

LATE DISTRIBUTION FOR COUNCIL - MARCH 21, 2006

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CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: March 7, 2006
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VanRIMS No.: 03-1200-11
Meeting Date: March 21, 2006

TO: Vancouver City Council

FROM: General Manager of Corporate Services in Consultation with the Manager,
Materials Management

SUBJECT: Award of Contract for Request For Proposal PS05009 for the Supply of
Uniforms and Clothing.

RECOMMENDATION

- A. THAT, subject to the conditions set out in Recommendation B, R. Nicholls Distributors Inc., Genius Uniform & Garment, Evin Industries and Action Athletic Wear be retained at a maximum cost of \$1,317,240 to provide uniform and clothing items for various divisions of the City of Vancouver staff, for a four-year period. The funding is to be provided from the current operating budgets. The respective annual contract values are as follows: R. Nicholls Distributors, \$132,960; Genius Uniform & Garment, \$162,070; Evin Industries, \$33,120; Action Athletic Wear, \$ 1,160.
- B. THAT the Director of Legal Services be authorized to execute and deliver on behalf of the City all legal documents required to implement Recommendation A.
- C. THAT all such legal documents be on terms and conditions satisfactory to the City Manager and the Director of Legal Services.
- D. THAT no legal rights or obligations will be created or arise by Council's adoption of Recommendations A, B and C above unless and until such legal documents are executed and delivered by the Director of Legal Services.

CITY MANAGER'S COMMENTS

The City Manager recommends approval of A, B, C and D.

COUNCIL POLICY

Contracts with a value over \$300,000 are referred to Council for approval.

The policy of Council is to award contracts for the purchase of equipment, supplies and services that will give the highest value based on quality, service and price.

Policy AF-014-01 Ethical Purchasing Policy and Supplier Code of Conduct.

The goal of the Ethical Purchasing Policy (EPP) is to ensure that all suppliers to the City meet, at a minimum, the performance standards outlined in the Supplier Code of Conduct (SPP).

SUMMARY

Based on the recommendations of the clothing and uniform evaluation committee, we are able to contract for the supply of clothing and uniforms in accordance with the City's Ethical Purchasing Policy and Supplier Code of Conduct. This report identifies better value for the items and improved efficiencies in product handling and administration.

Although the Vancouver Park Board staff participated in this process and concurred with the evaluations, they will report out to their respective Board in accordance with their award recommendation process for their clothing and uniform requirements.

PURPOSE

The purpose of this report is to seek Council approval to award contracts to the recommended proponents for the supply of uniform and clothing items to the following Branches and departments; Animal Control, Bylaw Fines, Vancouver Fire & Rescue Services, Corporate Security, Parking Enforcement and Revenue Services in accordance with the departments budgets and union agreements for the term of the contract.

Collective agreements within each of these participating branches and departments govern the type of product, material, quantity and uniform items that are allowed for each staff member in each Branch and department. Standards and specifications are set and approved by the respective clothing committees for each of the participating branches and departments.

The care and maintenance of uniform clothing was not a requirement of this Request for Proposal (RFP) and any specialized cresting or logo work was also not a requirement of this RFP.

The term of the contract is for four (4) years from the date of the City's execution of a contract with the option to extend by mutual agreement for three (3) additional one (1) year periods for a total possible term of seven (7) years.

BACKGROUND

In November 2003, after conducting an internal review of the supply of uniform and clothing items purchased at the City of Vancouver, staff determined that better value would be realized for clothing and uniform requirements by consolidating requirements and standardizing on materials and specifications. The internal review identified the 2003 spend at an estimated \$1.3 million per year drawing products from more than 85 vendors who supplied the following City of Vancouver departments with clothing items;

- Engineering Services - Parking Enforcement
- Vancouver Fire & Rescue Services
- Vancouver Police Board
- Civic Theatres
- Board of Parks and Recreation
- Corporate Services Group - Financial Services - Revenue Services Bylaw Fines
- Community Services Group - Licenses & Inspections - Animal Control
- Corporate Services - Campus Security

Recommendations were made to each department to participate in a Uniform and Clothing RFP with the objective being a reduction in cost and improved efficiencies in ordering and standardization of items.

In early 2004, Council made recommendation to strike a task force to draft an Ethical Purchasing and Sustainability policy. Further work on the clothing and uniform review was suspended, pending the outcome of the task force policy recommendations.

DISCUSSION

ETHICAL PURCHASING POLICY and SUPPLIER CODE OF CONDUCT

The EPP ensures that purchasing activities are aligned with the City's Mission Statement and values. In February 2005 this policy was approved by Council which includes clothing and uniform requirements. An inherent component of this policy is supplier compliance with a Supplier Code of Conduct. The SCC sets the minimum performance standards for the City's EPP with the goal of ensuring safe and healthy workplaces for the people who make products for the City.

On June 2, 2005 the City issued a Request for Proposal (RFP #PS05009) for the supply of uniform and clothing items. In addition to notifying incumbent suppliers to the City, the RFP was advertised in the Vancouver Sun and on the City's and BC Purchasing Commission's websites. A total of (9) responses were received.

Representation from each division's uniform and clothing committees participated in the RFP and assigned to the evaluation committee. The requirements of the Vancouver Police Department and Civic Theatres were not included in the RFP as their specifications were not complete at the time.

Clothing items included in the Request for Proposal ranged from casual to full dress uniforms. Items included various styles of hats, shirts, pants, shorts, casual wear and jackets, in accordance with bargaining unit requirements for the various positions. Outerwear garments included reflective markings and must comply with all WCB Occupational Health and Safety standards.

The RFP outlined the following objectives be met by the successful Proponent(s);

- compliant with the City's Ethical Procurement Policy;
- compliant with the City's Supplier Code of Conduct;
- supply quality products and service at best value;
- on time deliveries;
- reduction of inventory investment;
- a strong co-operative, relationship with the City staff;
- environmentally safe fabrics and dyes used on clothing items;
- quality initiatives that support continuous improvement and waste management practices;
- sample sizing sets available for staff as required;
- ability to respond to custom sizing;
- efficient ordering and invoicing systems;
- willingness to work with City staff to improve garment design and provide innovative solutions.

In addition, proposals were evaluated on the basis of the overall best value to the City based on quality, service, price and other criteria set out herein including, but not limited to:

- financial offer including prices, operating and maintenance costs, warranty, and any life cycle considerations;
- business and technical reputation and capabilities;
- related experience;
- financial stability;
- references of current and former customers;
- quality and compliance of submission;
- methodology for addressing range of functional requirements and range of sizes available;
- site visits to assess operational environment, working conditions, and safety practices

It's important to note that this RFP covered a variety of clothing items and that no single proponent was able to supply all the items listed. Through this process the clothing and uniform evaluation committee was able to short list down to (4) suppliers to supply 100% of the items covered by the RFP.

FINANCIAL IMPLICATIONS

The funding for an annual estimated expenditure of \$329,310 is available within departmental operating budgets. The proposals provide pricing that will not increase costs of the City based on estimated requirements. Suppliers will comply with the Ethical Purchasing Policy and Supplier Code of Conduct within the bid prices. This is achieved through a number of factors including better volume pricing due to consolidation of requirements; standardization of clothing items; and increased competition in the market place.

ENVIRONMENTAL IMPLICATIONS

The suppliers have committed to using environmentally safe products and practices wherever possible to ensure environmental sustainability and the safety of personnel in the materials used and the manufacturing processes.

SOCIAL IMPLICATIONS

All suppliers have committed to meeting the expectations of the Ethical Purchasing Policy and Supplier Code of Conduct which includes working conditions, health and safety issues, and based on internationally recognized standards, including disclosure of factory locations on the City web site.

IMPLEMENTATION PLAN

Contracts will be executed and monitored in compliance with the Ethical Purchasing Policy and Supplier Code of Conduct, as well as the supplier's performance. All current commitments will be honoured and the new contractual terms and conditions will come into effect when any current contracts expire or upon mutual agreement by the City and the incumbent supplier.

CONCLUSION

The due diligence performed by the evaluation committee has led to a better value for clothing and uniforms. The respective contracts will also ensure compliance with international standards by the contractors and their subcontractors in accordance with the Ethical Purchasing Policy and Supplier Code of Conduct.

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