



Legislation Text

File #: 2020-0141, **Version:** 1

DATE: May 19, 2020

SUBJECT:

RESOLUTION SELECTING AND AUTHORIZING PURCHASE ORDER WITH CINTAS CORPORATION FOR UNIFORM SERVICES FROM AUGUST 8, 2020 THROUGH AUGUST 7, 2025 FOR A FIRST-YEAR COST OF \$40,000 WITH A MAXIMUM EXPENDITURE OF \$200,000. THIS SERVICE HAS BEEN DEEMED AN OPERATIONAL NECESSITY. THE AGREEMENT ALLOWS FOR EARLY TERMINATION BY THE EXECUTIVE DIRECTOR WITH CAUSE OR WITHOUT CAUSE SUBJECT TO THE PAYMENT OF A FEE. FUNDS REQUIRED FOR THE FIRST YEAR WILL BE INCLUDED IN THE STAFF RECOMMENDED PRELIMINARY FISCAL YEAR 2021 BUDGET.

EXECUTIVE SUMMARY:

The San Diego Unified Port District (District) contracts for services through a purchase order to provide staff with uniform related services and supplies. This purchase order meets the requirement to provide District staff with daily uniform items and satisfies the uniform allowance requirements as outlined in the Memorandum of Understanding between the District and California Teamsters, Public, Professional, and Medical Employees Union Local 911.

Pursuant to Board of Port Commissioners (BPC) Policy No. 110, Procedure for the Administration of Contracts, Agreement, the Purchasing of Supplies, Materials, and Equipment, and Grants, Section III.D, this purchase order will be executed through a cooperative agreement with Prince William County Public Schools, Manassas, Virginia, a lead agency with OMINA Partners. The Executive Director of the District may terminate this agreement at any time with or without cause. Early termination without cause will result in a sliding scale termination charge from a high of \$38,000 to a low of \$8,000.

Staff recommends the Board select and authorize the purchase order with Cintas Corporation from August 8, 2020 through August 7, 2025 for a first-year cost of \$40,000 with a maximum expenditure of \$200,000.

RECOMMENDATION:

Adopt a Resolution authorizing a purchase order with Cintas Corporation from August 8, 2020 through August 7, 2025 for a first-year cost of \$40,000 with a maximum expenditure of \$200,000.

FISCAL IMPACT:

Funds for Fiscal Year 2021 will be budgeted and included in the requested General Services' Uniforms budget, subject to Board Approval. Staff estimates a cash requirement of approximately \$40,000 per year for terms one (1) through five (5) for a 5-year total cash requirement of \$200,000.

Funds required for future fiscal years will be budgeted in the appropriate year subject to Board approval upon adoption of each fiscal year's budget.

COMPASS STRATEGIC GOALS:

This agenda item supports the following Strategic Goal(s).

- A Port that is a safe place to visit, work and play.
- A Port with an innovative and motivated workforce.

DISCUSSION:

The District provides daily working uniform items for staff within the General Services and Procurement Departments. The uniform items include shirts, pants, coveralls, towels, and direct purchasing of hats and jackets.

This purchase order will establish a cooperative (COOP) contract with Cintas Corporation to provide for the rental and servicing of all working uniform items and other uniform related services and supplies. This purchase order meets the daily operational requirement to provide District staff with uniform items and satisfies the uniform allowance requirements as outlined in Article 25 of the Memorandum of Understanding between the District and California Teamsters, Public, Professional, and Medical Employees Union Local 911.

Board of Port Commissioners (BPC) Policy No. 110, Procedure for the Administration of Contracts, Agreement, the Purchasing of Supplies, Materials, and Equipment, and Grants, Section III.D, permits the District to participate in collaborative bids with other agencies and develop vendor agreements. The purchase order with Cintas Corporation is through a COOP with Prince William County Public Schools, Manassas, Virginia, a lead agency with OMINA Partners. The contract was competitively solicited, evaluated and awarded through a Request for Proposal on December 13, 2018 and is valid through October 31, 2023 with the option to renew for two (2) additional two year periods.

Uniform Services Term 1-5 expenditures are as follows:

Item	Term 1 FY21	Term 2 FY22	Term 3 FY23	Term 4 FY24	Term 5 FY25	Five (5) Year Total
Uniform Services (includes rental and serv of all working uniform ite and other uniform related services and supplies.)	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$200,000

The Executive Director of the District may terminate this agreement at any time with or without cause. Early termination without cause will incur a termination charge as specified in the agreement due to

service provider's upfront costs. The termination for convenience fee is prorated and decreases over the length of the contract ranging from approximately \$38,000 (50-weeks rental service) during the first year of the contract to approximately \$8000 after two-years (10-weeks rental service).

Staff is requesting Board approval of purchase order agreement with Cintas Corporation for uniform supplies and services from August 8, 2020 through August 7, 2025 for a first-year cost of \$40,000 with a maximum expenditure of \$200,000.

General Counsel's Comments:

The Office of the General Counsel has reviewed and approved this agenda and the proposed resolution, as presented, as to form and legality.

Environmental Review:

The proposed Board action, including without limitation, a resolution selecting and authorizing a purchase order with Cintas Corporation for uniform services, does not constitute a "project" under the definition set forth in California Environmental Quality Act (CEQA) Guidelines Section 15378 because it will not have a potential to result in a direct or indirect physical change in the environment and is, therefore, not subject to CEQA. No further action under CEQA is required.

The proposed Board action complies with sections 21, 35, and 81 of the Port Act, which allow the Board to pass resolutions, to do all acts necessary and convenient for the exercise of its powers, and to use District funds for expenses of conducting the District. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the proposed Board action is consistent with the Public Trust Doctrine.

The proposed Board action does not allow for "development," as defined in Section 30106 of the California Coastal Act, or "new development," pursuant to Section 1.a. of the District's Coastal Development Permit Regulations. Therefore, issuance of a Coastal Development Permit or exclusion is not required.

Equal Opportunity Program:

Not applicable.

PREPARED BY:

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Business Manager, General Services

Attachment(s):

Attachment A: District and Cintas Purchase Order Agreement
Attachment B: Prince William County Schools and Cintas Corporation Cooperative Agreement
Attachment C: Prince William County Schools Request for Proposal
Attachment D: Prince William County Schools and Cintas Corporation Cooperative Agreement

Modification #1

Attachment E: Prince William County Schools and Cintas Corporation Cooperative Agreement
Modification #2