

EXECUTIVE SUMMARY

Recommendation for Renewal and Additional Spending Authority 17-163B – Cafeteria Cleaning Chemicals

Introduction

Responsible: Procurement & Warehousing Services (PWS)

This request is to approve the first renewal and additional spending authority for Invitation to Bid (ITB) 17-163B – Cafeteria Cleaning Chemicals for the first of two (2) allowable one (1) year renewal periods through June 30, 2021, and request additional spending authority of \$252,000.

This ITB was originally approved at the Operational School Board Meeting of June 13, 2017, with a spending authority of \$550,000 and a contract term of three (3) years from June 14, 2017 through June 30, 2020, with a renewal option of two (2) additional one (1) year periods. A \$163,000 spending authority increase was approved at the July 23, 2019 Regular School Board Meeting.

Goods/Services Description

Responsible: PWS and Central Warehouse

This contract allows Food & Nutrition Services (FNS) to procure cleaning products that are necessary to keep the District's cafeterias safe and clean. Kitchen cleaning products help to prevent food cross-contamination, foodborne illnesses, and workplace accidents. The Health Department requires the sanitizing solution on this ITB for use in pot and pan cleaning. These essential items are pre-approved by Risk Management and are delivered to the District's Central Warehouse. FNS Managers place orders for these cleaning products on an as-needed basis.

Procurement Method

Responsible: PWS

This contract was competitively solicited and awarded in accordance with Purchasing Policy 3320, Part II, Rule D, and Florida Administrative Code 6A-1.012(7).

The solicitation for this ITB was advertised to the public through Demandstar from March 9, 2017 through April 5, 2017, where forty-one (41) vendors downloaded the ITB documentation. Procurement & Warehousing Services received nine (9) responses, and the ITB was awarded to the lowest responsive and responsible bidders who met the bid's terms and conditions. Two (2) MWBE-certified companies were awarded on this contract: Glocecol, LLC, and Sandra L. Campbell.

Financial Impact

Responsible: PWS

The total spending authority estimated for the renewal period is \$252,000, as demonstrated in the breakdown below:

| | |
|--|------------------|
| Historical average monthly expenditure | \$ 20,115 |
| Number of months requested | x 12 |
| Estimated forecasted spend for twelve (12) months | \$241,380 |
| Number of months left in the current term | 3 |
| Spending authority to cover current term | \$ 60,345 |
| (-) Unused spending authority | \$ 49,191 |
| Total | \$252,534 |
| Total (rounded) | \$252,000 |

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Financial Impact Table

| Action | Date | Term (years) | Amount |
|---|-----------|--------------|-------------------|
| Original spending authority request | 6/13/2017 | 3 | \$ 550,000 |
| Additional spending authority request | 7/23/2019 | 0 | \$ 163,000 |
| 1st Renewal + additional spending authority | 4/21/2020 | 1 | \$ 252,000 |
| New Total Contract Value | | 4 | \$ 965,000 |

Upon approval of this item, the total approved spending authority for this contract will be \$965,000. Funding for this Bid will come from FNS’s operating budget. The financial impact amount represents an estimated contract value; however, the amount authorized will not exceed the estimated contract award amount.

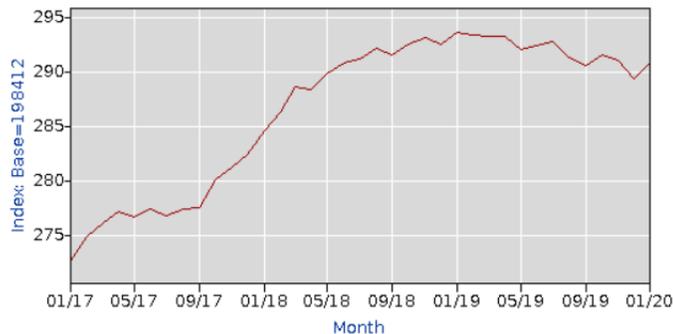
This recommendation is in the best interests of the District. Staff indicated that vendor performance is satisfactory and recommend the renewal and continuation of services.

All the other primary awarded vendors agreed to renew their contracts at the prices bid initially. One (1) of the awarded vendors accepted renewal with a three (3) percent price increase on their awarded items in accordance with the bid’s terms and conditions; price and usage analyses indicate that the projected increased spending on these items is \$5,624 and that the recommended spend authority for this renewal is sufficient to cover this increase. However, should the contract need a later recommendation for an increase in value, it will be presented for School Board consideration in a timely manner.

Data collected from the United States Department of Labor indicate that the Product Price Index (PPI) for the commodity of Chemical Manufacturing increased five-point twenty-two (5.22) percent from 2017 to 2019, as shown below; this is higher than the three (3) percent increase for the renewal.

PPI Industry Data

Series Id: PCU325---325---
 Series Title: PPI industry sub-sector data for Chemical mfg, not seasonally adjusted
 Industry: Chemical mfg
 Product: Chemical mfg
 Base Date: 198412



| PPI Industry Data for Chemical Manufacturing | | | |
|--|-------|------------------|------------|
| Year | Index | Index Difference | Percentage |
| 2017 | 277.6 | | |
| 2019 | 292.1 | +14.5 | 5.22% |