



**AGENDA REPORT**

**PROPOSED ACTION: Resolution:** Approve and Authorize the Executive Director to Execute an Amendment to the Agreement with J.C. Nelson Supply Co. for Additional Supplies and Expenditures Incurred for Contract Year 2/16/2023 through 2/15/2024 in an Amount Not to Exceed \$100,000 and Enter into a New Agreement with Cole Supply Co. LLC dba Brady IFS for Future Supplies in an Amount Not to Exceed \$350,000 **(AVIATION)**.

**Submitted By:** Craig Simon, Interim Director of Aviation; Danny Wan, Executive Director

**Parties Involved:**

Nelson’s Building Maintenance Inc. dba  
J.C. Nelson Supply Co.  
Fairfield, CA  
Cole Supply Co LLC dba Brady IFS  
Fairfield, CA

**Amount:** \$450,000 (operating expense)

**EXECUTIVE SUMMARY:** The Port of Oakland (Port) uses annual purchase orders (POs) to procure paper towels for Oakland International Airport (OAK or Airport) restroom facilities. The prior PO with J.C. Nelson Supply Co. (J.C. Nelson) was issued for \$250,000 under Executive Director authority. With rising passenger volumes and the rising cost of paper towels, additional purchases were made exceeding the PO authorization by approximately \$100,000. Over \$250,000 in expenditures on a PO requires the Board of Port Commissioners (Board) authorization. In addition, given the current and anticipated passenger levels and paper towel supplies usage and costs at OAK, Port Staff are also requesting approval for up to \$350,000 for a new competitively bid PO with Cole Supply Co. LLC dba Brady IFS (Cole) to support the purchase of disposable supplies in the coming year.

**BACKGROUND & ANALYSIS**

OAK’s passenger volumes have fluctuated over the last several years and are currently on their way to post-pandemic recovery. In 2020-2021, Port Staff reduced paper purchases to meet the lower demands of the traveling public. As volumes have increased since 2022, we have also observed sharp increase in cost of paper products. Through a formal competitive bidding process, the contract with JC Nelson became effective on February 15, 2023 with a maximum of \$250,000 for the Tork Peakserve Hand Towels; the specific paper towels that are used in the restrooms’ standardized paper towel holders and determined to be the most efficient and effective for a consistent product across all restrooms at OAK. Historically that amount had been more than sufficient to purchase products for the entire year. However, this past year additional costs were incurred to meet the increased passenger volumes and because of the unusually large cost

increases in paper towels purchased under this PO. Port Staff is therefore requesting an additional up to \$100,000 in a supplement to this PO to cover additional costs.

In anticipation of the current need, Port Staff issued a new formal bid on February 21, 2024, to solicit competitive bids from qualified suppliers to provide Tork Peakserve Hand Towels. Bids were due on March 14, 2024. Staff disseminated the Bids in several ways including:

- Port website listing and distribution to local Chambers of Commerce
- Bid advertised in the Oakland Tribune
- Directly emailed to known suppliers
- The Port Social Responsibility Division outreach

The bid ranking is as follows:

Ranking	Bidder Name	Location	Evaluated Bid Price (400 cases*)
1	Cole Supply Co LLC dba Brady IFS	Fairfield, CA	\$17,909.01
2	JC Nelson	Fairfield, CA	\$17,992.80
3	Cogent Solutions + Supplies	Richmond, CA	\$18,239.76
4	Kelly Spicers	Fremont, CA	\$18,297.09
5	Veritiv Corporation	Livermore, CA	\$18,588.15
6	HD Supply Facilities	San Jose, CA	\$19,302.57
7	Waxie Sanitary Supply	Livermore, CA	\$20,237.49
8	Fastenal Company	Oakland, CA	\$20,815.20
9	Technology International Inc	Lake Mary, FL	\$28,885.50
10	DopeOnly LLC	Oakland, CA	\$31,703.49
11	Center Hardware and Supply	San Francisco, CA	\$35,721.00

\* The Port estimates monthly it will purchase approximately 400 cases/cartons of Hand Towels or as needed but does not guarantee any specific quantities

**Cole Supply Co LLC dba Brady IFS** is the lowest responsive, responsible bidder. Given the prior years' experience, Port Staff is seeking authorization for \$350,000 for this PO which requires Board authorization.

**OTHER FINDINGS AND PROVISIONS**

**ENVIRONMENTAL REVIEW**

The proposed action was analyzed under the California Environmental Quality Act (CEQA) and was found to be:

- Categorically exempt under the following CEQA Guidelines Section:  
Choose an item.
- Not a "Project" under CEQA, as defined in Public Resources Code § 21065.
- Other/Notes:

**BUDGET**

- Administrative (No Impact to Operating, Non-Operating, or Capital Budgets); OR
  - Operating
  - Non-Operating
  - Capital

Analysis: Terminal Services is requesting the increase to the existing CPA PO by \$62,000 to cover for the paper towels ordered prior to the contract ended, bringing our account current and an additional fund of \$50,000 for other unforeseen circumstances for a total of \$112,000.

**STAFFING**

- No Anticipated Staffing Impact.
- Anticipated Change to Budgeted Headcount.  
Reason:
- Other Anticipated Staffing Impact (e.g., Temp Help).  
Reason:

**MARITIME AND AVIATION PROJECT LABOR AGREEMENT (MAPLA):**

Applies? No (Other) - see explanation below.

- Additional Notes:

**LIVING WAGE** (City Charter § 728):

Applies?

No (Not Covered Entity) – proposed action involves entity not covered by Living Wage requirements because it is not a covered service provider or tenant, does not employ at least 21 employees, or receive from or pay to Port at least \$50,000.

- Additional Notes:

<p><b><u>SUSTAINABLE OPPORTUNITIES:</u></b></p> <p><u>Applies?</u> Choose an item.</p> <p><u>Reason:</u></p>	<p><b><u>GENERAL PLAN</u></b> (City Charter § 727):</p> <p><u>Conformity Determination:</u></p> <p>Choose an item.</p>								
<p><b><u>STRATEGIC PLAN.</u></b> The proposed action would help the Port achieve the following goal(s) and objective(s) in the Port's Strategic Business Plan:</p> <table border="0"> <tr> <td><input type="checkbox"/> Grow Net Revenues</td> <td><input type="checkbox"/> Modernize and Maintain Infrastructure</td> </tr> <tr> <td><input checked="" type="checkbox"/> Improve Customer Service</td> <td><input type="checkbox"/> Pursue Employee Excellence</td> </tr> <tr> <td><input type="checkbox"/> Strengthen Safety and Security</td> <td><input checked="" type="checkbox"/> Serve Our Community</td> </tr> <tr> <td><input checked="" type="checkbox"/> Care for Our Environment</td> <td></td> </tr> </table>		<input type="checkbox"/> Grow Net Revenues	<input type="checkbox"/> Modernize and Maintain Infrastructure	<input checked="" type="checkbox"/> Improve Customer Service	<input type="checkbox"/> Pursue Employee Excellence	<input type="checkbox"/> Strengthen Safety and Security	<input checked="" type="checkbox"/> Serve Our Community	<input checked="" type="checkbox"/> Care for Our Environment	
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