

# Agenda Report

October 28, 2013

**TO:** Honorable Mayor and City Council

**FROM:** Department of Public Works

**SUBJECT: REJECTION OF BID FOR CITYWIDE HOUSEKEEPING SERVICES**

**RECOMMENDATION:**

It is recommended that the City Council:

1. Reject all bids received on August 20, 2013 in response to specifications for housekeeping services; and
2. Authorize the City Manager to extend contract number 19,804-3 with Topflite Building Services, Inc. on a month-to-month basis for a maximum of six months at a not-to-exceed total amount of \$865,997.

**BACKGROUND:**

The current housekeeping contract (No. 19,804-3) held by Topflite Building Services, Inc. expires on November 30, 2013. Departments that typically utilize this contract include but are not limited to Public Library, Water & Power, Police, Public Health, Public Works (City Hall, City Yards, parks, park restrooms, and community centers), and Transportation.

The original contract, approved by City Council on November 17, 2008 was for a two-year term with a not-to-exceed annual cost of \$1,663,121 per year. The contract included the option of three, one-year extensions, which were exercised by the City. The compensation amount for contract years three through five were adjusted on an annual basis by the change in the Consumer Price Index, for the Los Angeles-Riverside-Orange County area. The current contract cost is a not-to-exceed annual amount of \$1,731,994.

The Department of Public Works prepared a Notice Inviting Bids which was published in the *Pasadena Journal* and posted on the City's website on August 1, 2013. On August 20, 2013, four responsive bids were received by the City Clerk's office.

| <u>Bidder</u>                                   | <u>Amount (\$)</u> |
|---|--------------------|
| 1. Topflite Building Services, Inc.             | 1,340,767.28       |
| 2. American Building Maintenance (ABM)          | 1,379,532.23       |
| 3. US Metro Group, Global Facilities & Services | 1,695,753.97       |
| 4. Lee's Maintenance Services, Inc.             | 1,790,215.73       |

Since the City only received four bids even though there were 17 interested parties who attended the mandatory Pre-Bid Conference held on August 6, 2013, the Department recommends that all bids received be rejected. This will allow the City to tighten components of the specifications that may have dissuaded interested parties from bidding and broaden outreach efforts to potentially attract a larger number of bidders.

One modification to the new RFP is to resolve the estimated hours requested for non-specific tasks at facilities and park restrooms. This reduction will allow bidders to better understand the actual level of effort required for the contract and ascertain their capability to perform the required services, while allowing the City to realize a contract cost savings. As City departments have implemented operational efficiencies, the need for non-specific tasks has diminished and will be reflected in the revised bid specifications.

Extension of the existing contract on a month-to-month basis will provide the City with sufficient time to revise the bid specifications and complete the formal bid process. Under the proposed contract extension, Topflite Building Services, Inc. will continue to provide janitorial services on a month-to-month basis without interruption using the same rates as set out in contract extension #19,804-3.

The tentative schedule for the new bid process estimates bid award in the first quarter of calendar year 2014.

**COUNCIL POLICY CONSIDERATION:**

This project is consistent with the City Council's goal to improve, maintain and enhance public facilities and infrastructure. It also supports the Public Facilities Element of the General Plan by maintaining public facilities to enhance the quality of life of the community. In addition, this project supports the adoption of the United Nations Urban Environmental Accords (UEA) Action 16, toxics reduction, by using only environmentally friendly cleaning products and practices in City buildings.

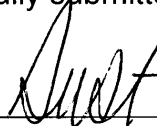
**ENVIRONMENTAL ANALYSIS:**

The project has been reviewed for compliance with the California Environmental Quality Act (CEQA) and is exempt per Section 15061 (b) (3). The project is covered by the general rule that CEQA only applies to projects that have the potential for causing a significant effect on the environment. The Citywide Housekeeping Services contract will not result in any significant effect on the environment.

**FISCAL IMPACT:**

The cost of this action is \$865,997. Funding for this action will be addressed by the utilization of existing budgeted appropriations in Housekeeping (budget account 8114-502-766400).

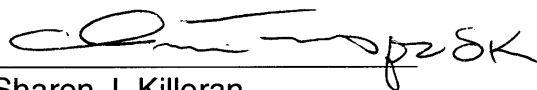
Respectfully submitted,



---

SIOBHAN FOSTER  
Director of Public Works

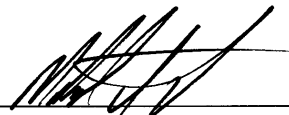
Prepared by:



---

Sharon J. Killoran  
Management Analyst

Approved by:



---

MICHAEL J. BECK  
City Manager