



Agenda Report

October 1, 2018

TO: Honorable Mayor and City Council
FROM: Department of Public Works
SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH DMS FACILITY SERVICES FOR CITYWIDE HOUSEKEEPING SERVICES IN AN AMOUNT NOT TO EXCEED \$1,622,031

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the Contract with DMS Facility Services (DMS) for Citywide Janitorial Services is exempt under the California Environmental Quality Act (CEQA) in accordance with Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment; and
2. a) Accept the bid dated August 28, 2018 submitted by DMS for a for a one-year term, b) reject all other bids, and c) authorize the City Manager to enter into a contract with DMS for Citywide housekeeping services in an amount not to exceed \$1,622,031 over a one-year period.

BACKGROUND:

The Department of Public Works Building Systems and Fleet Management Division oversees the housekeeping program which provides janitorial services for 36 facilities covering approximately 601,145 square feet, three parking lots covering approximately 88,990 square feet, and nine parks. City Departments that typically use this contract include, but are not limited to: Library and Information Services; Water and Power; Human Services (community centers); Police; Public Health; and Public Works (City Hall, City Yards, parks, and park restrooms). The City has used contract services to provide janitorial services for City locations for approximately 25 years.

On August 11, 2014, a multi-year janitorial contract was awarded to Topflite Building Services by City Council. The original contract was issued for two years beginning on September 25, 2014, with the option of three, one-year extensions. Two of the three options were exercised, with the most recent term expiring on September 24, 2018.

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June 5, 2018, Topflite notified City staff that they did not wish to exercise the third and final contract extension. Responding to this notification, staff reached out to the current sub-contractor, DWMS, to discuss the possibility of assuming the existing contract for a not to exceed period of six months. The purpose of this effort was to ensure uninterrupted service and provide staff the time necessary to go through the formal bid process.

July 26, 2018, DWMS notified the City that it was willing to assume the existing Topflite contract for a not to exceed six-month period.

September 17, 2018, Council approved a not-to-exceed purchase order contract for a period of six months for janitorial services with DWMS.

October 1, 2018, a one-year contract with DMS is recommended to Council for approval to address the City's one-year contract needs. The formal bid process began on August 2, 2018, when a Notice Inviting Bids for Citywide janitorial services was published in the *Pasadena Journal* and posted on the City's website. Notices were generated to 580 vendors. A mandatory pre-bid conference and job-walk was held on August 14, 2018, attended by thirteen janitorial vendors.

Bids were received on August 28, 2018, and are as follows:

Bidder	Amount (\$)
1. DMS, South Pasadena	\$1,474,574
2. ABM, Los Angeles	\$2,493,197
3. Diverse Janitorial, Burbank	Non-responsive

The following table represents the one year contract summary:

Base Cost	\$1,474,574
Contingency Allowance	\$ 147,457
Not to Exceed Amount	\$1,622,031

Staff recommends that DMS be awarded the contract for this work as they are the lowest responsive and responsible bidder. The proposed contract with DMS fully complies with the Competitive Bidding and Living Wage Ordinances. In addition, the proposed contract fully complies with the Prevailing Wage Law (Senate Bill 7) per Resolution 9406 adopted by the City Council on December 14, 2014.

From its headquarters in South Pasadena, California, DMS operates in major business markets across the nation. Supported by regional offices throughout California and Arizona, DMS is one of the largest privately held building maintenance firms in the Western United States; reporting annual revenues of \$70 million. DMS has also achieved ISSA's *Cleaning Industry Management Standard (CIMS)*, as well as *CIMS-Green Building (CIMS-GB)* certification. ISSA is a worldwide trade association for the cleaning industry.

Pursuant to the Displaced Janitor Opportunity Act of 2001, since 25 or more janitors service the City's buildings DMS must retain all janitors on staff at the end of the current contract period. The janitors, who are union represented non-City employees, are familiar with the maintenance needs of the City's buildings; therefore, their continued employment will provide continuity during the various contract periods.

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.

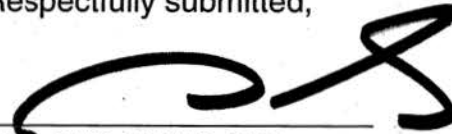
ENVIRONMENTAL ANALYSIS:

The project has been reviewed for compliance with the 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 total cost of this action will be \$1,622,031. Funding for this action will be addressed by the utilization of existing budgeted appropriations in account 50222061-811400 Building Maintenance Fund Housekeeping Program. There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



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Approved by:



STEVE MERMELL
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