

Date: January 23, 2019

To: Board of Directors

From: Doug Kelsey 

Subject: **RESOLUTION 19-01-05 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING CONTRACTS WITH ARAMARK UNIFORM AND CAREER APPAREL LLC AND UNIFIRST CORPORATION FOR MAINTENANCE UNIFORM RENTAL AND LAUNDRY SERVICES (3 LOTS)**

1. Purpose of Item

The purpose of this item is to request that the TriMet Board of Directors (“Board”) authorize the General Manager to execute contracts with Aramark Uniform and Career Apparel LLC (“Aramark”) and UniFirst Corporation (“UniFirst”) for Maintenance uniform rental and laundry services (3 Lots) (“Services”).

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other _____

3. Reason for Board Action

Board approval is required for goods and services contracts obligating TriMet to pay in excess of \$1,000,000.

4. Type of Action

- Resolution
- Ordinance 1st Reading
- Ordinance 2nd Reading
- Other _____

5. Background

TriMet requires weekly rental and laundry services to provide uniform garments, dust and dirt mats, shop rags and towels, dry mops, and fender blankets for maintenance employees at various TriMet facilities, under a uniform rental and laundry service contract. This arrangement allows for each employee at each location to have available to them the number of garments specified in TriMet’s Working and Wage Agreement, and provides cleaning and repair services for and replaces garments as they wear out. The contract also provides specialized clothing for specific job duties, such as flame resistant garments for high voltage exposure and high visibility garments for employees who work in or near TriMet’s right-of-way. The contract provides sizing services and make deliveries to the required locations on a weekly basis. The current contract for these services expires on March 14, 2019.

6. Procurement Process

On November 21, 2018, TriMet issued an Invitation To Bid (“ITB”) for the uniform rental and laundry services, with contracts to be awarded on a low-bid basis. The Services were to be provided at various TriMet facilities, divided into Lot #1, Lot #2 and Lot #3 to encourage bidding by smaller businesses. On December 12, 2018, TriMet received three bids; one from Aramark, one from UniFirst, and one from AlSCO Linen and Uniform Rental Services (“AlSCO”) for Services to be provided at the three Lots. The bids for all three Lots from all three vendors are reflected below, with the bids awarded shown in bold (AlSCO’s bids were not awarded):

Bid Results			
Maintenance Uniform Rental and Laundry Services			
	Aramark	UniFirst	AlSCO
Lot #1	\$454,272.00	\$1,214,435.00	\$530,595.00
Lot #2	\$902,757.00	\$1,190,135.00	\$1,001,406.00
Lot #3	\$1,041,950.00	\$730,184.50	\$893,412.00
Total Contract Value . . .	\$1,357,029.00	\$730,184.50	No Award

The total price of the two contracts of \$2,087,213.50 compares favorably to TriMet’s independent cost estimate (“ICE”) for this procurement of \$2,411,113.98 for a 5-year contract term. The ICE was based on TriMet’s current contract pricing (including escalation), plus pricing from a recent Request for Information (RFI) from the vendor community; where both sets of pricing were combined, then averaged.

The proposed contracts with each vendor will be for a 5-year term, with TriMet’s unilateral option to terminate for convenience if any of the three contracts need to be terminated, for any reason, during the 5-year term. Contract pricing is based on garment/item pricing, on a weekly basis for each Lot. No rate increases are allowed during the initial year of the contract; any rate increases during years 2-5 will be subject to TriMet approval, and will be capped at the yearly percentage change in the Consumer Price Index – All Urban Wage Earners and Clerical Workers (CPI-W), for the Portland-Salem area Western Region, Pacific Division – Class A.

The estimated contract amounts are:

Aramark

- 5-year contract total – \$1,357,029.00

UniFirst

- 5-year contract total – \$ 730,184.50

Total of All Contracts = \$2,087,213.50 (13.43% less than the ICE)

The final total contract amounts will be based on the agency’s actual usage, which will vary annually according to the frequency of uniform rental and laundry services provided at each location, each week.

7. **Diversity**

- Aramark is not certified. Its workforce is 46.77% minority and 38.02% female. The total employee count of its Portland facility is 263. Subcontractors will not be used to perform any of the work under the Scope of the Aramark Contract.
- UniFirst is not certified. Its workforce is 58.59% minority and 44.44% female. The total employee count of its Portland facility is 99. Subcontractors will not be used to perform any of the work under the Scope of the UniFirst Contract.

8. **Financial/Budget Impact**

Maintenance uniform rental and laundry services costs are budgeted as elements of various Maintenance departments' operating budgets. The contract dollar amounts are within budget.

9. **Impact if Not Approved**

Should the Board choose to not approve these contracts, it could direct Maintenance and/or Finance to provide these services utilizing TriMet staff. However, TriMet's current contract for uniform rental and laundry services will expire on March 14, 2019. TriMet could potentially purchase the required uniforms, shop mats, shop towels, etc., and arrange for separate laundry services. This would be a large capital expense, which would require on-going expenditures as the stock wears out, and would require sizing and delivery functions to be performed in-house. TriMet is not staffed or equipped to perform the functions associated with directly furnishing uniforms across TriMet's wide range of Maintenance facilities and positions; in addition to delivering and removing mats and towels at all TriMet location (not just Maintenance). In addition, Aramark and UniFirst have been determined to be highly qualified and their prices are fair and reasonable. Therefore, awarding contracts to these two vendors is the only option recommended.

RESOLUTION 19-01-05

**RESOLUTION OF THE TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING
CONTRACTS WITH ARAMARK UNIFORM AND CAREER APPAREL LLC
AND UNIFIRST CORPORATION FOR MAINTENANCE UNIFORM RENTAL
AND LAUNDRY SERVICES (3 LOTS)**

WHEREAS, TriMet has authority under ORS 267.200 to enter into contracts with Aramark Uniform and Career Apparel LLC (“Aramark”) and UniFirst Corporation (“UniFirst”) for Maintenance uniform rental and laundry services (3 Lots) (“Contract”); and

WHEREAS, the total amount of the Contract exceeds \$1,000,000; and

WHEREAS, the TriMet Board of Directors (Board), by Resolution dated October 25, 2017, adopted a Statement of Policies requiring the Board to approve goods and services contracts obligating TriMet to pay in excess of \$1,000,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Contracts shall be in conformance with applicable laws.
2. That the General Manager or his designee is authorized to execute the Contracts in amounts as follows:

Aramark Uniform and Career Apparel LLC	–	\$1,357,029.00 (Lots #1 & #2)
UniFirst Corporation	–	\$ 730,184.50 (Lot #3)

Dated: January 23, 2019

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department