



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

CONSENT
March 16, 2010

Honorable Mayor and
Members of the City Council

Title: Contract: Janitorial Services

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) awarding a one-year contract with four one-year renewal options to ISS Facility Services, Inc. for the purchase of janitorial services in an amount not to exceed \$2.6 million for the potential five year period; 2) awarding a one-year contract with four one-year renewal options to ABM Janitorial for the purchase of janitorial services in an amount not to exceed \$2.6 million for the potential five year period; 3) rejecting all bids for Schedule 3; and 4) authorizing the City Manager or the City Manager's designee to execute the contracts specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).

Contacts: Christine Slay, Program Analyst, 808-6344

Presenters: Not applicable

Department: General Services

Division: Procurement Services

Organization Nos. : 13001061

Description/Analysis:

Issue: The City has an ongoing need to provide janitorial services to City maintained facilities. This includes the City Hall buildings, the Convention Center Complex, and approximately 35 other facilities. The bid included the following three schedules: Schedule 1 for continuous cleaning services to City facilities; Schedule 2 for on-call services to be provided to the Convention Center Complex buildings; and Schedule 3 for on-call chair setup at Cesar Chavez Park. This report recommends rejecting all bids for Schedule 3 and canceling this service

because it was subsequently determined that there is minimal need for this service.

Policy Considerations: The recommendations in this report are in accordance with City Code Sections 3.56 – *Purchasing of Supplies and Services*, and 3.58 – *Living Wage*. In addition to City requirements, the contractors recommended for award are required to comply with California Labor Code, Chapter 4.5, Section 1060 - *Displaced Janitor Opportunity Act*. This law requires contractors who are awarded contracts for janitorial services to retain employees who were employed at the site where the service was performed by the previous contractor for a period of 60 days. On February 23, 2010, City Council adopted Ordinance No. 2010-005 approving an additional 30 days transition for the displaced janitors, increasing the employee transition period to 90 days.

Committee/Commission Action: Not applicable

Environmental Considerations:

California Environmental Quality Act (CEQA): The current proposal involves the purchase of janitorial services for City facilities. Ongoing non-professional services are not a 'project' and are not subject to CEQA, in accordance with Section 15378(b)(2) of the CEQA Guidelines. Therefore, as determined by the City's Environmental Services Planning Manager, no environmental review is necessary.

Sustainability Considerations: The Invitation for Bid (IFB) for the recommended contracts included a requirement for the use of environmentally safe and friendly products at all City facilities.

Rationale for Recommendation: In February 2010, Procurement Services, in accordance with City Code Section 3.56, issued IFB No. B10131061014 for Citywide janitorial services. The bid included cleaning and janitorial products (to include seat covers, paper towels, soap, toilet paper, etc.) as well as janitorial services, and was separated into the following three schedules: Schedule 1 for continuous cleaning services to City facilities; Schedule 2 for on-call services to be provided to the Convention Center Complex buildings; and Schedule 3 for on-call chair setup at Cesar Chavez Park. Each schedule is unique and was evaluated not only separately but collectively to gain the best cost savings for the City. This report recommends rejecting all bids for Schedule 3 and canceling this service because it was subsequently determined that there is minimal need for this service.

Ten responses were received and evaluated. Five bidders (Lincoln Training Center, Imperial Services, Able Building Maintenance, GCA Services Group and Pride Industries) were determined to be non-responsive due to missing or incomplete documentation. The lowest responsive and responsible bidders were


determined to be ISS Facility Services, Inc. and ABM Janitorial. A summary of the bid results is provided in Attachment 1.

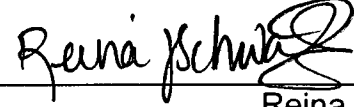
Financial Considerations: Funding for janitorial services will be provided by the operating budgets of the departments utilizing the service. Sufficient funding is available in the FY2009/10 budget for services through June 30, 2010. Services provided after June 30, 2010 through the end of the contract are subject to funding availability in the adopted budget for the applicable fiscal year(s).

The amounts listed below are estimates based on current requirements. Projections for the optional years include escalation percentages that were bid by each contractor. This report recommends contracts in an amount not to exceed \$2.6 million for each contractor, which anticipates volume increases and additional occasional cleaning services that are typically requested, and more closely reflects the actual amount anticipated to be expended overall for this potential five year contract.

Vendor	Year 1 Estimate	Year 2 Estimate	Year 3 Estimate	Year 4 Estimate	Year 5 Estimate	Total
ISS Facility Services, Inc. (Schedule 1)	\$488,916	\$503,584	\$503,584	\$518,691	\$518,691	\$2,533,466
ABM Janitorial (Schedule 2)	\$415,240	\$423,545	\$432,016	\$444,976	\$462,775	\$2,178,552

Emerging Small Business Development (ESBD): Neither ISS Facility Services, Inc. nor ABM Janitorial is certified as an emerging/small business.

Respectfully submitted by: 
 Christopher Stewart
 Procurement Services Manager

Approved by: 
 Reina J. Schwartz
 Director, Department of General Services

Recommendation Approved:


 Gus Vina
 Acting City Manager

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BID RESULTS - BID NO. B10131061014

Schedule 1

Contractor	Bid Total	Prompt Payment Discount	Evaluation Total
Lincoln Training Center ⁽⁴⁾	\$411,973	(\$4,120)	\$407,853
ISS Facility Services, Inc. ⁽¹⁾	\$488,916	0	\$488,916
UBS	\$557,184	0	\$557,184
ABM Janitorial	\$597,493	0	\$597,493
NMS ⁽³⁾	\$619,873	0	\$619,873
Able Building Maint. ⁽³⁾⁽⁴⁾	\$633,000	0	\$633,000
Imperial Services ⁽³⁾⁽⁴⁾	\$648,945	0	\$648,945
Pride Industries ⁽³⁾⁽⁴⁾	\$668,593	0	\$668,593
Varsity	\$676,894	0	\$676,894
GCA Services Group ⁽¹⁾⁽⁴⁾	\$818,904	0	\$818,904

No local or emerging/small business preferences are applicable.

Schedule 2

Contractor	Bid Total	Prompt Payment Discount	Evaluation Total
ABM Janitorial	\$415,240	0	\$415,240
UBS	\$420,720	0	\$420,720
Pride Industries ⁽³⁾⁽⁴⁾	\$433,240	0	\$433,240
ISS Facility Services, Inc. ⁽¹⁾	\$434,450	0	\$434,450
NMS ⁽³⁾	\$459,320	0	\$459,320
Varsity	\$459,460	0	\$459,460
GCA Services Group ⁽¹⁾⁽⁴⁾	\$503,230	0	\$503,230
Able Building Maint. ⁽⁴⁾	\$504,770	0	\$504,770
Imperial Services ⁽³⁾⁽⁴⁾	\$716,088	0	\$716,088
Lincoln Training Center ⁽⁴⁾	No Bid	0	No Bid

No local or emerging/small business preferences are applicable.

Schedule 3 - Canceled

Contractor	Bid Total	Prompt Payment Discount	Evaluation Total
Lincoln Training Center ⁽⁴⁾	\$1,617	(\$16.17)	\$1,601
NMS	\$2,168	0	\$2,168
ABM Janitorial	\$2,276	0	\$2,276
ISS Facility Services, Inc. ⁽¹⁾	\$2,400	0	\$2,400
Varsity	\$2,879	0	\$2,879
UBS	\$3,096	0	\$3,096
Able Building Maint. ⁽⁴⁾	\$3,600	0	\$3,600
GCA Services Group ⁽¹⁾⁽⁴⁾	\$3,689	0	\$3,689
Pride Industries ⁽⁴⁾	\$5,196	0	\$5,196
Imperial Services ⁽⁴⁾	\$14,052	0	\$14,052

No local or emerging/small business preferences are applicable.

Award of Contracts To:

ISS Facility Services, Inc.
541 Taylor Way #5
San Carlos, CA 94070
(Schedule 1)

ABM Janitorial
830 Riverside Parkway Ste. #30
West Sacramento, CA 95605
(Schedule 2)

Total Contract Amount: \$2,600,000⁽²⁾

Total Contract Amount: \$2,600,000⁽²⁾

Using Department: Citywide

No. of Bids Received	No. of E/SBE Bids Solicited	No. of E/SBE Responses	Award to E/SBE Vendor?
10	0	0	No

⁽¹⁾Prompt payment discount offered was less than 20 days.

⁽²⁾The lowest responsible annual bid amount of \$488,916 (Schedule 1) and \$415,240 (Schedule 2) for ISS Facility Services, Inc. and ABM Janitorial, respectively, represents the total for the quantities selected for evaluation purposes only, which was calculated on annual historical usage. Authorization is requested to enter into contract in an amount not to exceed \$2.6 million for each contractor, which anticipates volume increases and more closely reflects the actual amount anticipated to be expended overall for this potential five year contract.

⁽³⁾Total has been corrected due to mathematical errors

⁽⁴⁾Contractor was deemed non-responsive for failure to submit the required bid documents or the bid documents submitted were incomplete.

RESOLUTION NO. 2010-XXXX

Adopted by the Sacramento City Council

March 16, 2010

AWARD CONTRACT FOR CITYWIDE JANITORIAL SERVICES

BACKGROUND

- A. The City has an ongoing need to provide janitorial services to City maintained facilities. This includes the City Hall buildings, the Convention Center Complex, and approximately 35 other facilities.
- B. In February 2010, Procurement Services, in accordance with City Code Section 3.56, issued Invitation for Bid No. B10131061014 for janitorial services. Ten responses were received and evaluated. Lincoln Training Center was the lowest bidder on Schedule 1. However, they were deemed to be non-responsive due to incomplete bid documents. Subsequently, the lowest responsive and responsible bidders were determined to be ISS Facility Services, Inc. (Schedule 1) and ABM Janitorial (Schedule 2).

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. ISS Facility Services, Inc. is awarded a one-year contract with four one-year renewal options for janitorial services in a total amount not to exceed \$2.6 million for the potential five year period.
- Section 2. ABM Janitorial is awarded a one-year contract with four one-year renewal options for janitorial services in a total amount not to exceed \$2.6 million for the potential five year period.
- Section 3. Bids for Schedule 3, on-call services to set up chairs at Cesar Chavez Park, are hereby rejected.
- Section 4. The City Manager or the City Manager's designee is authorized to execute the contracts specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).