



Legislation Text

File #: CC-19-755, **Version:** 1

For City Council Meeting [August 13, 2019]

TO: Honorable Mayor and City Council

APPROVAL: Rod Foster City Administrator

FROM: Sean Grayson, Acting Public Works Director

Request City Council to Approve a Second Amendment to the Contract Services Agreement with ABM Industry Groups, LLC, for Janitorial Services for Fiscal Year 2019/2020 in the amount of \$433,549.

(ACTION)

BACKGROUND:

The Public Works Department coordinates facility maintenance functions throughout the City, including janitorial services to all facilities. In November 2015, City Council entered into an interim Agreement with ABM Industry Groups, LLC (ABM) after terminating a Contract with the previous vendor for poor performance.

On May 12, 2016, Public Works released Request for Proposals (RFP) #16-115 for Janitorial Services. The RFP qualifications section resulted in vendor uncertainty, which resulted with the Purchasing Department recommending canceling the RFP in order to revise the contactor eligibility criteria. At that time, staff began preparation of a new RFP for Janitorial Services.

On July 12, 2016, the Council approved an extension to the contract with ABM with an additional contract amount of \$91,200 to provide continuity in janitorial services through September 30, 2016, allowing sufficient time for staff to review the requirements contained in the Request for Proposal and to prepare for the re-release of the RFP for janitorial services.

On September 27, 2016, City Council amended the agreement with ABM extending the contract on a month-to-month basis until February 28, 2017 to ensure that there would be no gap in janitorial services for City facilities.

On February 28, 2017, the City Council awarded a Contract Services Agreement (CSA) to ABM Industry Groups, a Limited Liability Corporation for \$546,900 for Janitorial Services. A copy of the CSA is included as **Attachment 1**. Pursuant to Section 3.4 of the CSA, the initial term was for sixteen (16) months commencing on March 1, 2017, through June 30, 2018, with four optional one year extensions.

On August 28, 2018, the City Council approved the First Amendment for services provided in the 2018/2019 fiscal year for \$450,000.

ANALYSIS/DISCUSSION:

Staff are satisfied with the contractor's performance and recommends that the City Council approve a Second Amendment to the CSA with ABM, to exercise the second of the City's optional three (3), one (1) year extensions for Janitorial Services for Fiscal Year 2019/2020.

The Contract is subject to an adjustment based upon the United States Bureau of Labor Statistics Consumer Price Index "All Urban Consumers for Los Angeles, Riverside and Orange County, CA (CPI)" for the most recent twelve (12) months for which statistics are available. The most current statistics establish the CPI adjustment at 2.9%. ABM requests this price increase.

Staff has prepared the Second Amendment to the CSA with ABM, Inc. to accomplish the following:

- Exercise the second annual extension of the CSA, extending the term through June 30, 2020
- Adjust the contract price with a 2.9% increase for CPI.

A copy of the proposed Second Amendment to the CSA with ABM is included as **Attachment 2**. A copy of the Disclosure form with ABM Industry Groups, LLC is included as **Attachment 3**.

ENVIRONMENTAL IMPACT:

Approval of the Second Amendment to the Contract Services Agreement is not a "Project" as defined by the California Environmental Quality Act (CEQA). Pursuant to Section 15378(a), a "Project" means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. According to Section 15378(b), a Project does not include: (5) Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

GENERAL PLAN CONSISTENCY:

This action is consistent with Guiding Principle 3A in the General Plan:

Our City government will lead by example, and will operate in an open, transparent, and responsive manner that meets the needs of the citizens and is a good place to do business.

LEGAL REVIEW:

The City Attorney has reviewed and approved the staff report and Second Amendment to the Contract Services Agreement.

FINANCIAL IMPACT:

Operational Budget Impact

Funds are budgeted and available in the Facility Maintenance Account No. 770-500-7302-2011 in the amount of \$433,549 for Janitorial Services for Fiscal Year 2019/2020. Contract costs include \$378,549 for contract services, \$20,000 for emergency or unforeseen additional work and \$35,000 for janitorial supplies. A copy of the revised and updated cost sheet is included with the Second Amendment.

Capital Improvement Budget Impact

There is no impact to the Capital Improvement Budget.

Business Licensing

A Business License application and payment of a Business License tax at the Professional Service rate in the amount of \$504 will be paid by the vendor prior to execution of the Second Amendment to the Contract Services Agreement.

RECOMMENDATIONS:

Staff recommends that the City Council Approve the Second Amendment to the Contract Services Agreement with ABM Industry Groups, LLC, for Janitorial Services for Fiscal Year 2019/2020 in the amount of \$433,549.