

RESOLUTION NO. 2019-11

RATIFYING AN INCREASE AND EXTENSION TO CONTRACT NO. 2013-138 WITH UNIFIRST CORPORATION FOR THE RENTAL AND MAINTENANCE OF SHOP UNIFORMS, AS REQUIRED FOR AN ADDITIONAL SEVEN MONTHS IN AN AMOUNT NOT TO EXCEED \$122,500.00 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$1,207,490.00 (GENERAL FUND, VARIOUS DEPARTMENT BUDGETS)

WHEREAS, the Authority deemed it necessary to extend the existing contract that provides uniforms and laundry service to bargaining unit maintenance employees pursuant to the union contract and also provides uniforms to non-bargaining unit maintenance employees of the Authority; and

WHEREAS, the original contract was awarded under a competitive negotiated procurement to Arrow Uniform Rental LP, d/b/a Arrow Uniform and approved by Resolution No. 2013-101; and

WHEREAS, the contract was then assigned under an assumption agreement to Unifirst Corporation ("Unifirst") on October 6, 2016; and

WHEREAS, Change Order No. 1 was executed by the Interim CEO, General Manager/Secretary-Treasurer in October, 2018 in an amount not to exceed \$51,000.00, extending the contract through January 31, 2019; and

WHEREAS, the new vendor, Cintas Corporation, needs time to start up its operations to provide shop uniform services authorized by the Board of Trustees in Resolution No. 2018-106, adopted December 18, 2018; and

WHEREAS, Unifirst Corporation offered to continue to provide services under Change Order No. 2 for seven additional months in an amount not to exceed \$122,500.00 at the same rates, terms and conditions as those negotiated under the original agreement; and

WHEREAS, the Interim CEO, General Manager/Secretary-Treasurer deemed it necessary to extend the contract with Unifirst through August 30, 2019 and increase the contract by an amount not to exceed \$122,500.00; and

WHEREAS, the approval of this increase will exceed the Interim CEO, General Manager/Secretary-Treasurer's signing authority, requiring approval by the Board of Trustees; and

WHEREAS, the Interim CEO, General Manager/Secretary-Treasurer has executed Change Order No. 2 to extend the contract with Unifirst by seven months and increase the contract in an amount not to exceed \$122,500.00 after informing the Board of Trustees in accordance with Procurement Department procedures; and

WHEREAS, the Interim CEO, General Manager/Secretary-Treasurer deems this change order to be in the best interest of the Authority, price and other factors considered and recommends acceptance by the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

- 4.0 AFFIRMATIVE ACTION/DBE BACKGROUND: All Affirmative Action requirements have been met. A 0% DBE goal was established for this procurement due to the lack of certified DBE firms.
- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: The change order shall be payable from the General Fund, Various Department budgets in an amount not to exceed \$122,500.00, for a total contract amount not to exceed \$1,207,490.00.
- 7.0 ALTERNATIVES: Reject this ratification. Rejection of this ratification will impact the supply and maintenance of shop uniforms as is required under the union contract.
- 8.0 RECOMMENDATION: It is recommended that this increase be accepted and the resolution passed by the Board of Trustees ratifying the action of the Interim CEO, General Manager/Secretary-Treasurer in increasing and extending Contract No. 2013-138.
- 9.0 ATTACHMENTS: None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



---

Interim CEO, General Manager/Secretary-Treasurer

<p><b>TITLE/DESCRIPTION:</b>  <b>CONTRACT:</b> RATIFYING AN INCREASE AND EXTENSION TO CONTRACT 2013-138 FOR RENTAL &amp; MAINTENANCE OF SHOP UNIFORMS  <b>VENDOR:</b> UNIFIRST CORPORATION  <b>AMOUNT:</b> INCREASE IN AMOUNT NTE \$122,500.00 FOR TOTAL CONTRACT AMOUNT NTE \$1,207,490.00</p>	<p><b>Resolution No.:</b> 2019-11  <b>Date:</b> January 31, 2019  <b>Initiator:</b> Fleet Management</p>
<p><b>ACTION REQUEST:</b>  <input checked="" type="checkbox"/> Approval    <input type="checkbox"/> Review/Comment    <input type="checkbox"/> Information Only    <input type="checkbox"/> Other _____</p>	

- 1.0 **PURPOSE/SCOPE:** This action will ratify the Interim CEO, General Manager/Secretary-Treasurer's execution of Change Order No. 2 to Contract No. 2013-138 with Unifirst Corporation to extend the existing agreement by seven months.
  
- 2.0 **DESCRIPTION/JUSTIFICATION:** After a recent competitive negotiated procurement, award was made to a new vendor, Cintas Corporation ("Cintas") for the next five years, which includes two option years (Resolution No. 2018-106, adopted 12/18/2018). In order to allow for start-up time, an extension of the services provided by the current vendor, Unifirst Corporation ("Unifirst"), is necessary. Unifirst had taken over the contract from the Authority's original vendor, Arrow Uniform Rental LP d/b/a/ Arrow Uniform ("Arrow"). Unifirst coordinated a re-route that combined the Arrow and Unifirst accounts into one routing system. The Authority was not included in that re-route, as Unifirst expected that Cintas would assume shop uniform services effective February 1, 2019. Unifirst is willing to extend the agreement but has requested that the Authority extend the contract by seven months to allow it to recoup its return on investment for the cost of adding the Authority properties back into its service route structure.
  
- 3.0 **PROCUREMENT BACKGROUND:** On October 30, 2013 the Authority entered into a contract with Arrow in the amount of \$614,250.00 for the base three years and \$209,870.00 for each option year resulting in a total contract not to exceed \$1,033,990.00. On September 6, 2016 the Authority was advised that Arrow would be selling its uniform operations to Unifirst. On October 6, 2016, Contract No. 2013-138 was assigned to Unifirst under an Assumption Agreement where Unifirst agreed to assume the obligation to perform the Contract from and after the effective date of the assignment. Change Order No. 1 was issued on October 30, 2018 and was to extend the contract from October 30, 2018 to January 31, 2019. Change Order No. 1 increased the contract by an amount not to exceed \$51,000.00 for a total contract amount not to exceed \$1,084,990.00. The Change Order Committee reviewed and approved the request for extension and increase.

Because the current contract expires on January 31, 2019, the Interim CEO, General Manager/Secretary-Treasurer, in accordance with established Procurement procedures, notified the Board of Trustees of the need to take action immediately and advised them that he would request ratification of the action at their next Board of Trustees meeting. Change Order No. 2 was executed on January 29, 2019. This change order extends the contract on the same terms and pricing as in the existing agreement. The cost of extending the contract through August 30, 2019 will not exceed \$122,500.00, or approximately \$17,500.00 per month. This pricing is comparable to rates that the Authority will pay under the new contract. Cintas is willing to delay the start of the new contract until the end of August, so there will not be a significant budget impact.

A cost analysis has been performed and the Procurement Department has determined that the price is fair and reasonable to the Authority.

Section 1. That the offer of Unifirst Corporation ("Unifirst") to extend Contract No. 2013-138 by seven months is hereby accepted.

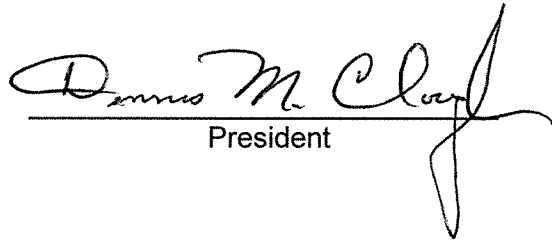
Section 2. That the Board of Trustees hereby ratifies the Interim CEO, General Manager/Secretary-Treasurer's execution of Change Order No. 2 with Unifirst to extend the contract for an additional seven months and increase the contract by an amount not to exceed \$122,500.00, for a total contract price not to exceed \$1,207,490.00.


Section 3. That said increase shall be payable from the General Fund, Various Department Budgets in an amount not to exceed \$122,500.00 for a total contract amount not to exceed \$1,207,490.00.

Section 4. That all other terms and conditions of the original contract as executed by and between the Authority and Arrow Uniform Rental, LLP prior to the assumption of the contract by Unifirst shall remain unchanged.

Section 5. That this ratification shall become effective immediately upon its adoption.

Adopted: February 5, 2019

  
\_\_\_\_\_  
President

Attest:   
\_\_\_\_\_  
Interim CEO, General Manager/Secretary-Treasurer