

Business Operations
Ofelia San Pedro, Deputy Superintendent

SUBJECT: REQUEST APPROVAL OF SUPPLEMENTAL AWARD ON TERM CONTRACTS

COMMITTEE: BUSINESS AND FINANCIAL SERVICES

The purpose of this request is to obtain prior approval of the supplemental awards on the following term contracts, inasmuch as the estimated requirements, previously awarded by the Board, will be exceeded before the contracts terms expire.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, **APPROVE** the supplemental awards on the following term contracts, inasmuch as the estimated requirements, previously awarded by the Board, will be exceeded before the contracts terms expire.

(1)

Contract No. 048-BB01 – CHAIRS, CLASSROOM, to purchase, at firm unit prices, quantities, as may be required, of stacking chairs and task chairs, for Stores and Mail Distribution stock and various locations, during the term of the contract, effective August 22, 2003, through February 28, 2005. This supplemental amount is required, inasmuch as the original amount awarded by the Board did not include the requirements of the Superintendent's 15,000 student station project. The supplemental amount requested on this contract will provide 24,870 18" stacking chairs at \$13.44, 905 teachers chairs at \$54.45, and additional stock requirement through the expiration of this bid.

Fund Source
Various

M/WBE Eligibility
Female

1. DESIGNERS SERVICE BUREAU, INC.
15951 S.W. 41 STREET, SUITE 200
FORT LAUDERDALE, FL 33331
OWNER: JOAN STARK, PRESIDENT

(WF)

2. VIRCO, INC.
 HIGHWAY 65 SOUTH
 CONWAY, AR 72032
 OWNER: ROBERT A. VIRTUE, CHAIRMAN/C.E.O.

ORIGINAL AWARD AMOUNT	\$445,949.03
PREVIOUS SUPPLEMENTAL	0
THIS SUPPLEMENTAL	\$448,000

(2)

Contract No. 109-CC01 – FILE CABINETS, to purchase, at firm unit prices, quantities, as may be required, of file cabinets, for Stores and Mail Distribution stock, during the term of the contract, effective August 20, 2004, through August 19, 2005. This supplemental amount is required because the original amount awarded by the Board did not include the requirements of the Superintendent's 15,000 student station project. The supplemental amount requested on this contract will provide 659 2-drawer file cabinets at \$152.30, 248 4-drawer file cabinets at \$205.80 and 905 5-drawer storage cabinets at \$192.20 and future stock requirements through the expiration of the bid.

Fund Source
 Various

M/WBE Eligibility
 None

1. ERNIE MORRIS ENTERPRISES, INC.
 232 NORTH MAIN STREET
 BUSHNELL, FL 33513
 OWNER: RONALD E. MORRIS, PRESIDENT
2. GRAINGER INDUSTRIAL SUPPLY
 2255 N.W. 89 PLACE
 MIAMI, FL 33172
 OWNER: RICHARD KEYSER, PRESIDENT/C.E.O.

ORIGINAL AWARD AMOUNT	\$118,208.38
PREVIOUS SUPPLEMENTAL	0
THIS SUPPLEMENTAL	\$363,818.02

(3)

Contract No. 010-CC03 – JOBBER SERVICES: DRY, FROZEN AND REFRIGERATED FOOD ITEMS, to purchase, at a single, firm fixed percentage markup, quantities, as may be required, of delivery of dry, frozen and refrigerated food items, for the Department of Food and Nutrition, during the term of the contract, effective January 15, 2003, through February 3, 2006. This supplemental award is requested due to many factors.

First, there has been an increase in food usage, due to the success of the Board's no-charge breakfast program, which was fully implemented in August 2004. Due to this program, district-wide breakfast service has increased an average of 10,000 meals per day. The District is currently serving 78,000 breakfasts per day compared to 68,000 per day during the 2003-04 school year.

Secondly, the jobber also handles new food items, which are added by the Department of Food and Nutrition, based upon student preference, survey of acceptability, and item profitability.

And finally, due to fluctuating market conditions for food, awarded vendors may request a price adjustment based on verifiable changes in the market.

All of these factors have contributed to the increase in funding required for the jobber bid, to cover total costs of food delivered to schools and associated jobber fees, which are 11.9% of the food costs.

<u>Fund Source</u>	<u>M/WBE Eligibility</u>
0410 Food Service	None

1. SCHOOL FOOD SERVICE SYSTEMS
12701 N.W. 38 AVENUE
OPA-LOCKA, FL 33054
OWNER: STEPHEN M. GREENE, PRESIDENT

ORIGINAL AWARD AMOUNT	\$6,345,552.75
PREVIOUS SUPPLEMENTAL	0
THIS SUPPLEMENTAL	\$1,666,000

(4)

Contract No. 030-CC07 – GASOLINE – NORTH OF FLAGLER STREET (TRANSPORT DELIVERY), to purchase, at firm service charges, with escalation/de-escalation fuel prices based on the Oil Price Information Service (OPIS) average fuel prices, quantities, as may be required, of gasoline, north of Flagler Street, for various departments, during the term of the bid, effective January 12, 2004, through January 11, 2005.

This supplemental award is requested due to steady fuel-price increases. The cost of unleaded gasoline increased from \$1.31 per gallon in January 2004 to \$1.64 in September 2004. Continued fuel-price increases are expected.

Last contract usage averaged \$27,789.78 per month, while this year averaged \$34,999.75 per month. The supplemental requested is based on the average monthly expenditure, times the twelve (12) month contract period, minus the original award amount, plus a 10% contingency.

Fund Source

0100 - General

M/WBE Eligibility

None

1. TRUMAN ARNOLD COMPANIES
2386 CLOWER STREET, B200
SNELLVILLE, GA 30078
OWNER: TRUMAN ARNOLD, C.E.O.

ORIGINAL AWARD AMOUNT	\$333,477.45
PREVIOUS SUPPLEMENTAL	0
THIS SUPPLEMENTAL	\$95,171.50

(5)

Contract No. 031-CC07 – GASOLINE – SOUTH OF FLAGLER STREET (TRANSPORT DELIVERY), to purchase, at firm service charges, with escalation/de-escalation fuel prices based on the Oil Price Information Service (OPIS) average fuel price, quantities, as may be required, of gasoline, south of Flagler Street, for various departments, during the term of the bid, effective January 12, 2004, through January 11, 2005.

This supplemental award is requested due to steady fuel-price increases. The cost of unleaded gasoline increased from \$1.31 per gallon in January 2004 to \$1.64 in September 2004.

In addition, no responses were received to the bid solicitation for on-site refueling of vehicles south of Flagler street, consequently, a contract could not be in effect by October 1, 2004. Therefore, all of Maintenance Operations vehicles stationed at Coral Reef and Redland facilities have been utilizing the Department of Transportation fuel islands.

This additional usage will result in an expected increase of an additional \$12,000 for the remainder of the bid. Last contract usage averaged \$25,346.31 per month, while this year averaged \$29,553.47 per month. The supplemental requested is based on the average monthly expenditure, times the twelve (12) month contract period, plus 10% contingency, plus \$12,000 minus original award amount.

<u>Fund Source</u>	<u>M/WBE Eligibility</u>
0100 - General	None

1. TRUMAN ARNOLD COMPANIES
2386 CLOWER STREET, B200
SNELLVILLE, GA 30078
OWNER: TRUMAN ARNOLD, C.E.O.

ORIGINAL AWARD AMOUNT	\$304,155.79
PREVIOUS SUPPLEMENTAL	0
THIS SUPPLEMENTAL	\$67,534.43

OSP/lja