

Agenda Report

April 7, 2014

TO: Honorable Mayor and City Council
FROM: Department of Public Works
SUBJECT: CONTRACT AWARD TO ABM ONSITE SERVICES – WEST, INC., FOR CITYWIDE HOUSEKEEPING SERVICES FOR AN AMOUNT NOT TO EXCEED \$3,005,435

RECOMMENDATION:

It is recommended that the City Council:

1. Find that this action is exempt from the California Environmental Quality Act (CEQA) in accordance with Section 15061 (d) (3), the General Rule that CEQA only applies to projects that may have an effect on the environment; and
2. Accept the bid dated March 12, 2014, submitted by ABM Onsite Services - West, Inc., in response to the project specifications for Citywide Housekeeping Services 2014, and authorize the City Manager to enter into such contract for a two-year period in an amount not to exceed \$3,005,435 for the initial two-year contract term. This contract will have an option of three one-year terms, not to exceed \$1,502,718 per year, renewable at the discretion of the City Manager for a total contract length of five years.

BACKGROUND:

The housekeeping program provides janitorial services for 36 facilities covering approximately 601,145 square feet and three parking lots covering approximately 88,990 square feet. City departments that typically use this contract include, but are not limited to: Library; Water and Power; Human Services (community centers); Police; Public Health; Public Works (City Hall, City Yards, parks, and park restrooms) and Transportation. The City has used contract services to provide janitorial maintenance of City locations for approximately 17 years.

The current housekeeping contract held by Topflite Building Services, Inc., will have been in place for a total of five years and five months at the end of the contract term, which expires on May 31, 2014. On February 20, 2014, the Notice Inviting Bids was published in the *Pasadena Star News* and posted on the City's web page.

On March 12, 2014, seven responsive bids were received by the City Clerk's Office and are as follows:

<u>Bidder</u>	<u>Amount (\$)</u>
1. ABM Onsite Services - West, Inc., Los Angeles, CA	1,306,711
2. Topflite Building Services, Inc., District Heights, MD	1,312,864
3. Lee's Maintenance Services, Van Nuys, CA	1,314,299
4. Merchant Building Maintenance, Inc., Pomona, CA	1,333,153
5. PBM, Sun Valley, CA	1,368,826
6. U.S. Metro, Inc., Los Angeles, CA	1,375,383
7. DMS, Monrovia, CA	1,622,869

For the initial two-year period the contract will be set as follows:

Base Bid	\$2,613,422
Contingency Allowance	<u>\$ 392,013</u>
Contract "Not to Exceed" Amount	\$3,005,435

All bids submitted have been evaluated and ABM Onsite Services - West, Inc., was identified as the lowest responsive and responsible bidder. In addition, references submitted were evaluated by the Department of Public Works and the Department recommends award of this contract to ABM Onsite Services - West, Inc., which has a proven track record with ten local cities including Alhambra, Newport Beach, Ontario, and Santa Monica as well as the City of Santa Ana Police Department. Municipalities contacted stated that ABM Onsite Services - West, Inc., provides quality services and has a successful, long-standing track record.

The annual contract amount submitted by ABM Onsite Services - West, Inc., for each of the first two contract years is \$1,306,711 for a total of \$2,613,422. This is a yearly savings of \$199,371 when compared to the current annual base contract amount of \$1,506,082, with Topflite Building Services, Inc.

ABM Onsite Services - West, Inc., must abide by the Displaced Janitor Opportunity Act, codified in the California Labor Code, which requires janitorial contractors and subcontractors that secure new building service to retain, for a 60-day transition employment period, employees who have been employed by the terminated contractor or subcontractor unless the successor contractor has reasonable cause not to hire a particular employee. At the end of the 60-day transition employment period, ABM Onsite Services - West, Inc. shall provide a written performance evaluation to each employee. If the employee's performance during that 60-day period is satisfactory, ABM Onsite Services - West, Inc. must offer the employee continued employment. The current contract employees are familiar with the maintenance needs of City of Pasadena buildings and therefore, their continued employment will provide continuity during the next contract period.

It is anticipated that the new contract with ABM Onsite Services - West, Inc., will begin June 1, 2014. The proposed action is in compliance with the Competitive Bidding and Purchasing Ordinance Pasadena Municipal Code (PMC) Section 4.08.

COUNCIL POLICY CONSIDERATION:

This contract 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 will be \$3,005,435. It will not have any indirect or support cost requirements. The anticipated impact to other operational programs or capital projects as a result of this action will be none. Funding for this action will be addressed by the utilization of existing budgeted appropriations in account 8114-502-766400 Building Maintenance Fund Housekeeping Program. It is anticipated that \$108,893 of the cost will be spent in FY 2014. The remainder of the costs will be spent over the next two fiscal years.

Respectfully submitted,



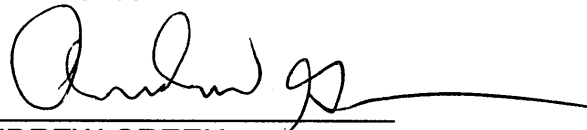
SIOBHAN FOSTER
Director of Public Works

Prepared by:



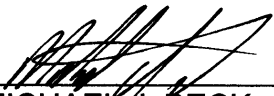
SHARON KILLORAN
Management Analyst

Concurrence:



ANDREW GREEN
Director of Finance

Approved by:



MICHAEL J. BECK
City Manager