



City of Rialto

Legislation Text

File #: 21-0308, **Version:** 1

For City Council Meeting [July 13, 2021]

TO: Honorable Mayor and City Council

APPROVAL: Marcus Fuller, City Manager

FROM: Michael Tahan, Interim Public Works Director

Request City Council to Award a Services Agreement to ABM Industry Groups, LLC in the Amount of \$526,035 for Janitorial Services in Fiscal Year 2021/2022.

(ACTION)

BACKGROUND:

The Public Works Department coordinates facility maintenance functions throughout the City, including janitorial services to all facilities.

In September 2020 the City increased their business hours to a five (5) day work week requiring the scope of the janitorial services to be expanded to a five (5) day work week instead of a four (4) day work as required for the previous janitorial contract. In addition, the following two (2) new facilities have been added to the scope of work: the newly completed Fire Station 205 located at 1485 S. Willow Avenue, and the City of Rialto Resource Center located at 141 S. Riverside Avenue.

ANALYSIS/DISCUSSION:

On May 13, 2021, the City released Request for Proposals (RFP) No. 21-047 requesting proposals from qualified firms to provide the City with Janitorial Services. A copy of the RFP and its addenda are included as **Attachment 1**.

The scope of work generally includes janitorial services for various City facilities. Specifically, the Janitorial Firm will be required to provide the following services:

- (a) The Janitorial Firm shall provide janitorial services at the highest industry standards by integrating innovative and progressive techniques and to follow the objectives as set forth in these specifications.
- (b) The Janitorial Firm shall furnish all labor, vehicles, equipment, supplies, materials, tools, services, and special skills required to perform the janitorial services as set forth in this specification and in keeping with the highest standards of quality and performance.
- (c) Janitorial services shall include, but not be limited to, cleaning of specified City facilities with all required janitorial services to be provided as more thoroughly described in the specifications.

On June 1, 2021 the City received a total of 7 proposals in response to the RFP from following firms (in alphabetical order):

1. ABM Industry Groups, LLC
2. Commercial Building Management, Inc.
3. Guaranteed Janitorial Services, Inc.
4. Interstate Corporation
5. Santa Fe Building Maintenance
6. Ultimate Maintenance Services Inc.
7. United Building Maintenance Enterprise Inc.

An Evaluation Panel was assembled to review the submitted proposals and consisted of the following representatives:

- Amy Crow, Public Works
- Cory Cisneros, Fire Department
- Julio Salcedo, Community Services
- Corporal Johnathan Palmer, Police Department
- Michael Tahan, Public Works

The Evaluation Panel reviewed each proposal according to the criteria listed in the RFP, including approach and understanding of the work requested, firm and staff qualifications, and cost. The Evaluation Panel completed their review of the proposals which were subsequently ranked.

Based on the submitted proposals and demonstrated experience, the Evaluation Panel consensus that ABM was the most qualified firm to provide janitorial services to the City.

Staff reviewed and negotiated the scope of services and cost proposal provided by ABM and found them to be appropriate for the task requested. A copy of the proposal submitted by ABM is included as **Attachment 2**. The signed Disclosure Statement is included as **Attachment 3**. The proposed Services Agreement with ABM is a multi-year agreement limited to the first year at the bid price of \$526,035 annually.

The City may elect to exercise an extension to extend the Services Agreement for an additional four (4), one (1) year terms, for a maximum term of five (5) years. If the services provided by ABM are acceptable and meet the City's standards, the City may elect at its sole discretion to extend the term of the Services Agreement by one (1) year annually, up to and through June 30, 2026.

The City Manager requests authority to negotiate the pricing of each annual extension, subject to the limitations identified in the RFP and incorporated into Section 2.1 of the Services Agreement described as follows:

In the second or subsequent years of this Agreement, if extended pursuant to Section 3.4, the Contract Sum may increase pursuant to the Parties negotiating pricing for such period prior to commencement of the additional one (1) year period. The negotiated price increase during the additional one (1) year period shall not exceed the percentage change in 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 months for which statistics are available. This method of

price negotiation shall apply to each extension period exercised, if any.

Therefore, in approving the Services Agreement the maximum contract sum will be the first year pricing of \$526,035 plus four years at \$526,035 escalated by the CPI annual adjustment. Assuming a CPI of 3% annually, the contract sum (by way of example) in the fifth year would be \$592,057 for a total 5-year contract sum of \$2,792,791.

The negotiated scope of services includes a monthly cost of \$5,655 for Enhanced Cleaning Services due to COVID19 which may not be required in the future.

The final cost proposal for services is included as **Attachment 4**. A copy of the proposed Services Agreement is included as **Attachment 5**.

ENVIRONMENTAL IMPACT:

The proposed action 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 supports the staff report and the Contract Services Agreement.

FINANCIAL IMPACT:

Operating Budget Impact:

Budget is available in the amount of \$575,000 in Building Maintenance Fund Account No. 770-500-7302-2011 for the Janitorial Services Agreement for Fiscal Year 2021/2022. Each fiscal year's operating budget will include the required appropriations to continue the required janitorial services at the various City facilities.

Capital Improvement Budget Impact:

There is no impact to the Capital Improvement budget with this request.

Licensing

Prior to the execution of the Contract Services Agreement, the vendor shall submit a business license application and pay a Business License tax at the rate of \$579, as well as Administration and State fees.

RECOMMENDATIONS:

Staff recommends that the City Council:

- Approve the Services Agreement with ABM Industry Groups, LLC for janitorial services for Fiscal Year 2021/2022, as a multi-year agreement, consisting of an initial one-year term in the amount of \$526,035 subject to four (4) one-year extensions.
- Authorize the issuance of a Purchase Order to ABM Industry Groups, LLC in the amount of \$526,035 for janitorial services for Fiscal Year 2021/2022.
- Authorize the City Manager to exercise each of the four one-year extensions of the Services Agreement with ABM Industry Groups, LLC for janitorial services pursuant to Section 3.4 of the Agreement.
- Subject to the City Manager's approval of one-year extensions of the Services Agreement, delegate authority to the City Manager to issue Purchase Orders to ABM Industry Groups, LLC for janitorial services for the Fiscal Years 2022/2023, 2023/2024, 2024/2025 and 2025/2026 to correspond to the janitorial services expenditure budget adopted by the City Council in the Building Maintenance Fund Account No. 770-500-7302-2011 in the corresponding fiscal year.
- Authorize the City Manager to sign, execute and process documents as required and needed related to this agreement.