

Agenda Report

September 17, 2018

TO: Honorable Mayor and City Council

FROM: Department of Public Works

SUBJECT: CONTRACT ASSIGNMENT TO DWMS INC., FROM TOPFLITE BUILDING SERVICES, INC., FOR CITYWIDE JANITORIAL SERVICES FOR A TOTAL AMOUNT NOT TO EXCEED \$897,048

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the Contract Assignment to DWMS Inc. (DWMS) from Topflite Building Services, Inc. (Topflite), 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. Authorize an assignment of Contract #21,944 from Topflite to DWMS for Citywide janitorial services for a total amount not to exceed \$897,048 for a period not to exceed six-months.

BACKGROUND:

The Department of Public Works Building Systems and Fleet Management Division oversees the housekeeping program, which provides janitorial services for 36 City buildings covering approximately 601,145 square feet, three parking lots covering approximately 88,990 square feet, and nine park restrooms. 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 maintenance of City locations for over 25 years.

The current janitorial contract was approved by City Council to Topflite on August 11, 2014. The original contract was issued for two years beginning on September 25, 2014; with the option of three, one-year extensions. To-date, two of the three options were exercised, with the current term expiring on September 24, 2018.

On 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 contacted the current sub-contractor DWMS, which actually performs all the work, to discuss the possibility of assuming the existing contract.

On July 26, 2018, DWMS notified the City that it was willing to assume the existing contract. As the sub-contractor, DWMS has been responsible for day-to-day operations of the housekeeping program for the current contract, as well as prior contracts since 2008 with Topflite. Located in Los Angeles, DWMS serves as manager of day-to-day operations and scheduling.

Although staff recommends assignment of the existing contract to DWMS, due to increases in minimum wage, janitorial equipment and supplies, etc., an increase to the contract costs is also recommended. Under the current contract, the monthly costs average approximately \$113,000. The monthly costs for the proposed six-month term are approximately \$136,000.

The total cost for the six-month period would be as follows:

Base Cost	\$815,498
Contingency Allowance (10%)	<u>\$ 81,550</u>
Not to Exceed Amount	\$897,048

The contingency allowance will account for several needs:

- Unexpected requests for service; e.g. carpet cleaning due to spills, urgent bathroom clean-up during business hours
- Special events
- New Year's Eve and New Year's Day support services at City buildings

While staff worked through an interim solution with DWMS, simultaneously they worked to issue a formal bid for a new one-year janitorial contract. On August 2, 2018, staff issued this bid specification. Staff will bring a contract award recommendation to City Council for approval on October 1, 2018.

Given the short notice to put a new contract in place, staff did not have the time to fully evaluate the City's long-term janitorial needs. As a result, the bid issued on August 2, 2018 was for a one-year period with minimal changes from the existing scope of work. During the one-year term that this contract will be in place, staff will conduct an in-depth analysis to determine the City's long-term needs and what operational and day-to-day changes are required. For example, one anticipated change is to include paper goods and soap products as part of the contract. Currently, separate purchase orders are administered by staff; consolidating these purchase orders under one contract will reduce the time expended managing inventory and distribution. Consolidation may also provide a cost savings to the City. Prior to conclusion of the one-year contract term, the City will advertise a bid opportunity for Citywide janitorial services as a multi-year contract for three-years; with an option for two one-year extensions. This scope of work will include the findings and changes that best meet the City's needs.

Pursuant to the Displaced Janitor Opportunity Act of 2001, since 25 or more janitors service the City's buildings, the interim contract assignment, one-year contract, and multi-year contract must each retain all janitors on staff at the end of the respective 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.

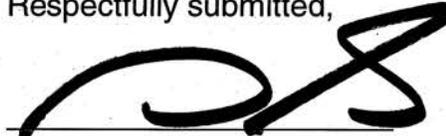
ENVIRONMENTAL ANALYSIS:

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 cost of this action will be \$897,048. Funding for this action will be addressed by the utilization of existing budgeted appropriations in account 811400-502-766400 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,



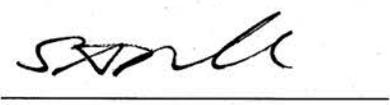
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STEVE MERMELL
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