

# DEDO ORDINANCE/RESOLUTION REQUEST

Date of Request: 6/29/20

Please mark one:  Bill Request or  Resolution Request

**1. Type of Request:**

- Contract/Grant Agreement  Intergovernmental Agreement (IGA)  Rezoning/Text Amendment  
 Dedication/Vacation  Appropriation/Supplemental  DRMC Change  
 Other:

**2. Title:** Approves a contract between Denver Economic Development & Opportunity (DEDO) and OraLabs, Inc. to utilize \$1,490,000 in federal coronavirus relief funds to launch and administer Denver’s new personal protective equipment (PPE) program to support the ongoing recovery and survival of city’s smallest and most vulnerable businesses and nonprofits by helping ensure the safety of their employees, volunteers, and customers.

**3. Requesting Agency: Denver Economic Development & Opportunity (DEDO)**

**4. Contact Person:**

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: <b>Jazmin Harper</b>	Name: <b>Susan Liehe</b> 720-480-3481 (m)
Email: jazmin.harper@denvergov.org	Email: <a href="mailto:susan.liehe@denvergov.org">susan.liehe@denvergov.org</a>

**5. General a text description or background of the proposed request, if not included as an executive summary.**

See Executive Summary

**6. City Attorney assigned to this request (if applicable):** Brian Martin

**7. City Council District:** Citywide

## Key Contract Terms

**Type of Contract: (e.g. Professional Services > \$600K; IGA/Grant Agreement, Sale or Lease of Real Property):**  
Professional Services

**Vendor/Contractor Name:** OraLabs, Inc.

**Contract control number:** OEDEV-202055081-00

**Location:** 18685 E Plaza Dr., Parker, CO 80134

**Is this a new contract?** Yes  No  **Is this an Amendment?** Yes  No  **If yes, how many?**

**Contract Term/Duration (for amended contracts, include existing term dates and amended dates):**  
7/20/20 through 12/31/20

**Contract Amount (indicate existing amount, amended amount and new contract total):**

<b>Current Contract Amount (A)</b>	<b>Additional Funds (B)</b>	<b>Total Contract Amount (A+B)</b>
\$1,490,000		\$1,490,000

  

<b>Current Contract Term</b>	<b>Added Time</b>	<b>New Ending Date</b>
8/1/2020 - 12/31/2020		

**Scope of work:** *See Executive Summary for program elements.*

**Was this contractor selected by competitive process? If not, why not?**

This is not a typical city procurement or city project. A largely volunteer effort, the city's Economic Relief & Recovery Council (ERRC), has been the impetus for this idea. In the interest of time and efficiency, the volunteers placed great emphasis was placed on finding existing operations and providers to partner with, thus preventing the need to "re-invent the wheel." This contract has been developed by DEDO on an abbreviated timeline due to the unanticipated receipt of federal coronavirus relief funds, the urgency of continuing to need PPE supplies, and the economic effects of the ongoing public health crisis which continues to devastate the operations of local businesses and nonprofits.

OraLabs was selected for two primary reasons: one, they are based in Colorado and can source products within the state or region; and, through their existing partnership with EngergizeColorado on the statewide COVID-related project, we can take advantage of OraLabs' infrastructure set up to provide turn-key procurement, packaging, and shipping services to allow the city to provide PPE in a streamlined and convenient way for the businesses and nonprofits.

**Has this contractor provided these services to the City before?** Yes  No

**Source of funds:** Federal coronavirus relief funds. The city's allocation of \$1.5M to this project includes \$10,000 for public-facing educational materials regarding this opportunity and the proper and effective use of PPE. The remaining \$1,490,000 (the OraLabs contract) are estimated to include:

Acquisition of PPE: \$1,200,625.83

Handling Fee/Shipping: \$289,374.17  
Contract Total: **\$1,490,000**

Is this contract subject to:  W/MBE  DBE  SBE  XO101  ACDBE  N/A

WBE/MBE/DBE commitments (construction, design, DEN concession contracts): N/A

Who are the subcontractors to this contract? N/A

## EXECUTIVE SUMMARY

The devastating economic effects of the COVID-19 pandemic, with the subsequent stay-at-home orders and restrictions, has hit our smallest businesses and nonprofits especially hard. Job losses and revenue loss continue to plague our local small business and nonprofit sectors even though organizations of all sizes are re-opening and trying to normalize operations with a reduced customer base. Larger firms with reserve funds and access to credit are faring somewhat better, although the future of many small businesses and nonprofits in Denver remains very much in doubt.

Unanticipated expenses to support operations--such as providing employees, volunteers, and/or customers with the necessary face coverings, hand sanitizer, and other supplies--continue to mount as customer traffic and revenues remain challenged. This program cannot save these small organizations outright, but hopes to support their still-tenuous operations, and assist them as they struggle to regain competitiveness or deliver services at a time when every dollar counts.

Special consideration is being given to ensure that the limited supplies in this program will go to the organizations most in need. With strong grassroots partners, we are promoting the opportunity in English, Spanish, and Vietnamese so that registrants will be encouraged from underserved, lower-income neighborhoods with a concentration of small businesses and nonprofits. The registration process will be intentionally simple, simply confirming that the entity is located in Denver, was in operation prior to March 1, 2020, and affirms to have fewer than 25 employees.

This program is not designed or intended to serve individuals or families, or entities operating in the health care industry, both of which have been served through other resources.

DEDO will be managing the online registration process to be hosted on denvergov.org and will provide OraLabs with a weekly list of registrants. OraLabs will procure PPE items and ship directly to individual businesses and nonprofits. Excluding the gloves and non-contact thermometers, all products are being sourced regionally and will be assembled and shipped from Acme Distribution in Aurora. A carefully designed, standardized kit for each registrant will save substantial costs on variable inventory planning and fulfillment.

Each registrant will be eligible to receive a free PPE Kit which contains the following items, valued at approximately \$355 per kit including the supplies themselves, the kit assembly, packaging, and shipping:

- 4 @ 64 oz. Hand Sanitizer
- 40 @ 1oz. Hand Sanitizers
- 1 gal. of Surface Disinfectant
- 100 Medium Gloves
- 100 Large Gloves
- 100 Surgical Masks
- 1 Non-contact thermometer
- 10 Face Shields

We expect to provide more than 4,000 kits, boxed and shipped.

We are working with Denver Public Health & Environment (DDPHE) to identify existing videos from credible sources like the World Health Organization, the Center for Disease Control, and Denver Health that can be used to educate the registrants about how to properly use PPE. Videos will focus on how to properly wear masks and gloves, monitor airflow, and disinfect a surface. Additionally, the city will include printed materials regarding PPE/public safety measure both digitally and within each box, for the proprietors to share with their staff.