

Meeting Date: 7/21/2015

Report Type: Consent

Report ID: 2015-00663

Title: Contracts: Extension of Janitorial Services Contracts

Location: Citywide

Recommendation: Pass a Motion: 1) authorizing the City Manager or his designee to extend three contracts for janitorial services through October 31, 2015: ABM Onsite Services – West, Inc., Lincoln Training Center, and ISS Facilities Services, Inc.; and 2) increasing the contract amount with ISS Facilities Services, Inc., by \$165,000 for a new not-to-exceed amount of \$3,122,500.

Contact: Gary O’Neill, Program Analyst, (916) 808-7432; Craig Lymus, Procurement Manager, (916) 808-5524, Department of Finance

Presenter: None

Department: Finance

Division: Procurement Services

Dept ID: 06001511

Attachments:

- 1-Description/Analysis
- 2-Contract - ABM Onsite Services
- 3-Contract - ISS-West Incorporated
- 4-Contract - Lincoln Training Center

City Attorney Review

Approved as to Form
Gerald Hicks
7/15/2015 11:16:43 AM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 7/14/2015 3:51:59 PM

Description/Analysis

Issue Detail: The City has ongoing requirements for janitorial services in City facilities, including City Hall and 42 other City facilities. In addition, the Convention Center Complex has requirements for on-call janitorial services. The Procurement Services Division solicited bids for janitorial services in July 2014. After evaluation of the seven bids submitted, on February 24, 2015 Council rejected all bids due to concerns about exceptions in the Living Wage Ordinance (LWO) and protections for displaced janitors, and extended the existing contracts to re-bid the janitorial services.

During the February 24th Council meeting, several Council members asked staff whether the protections provided by the City's 30-day extension of California's Displaced Janitor Opportunity Act¹, which provides for a 60-day transition, are adequate in protecting the interests of the janitors and their families. Staff was directed to research the sufficiency of the transition period provided in the City Code to determine if it should be extended or augmented with other protections.

Policy Considerations: The recommendations in this report are in accordance with City Code Section 3.56, *Purchasing of Supplies and Services*, including Section 3.56.070 *Transition employment period for displaced janitors*, and Section 3.58, *Living Wage*.

Economic Impacts: None.

Environmental Considerations: The report does not constitute a "project" and is therefore exempt from the California Environmental Quality Act (CEQA) [CEQA Guidelines Sections 15061(b)(3); 15378(b)(2)].

Sustainability: Compliance with Administrative Policy-4003 Sustainable Purchasing Policy (SPP) is a requirement for this contract. Pursuant to the SPP the contractors agree to supply the City with environmentally preferable products. The City may terminate this contract or take other appropriate actions if a contractor fails to comply or provide adequate supporting documentation to substantiate compliance with the SPP and requirements specified in the contract.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: Staff has determined that the concerns resulting from exceptions in the LWO may be handled through the use of revised bid specifications, rather than by revising the LWO. The revised bid specifications will either require that all employees working on the City's janitorial contracts will be covered employees under the LWO or will require a limited ratio of non-covered employees to covered employees.

In response to the Council's questions regarding job protection for the janitors, the City Attorney's Office provided guidance to Procurement Services that while the transition period could legally be extended, such an extension would require a rational legal basis. Subsequent research relative to post-transition employment of the City's janitorial employees and a survey of other governmental agencies has not revealed such a basis.

¹ State Labor Code Section 1061, the Displaced Janitor Opportunity Act, provides for the retention of janitorial employees of a terminated contractor by a successor contractor for a period of 60 days. The City added City Code Section 3.56.070 in 2010 to extend the 60 day transition employment period for janitors set forth in Section 1061 of the Labor Code, to a period of 90 days.

Procurement Services staff obtained data from the City's primary janitorial service provider and almost all of the current janitors had been retained from the previous vendor in 2010, and continue to work for the current vendor. Staffs also researched displaced worker transition periods in place or proposed at other agencies in California and have concluded that 60 or 90 days is the standard. Staff were unable to locate any agencies that had extended displaced worker transition periods beyond 90 days. Based on the research performed and the reported results from the last transition, staff is recommending no changes to the City Code regarding the transition employment period for displaced janitors.

Staff is recommending extensions to the current contracts in order to maintain janitorial services while staff solicit and evaluate new bids based on the revised bid specifications. Staff will return to Council in early October 2015 with recommendations to award new janitorial services contracts.

Financial Considerations: Funding for the purchase of janitorial services will be provided from various City departmental operating and project budgets. Sufficient funding is available in the FY2015/16 budget for purchases made through the term of the recommended contract extension.

Local Business Enterprise (LBE): Not applicable as the original contracts were awarded before Council adopted this program.



City of Sacramento

Tax ID # if applicable:

Requires Council Approval: No YES Meeting:

Real Estate

Other Party Signature Needed

Recording Requested

General Information

Type: Non Professional Services	PO Type: FNPR	Attachment: Supplement No.: 3
\$ Not to Exceed: \$2,600,000.00		Original Doc Number: 2010-0209
Other Party: ABM Onsite Services - West Inc.		Certified Copies of Document: 0
Project Name: Janitorial Services (On-call at Convention Center Complex)		Deed: <input checked="" type="checkbox"/> None <input type="checkbox"/> Included <input type="checkbox"/> Separate
Project Number: none	Bid Transaction #: B10131061014	LBE: n/a

Department Information

Department: Finance

Division: Procurement

Project Mgr: Gary O'Neill

Supervisor: Craig Lymus

Phone Number: 916-808-7432

Org Number: 06001511

Comment:

Review and Signature Routing

Department	Signature or Initial	Date
Initial and Forward to Next on List Project Mgr:	<i>Gary O'Neill</i>	6/16/2015
Division Manager:	<i>CBZ</i>	6/16/15
City Attorney	Signature or Initial	Date
Initial and Date City Attorney (L Wang):	<i>LW</i>	6/18/15
<input type="checkbox"/> Send Interoffice Mail	<input checked="" type="checkbox"/> Notify for Pick Up	
Authorization	Signature or Initial	Date
Leyne Milstein - Dept. Director:	<i>J Milstein</i>	6/22/15
CONTROL #		
City Mgr: Yes <input type="checkbox"/> No <input type="checkbox"/>		

For City Clerk Processing

Finalized:
Initial: *J*

Date: *06/23/2015*

Imaged:
Initial: *lh*

Date: *6/23/15*

Received:
(City Clerk Stamp Here)

Title: Janitorial Services (On-Call at
Convention Center Complex)
Other Party: ABM Onsite Services- West
Inc.

2010-0209-3

2015 JUN 23 A 8:5

CITY CLERK'S OFFICE
CITY OF SACRAMENTO

**CONTRACT SUPPLEMENT
(Nonprofessional Services)**

Project Title and Job Number: Janitorial Services, On-Call At Convention Center
Purchase Order #: varies by fiscal year

Date: 06/05/2015

Contract Supplement No.: 3

The City of Sacramento ("City") and ABM ONSITE SERVICES - WEST INC., 830 RIVERSIDE PARKWAY SUITE 20, WEST SACRAMENTO CA 95605 ("Contractor"), as parties to that certain Nonprofessional Services Agreement designated as Agreement Number 2010-0209, including any prior contract supplements modifying the agreement (the agreement and contract supplements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. The scope of Services specified in Exhibit A of the Agreement is amended as follows:
The contract is extended through 10/31/2015.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is Increased / Decreased by \$0.00, and the Agreement's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$2,600,000.00</u>
Net change by previous contract supplements:	<u>\$0.00</u>
Not-to-exceed amount prior to this contract supplement:	<u>\$2,600,000.00</u>
Increase/Decrease by this contract supplement:	<u>\$0.00</u>
New not-to exceed amount including all contract supplements:	<u>\$2,600,000.00</u>

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor.
4. Contractor warrants and represents that the person or persons executing this contract supplement on behalf of Contractor has or have been duly authorized by Contractor to sign this contract supplement and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this contract supplement.

Approval Recommended By:



Project Manager

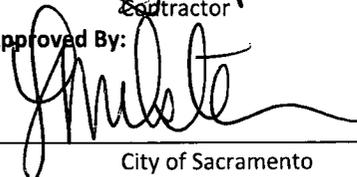
Approved By:



Rene Jacobsen, Executive Vice President

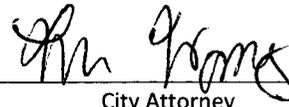
Contractor

Approved By:



City of Sacramento

Approved As To Form By:



City Attorney

Attested To By:



City Clerk

2010-0209-3

(Rev. 9-17-12)

Title: Janitorial Services (On-Call at Convention Center Complex)
Other Party: ABM Onsite Services-West Inc.



City of Sacramento

Tax ID # if applicable:

Requires Council Approval: No YES Meeting: 07/21/2015

Real Estate

Other Party Signature Needed

Recording Requested

General Information

Type: Non Professional Services	PO Type: FNPR	Attachment: Supplement No.: 8
\$ Not to Exceed: \$3,122,500.00		Original Doc Number: 2010-0208
Other Party: ISS FACILITIES SERVICE, INC.		Certified Copies of Document: 0
Project Name: Janitorial Services		Deed: <input checked="" type="checkbox"/> None <input type="checkbox"/> Included <input type="checkbox"/> Separate
Project Number: n/a	Bid Transaction #: B10131061014	LBE: not applicable

Department Information

Department: Finance

Division: Procurement Services

Project Mgr: Gary O'Neill

Supervisor: Craig Lymus

Phone Number: 916-808-7432

Org Number: 06000

Comment:

Review and Signature Routing

Department

Signature or Initial Date

Initial and Forward to Next on List

Project Mgr: *Gary O'Neill* 7/14/2015

Division Manager: *CSL* 7/14/15

City Attorney

Signature or Initial Date

Initial and Date

City Attorney (L Wang) *L Wang* 7/15/2015

Send Interoffice Mail

Notify for Pick Up

Authorization

Signature or Initial Date

Leyne Milstein - Dept. Director: _____

CONTROL # _____

City Mgr: Yes No _____

For City Clerk Processing Finalized:

Initial:

Date:

Imaged:

Initial:

Date:

Received:

(City Clerk Stamp Here)

**CONTRACT SUPPLEMENT
(Nonprofessional Services)**

Project Title and Job Number: City-wide Janitorial Services
Purchase Order #: varies by fiscal year

Date: 07/13/2015
Contract Supplement No.: 8

The City of Sacramento ("City") and ISS Facilities Service, Inc. ("Contractor"), as parties to that certain Nonprofessional Services Agreement designated as Agreement Number 2010-0208, including any prior contract supplements modifying the agreement (the agreement and contract supplements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. The scope of Services specified in Exhibit A of the Agreement is amended as follows:

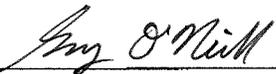
The contract is extended through 10/31/2015. The monthly amount is increased by 19.0% for a monthly payment of \$54,991.26.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is increased / Decreased by \$0.00, and the Agreement's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$2,600,000.00</u>
Net change by previous contract supplements:	<u>\$357,500.00</u>
Not-to-exceed amount prior to this contract supplement:	<u>\$2,957,500.00</u>
Increase/Decrease by this contract supplement:	<u>\$165,000.00</u>
New not-to exceed amount including all contract supplements:	<u>\$3,122,500.00</u>

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor.
4. Contractor warrants and represents that the person or persons executing this contract supplement on behalf of Contractor has or have been duly authorized by Contractor to sign this contract supplement and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this contract supplement.

Approval Recommended By:



Project Manager

Approved By:

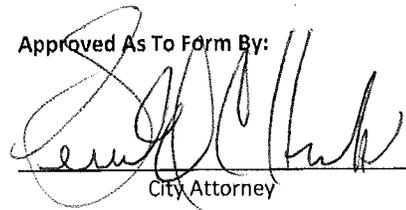


Contractor

Approved By:

City of Sacramento

Approved As To Form By:



City Attorney

Attested To By:

City Clerk



City of Sacramento

Tax ID # if applicable:

Requires Council Approval: No YES Meeting:

Real Estate

Other Party Signature Needed

Recording Requested

General Information

Type: Non Professional Services	PO Type: FNPR	Attachment: Supplement No.: 6
\$ Not to Exceed: \$25,500.00		Original Doc Number: 2013-0813
Other Party: LINCOLN TRAINING CENTER		Certified Copies of Document: 0
Project Name: Janitorial Services (Sheltered Market)		Deed: <input checked="" type="checkbox"/> None <input type="checkbox"/> Included <input type="checkbox"/> Separate
Project Number: n/a	Bid Transaction #: none	LBE:

Department Information

Department: Finance

Division: Procurement Services

Project Mgr: Gary O'Neill

Supervisor: Craig Lymus

Phone Number: 916-808-7432

Org Number: 06000

Comment:

Review and Signature Routing

Department	Signature or Initial	Date
Initial and Forward to Next on List Project Mgr:	<i>Gary O'Neill</i>	6/16/2015
Division Manager:	<i>CBJ</i>	6/16/15
City Attorney	Signature or Initial	Date
Initial and Date City Attorney (L Wang):	<i>LW</i>	6/18/15
<input type="checkbox"/> Send Interoffice Mail	<input checked="" type="checkbox"/> Notify for Pick Up	
Authorization	Signature or Initial	Date
Leyne Milstein - Dept. Director:	<i>Leyne Milstein</i>	6/22/15
CONTROL #		
City Mgr: Yes <input type="checkbox"/> No <input type="checkbox"/>		

For City Clerk Processing

Finalized:
Initial: *J*
Date: *6/23/15*

Imaged:
Initial: *th*
Date: *6/23/15*

Received:
(City Clerk Stamp Here)

Title: Janitorial Services (Sheltered Market)
Other Party: Lincoln Training Center

2013-0813-6

**CONTRACT SUPPLEMENT
(Nonprofessional Services)**

Project Title and Job Number: Janitorial Services (Animal Control)

Date: 06/09/2015

Purchase Order #: 25626

Contract Supplement No.:

6

The City of Sacramento ("City") and LINCOLN TRAINING CENTER, 8331 Sierra College Blvd Ste 220, Roseville CA 95661-9412 ("Contractor"), as parties to that certain Nonprofessional Services Agreement designated as Agreement Number 2013-0813, including any prior contract supplements modifying the agreement (the agreement and contract supplements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. The scope of Services specified in Exhibit A of the Agreement is amended as follows:

The contract is extended through 10/31/2015.
The new rate for the service, effective 08/01/2015, is \$695.00/month.

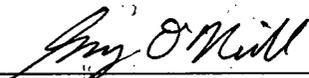
2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is increased / ~~Decreased~~ by \$2,000.00, and the Agreement's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	\$50,000.00
Net change by previous contract supplements:	<\$26,500.00>
Not-to-exceed amount prior to this contract supplement:	\$23,500.00
Increase/Decrease by this contract supplement:	\$2,000.00
New not-to exceed amount including all contract supplements:	\$25,500.00

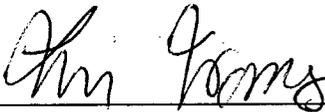
3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor.
4. Contractor warrants and represents that the person or persons executing this contract supplement on behalf of Contractor has or have been duly authorized by Contractor to sign this contract supplement and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this contract supplement.

Approval Recommended By:

Approved As To Form By:



Project Manager



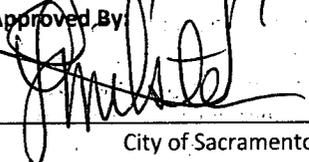
City Attorney

Approved By:



Contractor

Attested To By:



City of Sacramento



City Clerk