



Metro

Los Angeles County
Metropolitan Transportation Authority

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**SYSTEM SAFETY AND OPERATIONS COMMITTEE
NOVEMBER 17, 2011**

SUBJECT: NON-INVENTORY PAPER SUPPLIES

ACTION: AWARD CONTRACT TO SPICER'S PAPER, INC AND UNISOURCE

RECOMMENDATION

Authorize the Chief Executive Officer to award a five-year firm fixed unit rate contract under IFB No. PS127140608, with Spicer's Paper, Inc and Unisource, as the lowest priced responsive and responsible bidders for non-inventory paper supplies, for an amount not to exceed \$3,000,000 inclusive of sales tax, inclusive of four one-year options.

ISSUE

Metro's in-house printing department requires non-standard paper supplies in addition to the standard-size papers maintained in inventory by the Procurement and Material Management Department. The amount of non-inventory paper is substantial enough to gain favorable pricing by entering into multi-year contracts with suppliers.

DISCUSSION

Metro's in-house printing department has requirements for non-standard paper for which an appropriate paper stock must be obtained. The requirements include, but are not limited to

- Timetables for buses and trains
- Business forms and letterhead
- Brochures, posters and other public communications materials

In order to obtain an on-going supply without having to warehouse the product, Metro's needs are best served by entering into multi-year contracts with suppliers that can provide reasonable pricing and immediate availability. Multi-year contracts with paper suppliers have proven to be a satisfactory arrangement.

FINANCIAL IMPACT

Funding for these materials in the amount of \$518,000 is included in the FY12 budget in Cost Center 7140, Customer Communications, Line 50442, Printing Equipment and Supplies, under Project Number 306005. No other source of funds were considered because the Enterprise fund is the highest consumer of these products.

Impact to Budget

The source of funds for this procurement is from Enterprise Funds and includes local, state and federal funding sources. The funds are eligible to be used for bus and rail operations or bus and rail capital projects.

NEXT STEPS

Procurement will execute the subject contracts with the selected paper suppliers by December 31, 2011.

ATTACHMENT

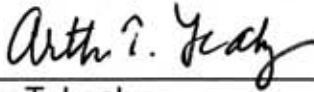
A. Procurement Summary



Matt Raymond
Chief Communications Officer



Michelle Lopes Caldwell
Chief Administrative Services Officer



Arthur T. Leahy
Chief Executive Officer

PROCUREMENT SUMMARY

NON-INVENTORY PAPER SUPPLIES

1.	Contract Number: PS127140608A and PS127140608B	
2.	Recommended Vendors: Spicer's Paper, Inc. and Unisource	
3.	Type of Procurement (check one): <input checked="" type="checkbox"/> IFB <input type="checkbox"/> RFP <input type="checkbox"/> RFP – A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
3.	Procurement Dates:	
	A. Issued: September 12, 2011	
	B. Advertised/Publicized: September 13, 2011	
	C. Pre-proposal/Pre-Bid Conference: N/A	
	D. Proposals/Bids Due: October 11, 2011	
	E. Pre-Qualification Completed: N/A	
	F. Conflict of Interest Form Submitted to Ethics: October 19, 2011	
	G. Protest Period End Date: November 3, 2011	
4.	Solicitations Picked up/Downloaded: 16	Bids/Proposals Received: 2
5.	Contract Administrator: Linda Wasley	Telephone Number: (213) 922-4186
6.	Project Manager: Robert Hartert	Telephone Number: (213) 922-4353

A. Procurement Background

This procurement utilized a sealed bid process with a list of items with average quantities. The solicitation was issued on September 12, 2011, and advertised on September 13, 2011. Two bids were received by the bid due date. A third bid was rejected because it was delivered after the deadline. The Project Manager will order supplies from the vendor with the lowest bid price for that specific paper product. In the event that the vendor cannot deliver the item requested, the project manager will order from the other vendor under contract.

B. Evaluation of Proposals/Bids

This solicitation was a standard Invitation for Bids, in compliance with our Procurement policies and procedures. Two bids were received and opened on October 11, 2011. Pricing evaluation was based on the total value of each separate line item for the various paper commodities. Each line item will be awarded to the lowest bidder for that line item. If the lowest bidder cannot deliver at the time of the order, the order will then be offered to the other contractor at their price bid.

Qualifications of the Firms

1. Spicer's Paper, Inc

Spicer's Paper, Inc. is a division of Paperlinx North America, a national company with offices in Santa Fe Springs, California. Spicer's Paper, Inc. has been in business for over forty years and has had contracts with LAUSD and the City and County of Los Angeles.

2. Unisource

Unisource is one of the largest, privately held paper supplies companies in the world. Started in 1968, their corporate headquarters is in Norcross, Georgia with local offices in Los Angeles. Unisource provided satisfactory services under the previous contract PS64601464.

C. Cost/Price Analysis Explanation of Variances

The recommended pricing has been determined to be fair and reasonable based upon adequate competition and historical use of non-inventory paper supplies.

Please see Exhibit I, attached, for bid pricing.

D. Background on Recommended Contractor

Both Unisource and Spicer's Paper, Inc. are recommended for award of contract. Each firm provided the lowest price on some line items. Having multiple contracts insures that Metro's print shop will have the required non-inventory paper supplies as needed. Please see Qualifications of the Firms above.

E. Small Business Participation

The Diversity and Economic Opportunity Department recommended a 5% Disadvantaged Business Enterprise Anticipated Levels of Participation (DALP) for this procurement. The recommended awardees, Spicer's Paper and Unisource, did not make a DBE commitment. Upon follow-up with the vendors, both firms indicated they would be providing all required products and services, including delivery using their own resources. The DALP is not a condition of award or a responsiveness issue.

EXHIBIT I

Bids Out: 09/12/11		Total 9							
Bids Opened: 10/11/11		Total 2				Spicers Paper		Unisource	
Advertisement Date(s): 09/13/11									
Newspaper: L A Daily News, LA Watts Times and La Opinion									
Item No.	Weight	Color	Size	Finish	Qty	Unit Price	Total Price	Unit Price	Total Price
1	80#	White	19 x 25	Soproset Opaque Smooth	100,000	No bid	\$0.00	\$49.67	\$4,967.00
2	110#	Canary	23 X 35	Index	15,000	\$181.50	\$2,722.50	\$219.30	\$3,289.50
3	110#	Blue	23 X 35	Index	10,000	\$181.50	\$1,815.00	\$219.30	\$2,193.00
4	110#	Green	23 X 35	Index	10,000	\$181.50	\$1,815.00	\$219.30	\$2,193.00
5	110#	Cherry	23 X 35	Index	20,000	\$181.50	\$3,630.00	\$219.30	\$4,386.00
6	10 pt	White	20 x 26	Carolina or Tango coated 2 sides	150,000	\$124.25	\$18,637.50	\$163.20	\$24,480.00
7	15 pt	White	25 X 38	Carolina or Tango Cover C2S	40,000	\$303.80	\$12,152.00	\$397.00	\$15,880.00
8	50#	White	11 X 17	Offset	125,000	\$14.17	\$1,771.25	\$15.62	\$1,952.50
9	100#	MANILA	22 1/2 X 28 1/2	Tag	30,000	\$123.61	\$3,708.30	\$141.80	\$4,254.00
10	110#	White	22 1/2 X 35	Index	30,000	\$175.49	\$5,264.70	\$202.80	\$6,084.00
11	50#	White	17 x 28	White Offset Vellum (No Smooth!)	800,000	\$31.72	\$25,376.00	\$32.31	\$25,848.00
12	50#	Canary	25 x 38	Offset Opaque	25,000	\$70.51	\$1,762.75	\$95.20	\$2,380.00
13	50#	White	17 1/2 X 40	Offset Vellum Rolls (No Smooth!)	200	\$342.78	\$68,556.00	\$344.57	\$68,913.00
14	10#	MANILA	17 1/2 X 40	Tag Rolls	10	\$555.34	\$5,553.40	\$506.81	\$5,068.05
15	15#	2 Part	8 1/2 X 11	2 pt Reverse NCR	125,000	\$12.87	\$1,608.75	\$13.73	\$1,716.25
16	15#	3 Part	8 1/2 X 11	3 pt Reverse NCR	300,000	\$14.50	\$4,350.00	\$15.45	\$4,635.00
17	15#	4 Part	8 1/2 X 11	4 pt Reverse NCR	200,000	\$15.49	\$3,098.00	\$16.50	\$3,300.00
18	15#	5 Part	8 1/2 X 11	5 pt Reverse NCR	75,000	\$15.93	\$1,194.75	\$16.96	\$1,272.00
19	70#	-	26 X 38	Chipboard	3,000	\$5.7	\$1,710.00	\$1.268	\$3,804.00
21	24#	White	#10	Regular Envelopes	150,000	\$14.66	\$2,199.00	\$15.23	\$2,284.50
22	24#	White	9 x 12	Booklet Envelopes	40,000	\$48.57	\$1,942.80	\$50.97	\$2,038.80
23	24#	White	10 x 13	Catalog Envelopes	25,000	\$60.40	\$1,510.00	\$64.26	\$1,606.50
24	60#	White	8 1/2 x 11	Crack and Peel Permanent	1,000	\$234.40	\$234.40	No bid	\$0.00
25	100#	White	19 x 25	Sterling Ultra Dull text	350,000	No bid	\$0.00	\$64.51	\$22,578.50
26	100#	White	28 x 20	Sterling Ultra Dull text	175,000	No bid	\$0.00	No bid	\$0.00
27	100#	White	20 x 28	Sterling Ultra Dull text	250,000	No bid	\$0.00	No bid	\$0.00
28	100#	White	20 x 29	Sterling Ultra Dull text	150,000	No bid	\$0.00	No bid	\$0.00
29	100#	White	25 x 38	Sterling Ultra Dull Cover	5,000	No bid	\$0.00	\$249.76	\$1,248.80
30	24#	White	#14	Window envelope	25,000	\$39.80	\$995.00	\$53.50	\$1,337.50
31	15#	2 Part	11 x 17	2 pt Reverse NCR	40,000	\$25.52	\$1,020.80	\$27.18	\$1,087.20
32	15#	3 Part	11 x 17	3 pt Reverse NCR	200,000	\$28.77	\$5,754.00	\$30.62	\$6,124.00
33	15#	4 Part	11 x 17	4 pt Reverse NCR	125,000	\$30.76	\$3,845.00	\$32.74	\$4,092.50
34	24#	Brilliant White	35 x 23	Mohawk Smooth Writing	10,000	No bid	\$0.00	\$172.08	\$1,720.80
35	24#	Kraft	#10	Kraft Envelope	10,000	\$24.06	\$240.60	\$21.60	\$216.00
36	24#	White	9 x 12	Catalog Envelopes	50,000	\$47.45	\$2,372.50	\$52.20	\$2,610.00
37	15#	3 part	8 1/2 x 14	3 pt Reverse NCR	25,000	\$18.42	\$460.50	\$19.62	\$490.50
38	15#	4 part	8 1/2 x 14	4 pt Reverse NCR	25,000	\$19.70	\$492.50	\$20.97	\$524.25
39	24#	White	#10	Window envelope	150,000	\$16.98	\$2,547.00	\$17.83	\$2,674.50
40	12 pt.	White	20 x 26	Carolina or Tango Coated 2 sides	75,000	\$127.44	\$9,558.00	\$175.60	\$13,170.00
41	18 pt.	White	25 x 38	Carolina or Tango coated 1 side	50,000	\$286.88	\$14,344.00	\$337.80	\$16,890.00
42	24#	White	10 x 13	Booklet Envelopes	20,000	\$76.60	\$1,532.00	\$64.55	\$1,291.00
43	60#	Blue	17 1/2 x 40	Blue Uncoated Offset	10	\$470.59	\$4,705.90	\$515.15	\$5,151.50
44	70#	White	20 x 29	Finch Offset Opaque	80,000	No bid	\$0.00	\$84.22	\$6,737.60
Sub Total							\$216,940.90		\$280,489.75
Sales Tax 8.75%							\$18,982.33		\$24,542.85
TOTAL							\$235,923.23		\$305,032.60