandStar public procurement network and directly provided to four (4) suppliers on July 25, 2019. Sealed bids were publicly opened on August 21, 2019, with seven (7) responsive bids received. An eighth bid was received from Birite Food Service, of Brisbane, which staff recommends to be deemed non-responsive, as the bidder did not provide a completed Bid Form. The bid summary is contained in Attachments 1 through 4.

For bids with an extensive part list, it is typical that suppliers will not bid on all of the line items specified. After evaluating the bids, staff recommends establishing contracts with two suppliers, P&R Paper Supply Company, Inc. and Home Depot Pro which together can provide all of the items required. The blanket purchase order with P&R Supply is requested in an amount not-to-exceed \$120,000, while a blanket purchase order with Home Depot Supply will be awarded in an amount not

-to-exceed \$60,000 under the City Manager's authority. Purchase order award amounts vary depending on the proportional quantity of low bid items each vendor is expected to provide. While required items will be routinely ordered from the low-bid supplier, if there is an urgent need for a particular item that is not readily available from the low-bid supplier, it can be obtained from the other supplier.

FISCAL IMPACT

The total not-to-exceed amount of the purchase order has been established based on historical purchases, but may be necessary to increase up to budgeted amounts due to the fluctuating needs of the City throughout the year. The Department of Finance initially purchases the janitorial supplies and stocks them in the City's Central Store for various departments to purchase. When departments make the purchase, Finance charges the items to the Department's operating budget.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Take the following actions:

- Authorize the issuance of a blanket purchase order to P&R Paper Supply Company, Inc. for janitorial supplies, in substantially the same form as Attachment 5 to the report, in the amount of \$120,000;
- Make a determination that the bid received from Birite Food Service bid is non-responsive; and
- Authorize the City Manager to amend and renew the blanket purchase order for three additional one-year periods, subject to available budget and acceptable pricing and services.

Prepared by: Gregory S. Card, Purchasing Officer
Reviewed by: Timothy J. Kirby, Director of Finance
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Bid Summary - Part I
2. Bid Summary - Part II
3. Bid Summary - Part III
4. Bid Summary - Part IV
5. Draft Blanket Purchase Order for P&R Paper Supply Company, Inc.