



CITY OF LONG BEACH

FINANCIAL MANAGEMENT DEPARTMENT

R-19

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-6200

April 3, 2012

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution authorizing the City Manager to execute a contract with Fastenal Company, a Long Beach-based business (not an MBE, WBE or SBE), for the purchase of custodial paper products and janitorial cleaning supplies, under the Western States Contracting Alliance (WSCA) Master Service Agreement Contract No. 7-11-51-01, acting by and through the State of Nevada Contract No. 1862, in a total annual amount not to exceed \$720,000, inclusive of tax and fees, for a period of one year, with an option to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Fastenal Company (Fastenal), for the purchase of custodial paper products and janitorial cleaning supplies to support the ongoing custodial maintenance needs at various City facilities. The contract combines the estimated requirement for all facilities in order to secure pricing at the highest volume discount available.

Custodial paper products and janitorial cleaning supplies have previously been awarded as separate contracts. After thorough evaluation of the usage of the two contracts, it was determined that it would be in the City's best interest to combine the contracts into one. This will enable a heightened level of convenience in ordering custodial supplies, as well as allow the City to receive more competitive pricing due to the higher volume of purchases.

City Charter Section 1802 provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment and labor with other governmental agencies by purchasing under their contracts on a voluntary and selective basis, when authorized by a Resolution of the City Council. The Department of Financial Management, Purchasing Division, investigated procurement options with three vendors with cooperative purchase contract options. The selection process involved a thorough review of the contract terms, conditions, green options, pricing structures, and other pertinent factors. After careful consideration and review,

the Department of Financial Management, Purchasing Division, is recommending to use the Western States Contracting Alliance (WSCA) Master Service Agreement Contract No. 7-11-51-01, acting by and through the State of Nevada Contract No. 1862.

WSCA contracts are negotiated with the intent of achieving fair and reasonable pricing. It is the City's responsibility to determine that the offer is the best value at the lowest overall cost. The State of Nevada conducted a Request for Proposals (RFP) solicitation on behalf of WSCA for a multi-state contract for facilities maintenance, lighting products, industrial supplies and tools. Fastenal was awarded a contract for all of the categories outlined in the RFP, which is available for the City to utilize.

Fastenal will offer a wide variety of recycled paper supplies to user departments, as well as green and sustainable options for the janitorial cleaning supplies that are commonly purchased. This contract will further the Citywide effort to increase the procurement of green and sustainable products. Other key elements of the contract include online ordering and reporting capabilities, a local Fastenal representative assigned to the Long Beach account, a local store available for emergency orders, and a customized item list based on the City of Long Beach usage of products. Fastenal has agreed that the contract will reflect the goals set forth in the City's Sustainable City Action Plan, as well as the City's Environmentally Preferable Purchasing Policy, established in 2003. Fastenal will also be partnering with the Purchasing Division to reach out to all Departments and offer training and educational meetings, at no charge to the City, to ensure that the green and sustainable purchasing options are utilized to the fullest capacity.

This matter was reviewed by Deputy City Attorney Amy R. Webber on March 14, 2012 and Budget Management Officer Victoria Bell on March 15, 2012.

SUSTAINABILITY

In keeping with the City's Environmentally Preferable Purchasing Policy, Fastenal has been required to provide products that are environmentally friendly, organic, plant-based, and refillable or reusable when applicable. The selected WSCA contract provides the following benefits:

- **Environmental benefits** – Using products with high post-consumer content, post-consumer fibers are recovered from paper that was previously used by consumers and would otherwise have been dumped into a landfill or an incinerator.
- **Economic benefits** – To reduce the City's carbon footprint and wear on the City's infrastructure, a reduced delivery schedule that maintains service to the City without having to provide daily service coordinates multiple orders and reduces truck trips.

- **Quality benefits** – With the increase in use and availability of green products, many improvements have been made to their cleaning capabilities. The quality of many green products is comparable to competitor products.

TIMING CONSIDERATIONS

City Council action to adopt the attached Resolution and to approve this contract concurrently is requested on April 3, 2012, to ensure the availability of custodial paper products and janitorial cleaning supplies for all City departments.

FISCAL IMPACT

The cost of this contract, in an annual amount not to exceed \$720,000, is budgeted in various departments and funds. This award will provide continued support to our local economy by assisting in the preservation of six full-time employees residing in Long Beach with employment.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

JG:ES:RB
K:\Exec\COUNCIL LETTERS\PURCHASING\04-03-12 CCL - FASTENAL RESO - CUSTODIAL SUPPLIES.DOC

ATTACHMENT

APPROVED:



PATRICK H. WEST
CITY MANAGER

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO PURCHASE CUSTODIAL PAPER PRODUCTS AND JANITORIAL CLEANING SUPPLIES FROM FASTENAL COMPANY ON THE SAME TERMS AND CONDITIONS AS THE AGREEMENT UNDER THE WESTERN STATES CONTRACTING ALLIANCE (WSCA) MASTER SERVICE AGREEMENT ACTING BY AND THROUGH THE STATE OF NEVADA

WHEREAS, the Charter of the City of Long Beach (the "City"), Section 1802, permits the City to purchase services, supplies, materials, equipment and labor with other government agencies by purchasing under their contracts on a voluntary and selective basis when authorized by resolution; and

WHEREAS, the City desires to purchase custodial paper products and janitorial cleaning supplies; and

WHEREAS, Western States Contracting Alliance (WSCA) Master Service Agreement Contract No. 7-11-51-01, acting by and through the State of Nevada, has a contract with Fastenal Company, Contract No. 1892 (Nevada Contract); and

WHEREAS, City's participation in the Nevada Contract will facilitate acquisition of the custodial paper products and janitorial cleaning supplies as well as provide considerable cost benefits to the City; and

WHEREAS, if the City had to go to formal bid rather than participate in the Nevada Contract considerably more funds would be required;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as follows:

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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Section 1. The above recitals are true and correct and are incorporated herein by this reference.

Section 2. The City Manager is hereby authorized to enter into an agreement with Fastenal Company for the purchase of custodial paper products and janitorial cleaning supplies on the same terms and conditions as those under Western States Contracting Alliance (WSCA) Master Service Agreement Contract No. 7-11-51-01, acting by and through the State of Nevada, Contract No. 1892, in a total amount not to exceed \$720,000, including taxes and fees, for a period of one year, with the option to extend the contract for two one-year periods.

Section 3. This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify to the vote adopting this resolution.

I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 20__ by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk