



**BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS**

Award Contract Grant

Requested Board Meeting Date: 4/17/18

* = Mandatory, information must be provided

or Procurement Director Award

***Contractor/Vendor Name/Grantor (DBA):**

Keefe Group dba Keefe Commissary Network, LLC

***Project Title/Description:**

Commissary Outsourcing Services

***Purpose:**

Amendment of Award: Master Agreement No. MA-PO-13-403. This revision extends the termination date through 7/31/18 to provide sufficient time to conduct a solicitation process and award a new contract.

Administering Department: Sheriff

***Procurement Method:**

Pursuant to Pima County Procurement Code 11.12.020 Competitive Sealed Proposals, on 3/5/13, the Board of Supervisors approved an award of contract for a term of five (5) years in the award amount of \$5,000,000.00; which included sales for commissary items sold to inmates in the estimated annual amount of \$1,000,000.00 and estimated commission in the annual amount of \$420,000.00.

This contract is currently generating a yearly average revenue amount of \$1,602,000.00 for direct sales, web sales and vending sales. The yearly average amount for expenses is \$575,000.00 (including non-commission items). The Commissary Profit report as provided by the Sheriff's Department is attached.

PRCUID: 59232R

Attachments: Keefe Commissary Profits Comparison Report and Master Agreement.

***Program Goals/Predicted Outcomes:**

To provide an efficient commissary service to inmates for the purchase of low-cost items and the generation of revenue to be used by the PCSD for various inmate programs.

***Public Benefit:**

Inmates are able to purchase food, toiletries and other items at no cost to tax-payers.

***Metrics Available to Measure Performance:**

Various reports that measure and keep track of inmate usage and revenue.

***Retroactive:**

No.

Contract / Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____

Effective Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____

Expense Amount: \$* _____ Revenue Amount: \$ _____

***Funding Source(s) required:**

Funding from General Fund? Yes No If Yes \$ _____ % _____

Contract is fully or partially funded with Federal Funds? Yes No

***Is the Contract to a vendor or subrecipient?**

Were insurance or indemnity clauses modified? Yes No

If Yes, attach Risk's approval

Vendor is using a Social Security Number? Yes No

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment / Revised Award Information

Document Type: MA Department Code: PO Contract Number (i.e., 15-123): 13-403

Amendment No.: _____ AMS Version No.: 12

Effective Date: 5/1/18 New Termination Date: 7/31/18

Prior Contract No. (Synergen/CMS): _____

Expense or Revenue Increase Decrease Amount This Amendment: \$ 0.00

Is there revenue included? Yes No If Yes \$ 400,500.00

***Funding Source(s) required:** Inmate Trust Account

Funding from General Fund? Yes No If Yes \$ _____ % _____

Grant/Amendment Information (for grants acceptance and awards) Award Amendment

Document Type: _____ Department Code: _____ Grant Number (i.e., 15-123): _____

Effective Date: _____ Termination Date: _____ Amendment Number: _____

Match Amount: \$ _____ Revenue Amount: \$ _____

***All Funding Source(s) required:**

*Match funding from General Fund? Yes No If Yes \$ _____ % _____

*Match funding from other sources? Yes No If Yes \$ _____ % _____

*Funding Source: _____

***If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?**

Contact: Jennifer Moore, Procurement Officer Division Manager *[Signature]*

Department: Procurement *May 22 3/21/18* Telephone: 520-724-8164

Department Director Signature/Date: _____

Deputy County Administrator Signature/Date: _____

County Administrator Signature/Date: *C. P. [Signature] 4/3/18*

(Required for Board Agenda/Addendum Items)

**PIMA COUNTY SHERIFF'S DEPT.
KEEFE COMMISSARY PROFITS COMPARISON
FY 13/14 - FY 17/18**

	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18 (through Per. 7)	Projected total for FY17/18	Total Actual	Total With Projected
Revenue:								
Direct Sales (100% of Sales, received from Inmates)	\$ 1,067,342.30	\$ 1,065,960.11	\$ 1,225,975.99	\$ 1,276,265.85	\$ 723,666.60	\$ 1,240,571.31	\$ 5,359,210.85	\$ 5,876,115.56
Expenditures:								
Cost of Goods (53% of Sales paid to Keefe)	\$ 579,330.76	\$ 496,974.56	\$ 559,380.22	\$ 591,116.28	\$ 339,413.18	\$ 581,851.17	\$ 2,566,215.00	\$ 2,808,652.99
Gross Profit:	\$ 488,011.54	\$ 568,985.55	\$ 666,595.77	\$ 685,149.57	\$ 384,253.42	\$ 658,720.15	\$ 2,792,995.85	\$ 3,067,462.58
Additional Revenue:								
Web Sales (47% commission received from Keefe)	\$ 441,883.68	\$ 373,566.02	\$ 349,967.16	\$ 418,499.75	\$ 227,940.63	\$ 390,755.37	\$ 1,811,857.24	\$ 1,974,671.98
Vending Sales (47% commission received from Keefe)	\$ 46,538.46	\$ 52,831.20	\$ 32,530.58	\$ 17,600.56	\$ 5,894.27	\$ 10,104.46	\$ 155,395.07	\$ 159,605.26
Total Additional Revenue:	\$ 488,422.14	\$ 426,397.22	\$ 382,497.74	\$ 436,100.31	\$ 233,834.90	\$ 400,859.83	\$ 1,967,252.31	\$ 2,134,277.24
NET INCOME	\$ 976,433.68	\$ 995,382.77	\$ 1,049,093.51	\$ 1,121,249.88	\$ 618,088.32	\$ 1,059,579.98	\$ 4,760,248.16	\$ 5,201,739.82

Note:
The expense amount in the Total Actual column excludes May & June expenses for 2013 & non-commission items.



MASTER AGREEMENT

PIMA COUNTY, ARIZONA

**THIS IS NOT AN ORDER - TRANSMISSION CONSTITUTES
CONTRACT EXECUTION**

Master Agreement No: 1300000000000000403

MA Version: 12

Page: 1 of 2

Description: Commissary Outsourcing Services

I S S U E R	<p>Pima County Procurement Department 130 W. Congress St. 3rd Fl. Tucson AZ 85701</p> <p>Issued By: JENNIFER MOORE Phone: 5207248164 Email: jennifer.moore@pima.gov</p>
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T E R M S	<p>Initiation Date: 03-05-2013 Expiration Date: 07-31-2018</p> <table border="1" style="margin: 10px auto; width: 80%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">NTE Amount:</td> <td style="padding: 2px; text-align: right;">\$5,000,000.00</td> </tr> <tr> <td style="padding: 2px;">Used Amount:</td> <td style="padding: 2px; text-align: right;">\$2,913,396.07</td> </tr> </table>	NTE Amount:	\$5,000,000.00	Used Amount:	\$2,913,396.07
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V E N D O R	<table style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>Keefe Group</p> <p>DBA: Keefe Commissary Network</p> <p>13369 Valley Blvd Fontana CA 92335</p> </td> <td style="width: 50%; vertical-align: top;"> <p>Contact: Angelo Leber Phone: 800-411-0454 Email: aleber@keefegroup.com Terms: 0.00 % Days: 30</p> </td> </tr> </table>	<p>Keefe Group</p> <p>DBA: Keefe Commissary Network</p> <p>13369 Valley Blvd Fontana CA 92335</p>	<p>Contact: Angelo Leber Phone: 800-411-0454 Email: aleber@keefegroup.com Terms: 0.00 % Days: 30</p>
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Shipping Method:	Vendor Method
Delivery Type:	
FOB:	FOB Dest, Freight Prepaid
<p>Modification Reason This revision extends the termination date to 7/31/18.</p>	

This Master Agreement incorporates the attached documents, and by reference all instructions, Standard Terms and Conditions, Special Terms and Conditions, and requirements that are included in or referenced by the solicitation documents used to establish this agreement. All transactions and conduct are required to conform to these documents.



PIMA COUNTY

MASTER AGREEMENT DETAILS

Master Agreement No: 1300000000000000403

MA Version: 12

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Line Description

1	USE LINE TWO FOR ORDERS					
	Service Contract Amt (Not-To-Exceed)		Service From	Service To		
	0.00					
2	DISCOUNT or FREE FORM LINE					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %		\$0.00			