



TO: Board of Contracts and Awards
FROM: Kurtis D. Kingsolver, P.E., Publics Works Director/City Engineer *KDK*
Justin E. Davis, Public Works Facilities Management Division Manager
Jeff Paradee, P.E., Public Works Facilities Management, Operations
and Maintenance Manager
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and
Doreen Klaaskate, Senior Buyer, Finance/Purchasing
SUBJECT: Increase the contract for the Tacoma Municipal Complex Janitorial Services,
Washington State Department of Enterprise Services (DES) Contract
No. 00508 - September 17, 2019
DATE: September 3, 2019

RECOMMENDATION SUMMARY:

The Public Works Department requests approval to increase Contract 4600010891 with American Custodial Inc (ACI), Tacoma, WA, by \$147,000.00, for a total contract amount of \$1,050,000.00, plus all applicable taxes, for janitorial services at the Tacoma Municipal Complex, through April 14, 2020.

STRATEGIC POLICY PRIORITY:

Janitorial services provided in the Municipal Complex including the main and north buildings support the following strategic policy priority:

- Assure outstanding stewardship of the natural and built environment.

This amendment will provide for an increase to the existing Municipal Complex janitorial services contract, which will maintain a clean and functional environment for employees and the public.

BACKGROUND:

Through Washington State (State) Department of Enterprise Services (DES) Contract No. 00508, a request for quote and qualifications (RFQQ) was advertised on the State's website in April 2015. A mandatory site visit was held April 16, 2015. Twenty-nine firms preregistered for the site visit, of which 23 attended. Questions were collected by Public Works staff and responses forwarded to the State for inclusion in the final contract. After the 30-day bid period, 14 responses were received. Five of the 14 were rejected by the State due to deficiencies on their submittals, which left nine for State and City evaluation. After the evaluation by the State and City, the most qualified custodial vendor was determined to be American Custodial Inc.

ISSUE: The authorized contract dollar amount to provide janitorial services for the Municipal Complex requires an increase of \$147,000.00 from \$903,000.00 to \$1,050,000.00.

ALTERNATIVES: Public Works could significantly reduce the level of service at the Municipal Complex and enter into a month-to-month arrangement.



CONTRACT HISTORY:

In 2015, utilizing DES Contract No. 00508, Public Works completed the selection process for a janitorial contract for the Municipal Complex and entered into a one-year contract with ACI to provide full-time janitorial cleaning at an annual cost of \$144,882.23 for the term July 1, 2015, through June 30, 2016.

In June 2016, Facilities took the contract to the Board of Contracts and Awards (C&A) and the City Council for approval. On June 28, 2016, Resolution No. 39482 was adopted, which approved a total five-year contract amount of \$903,000.00.

Supplement No. 1 increased and extended the contract for year two in the amount of \$175,850.08 through June 30, 2017.

Supplement No. 2 increased and extended the contract for year three in the amount of \$175,850.04 through June 30, 2018.

There was a 21.4 percent increase between year one and year two which reflects the change in minimum wage for all employees.

Supplement No. 3 increased and extended the contract for year four in the amount of \$285,423.28 through June 30, 2019.

Contract extension costs for the fourth year represent two separate cost periods: a 4.4 percent increase in cost, July 2018 through August 2018, due to the City’s minimum wage law and a 67 percent increase in wage rates, September 2018 through June 2019, due to the September 2018 prevailing wage recalculations instituted by the Washington State Department of Labor and Industries for Building Service Workers.

The fourth year contract totaled \$285,423.28 for a total amount of \$782,005.63 of the original authorization of \$903,000.00 spent.

The final contract extension will remain at the rate of \$25,484.09 per month. With the DES contract expiring on April 14, 2020, the final contract amount is projected to be \$242,098.86. This will result in a five-year cumulative total of \$1,024,104.49, which exceeds the original amount of \$903,000.00 by \$121,104.49.

By adding a \$25,895.51 contingency for emergency janitorial services, Public Works is requesting the contract be increased by \$147,000.00 to \$1,050,000.00.

SUSTAINABILITY: Purchase and use of “green” cleaning and servicing products are encouraged as part of this contract. The least toxic products that will perform the necessary cleaning are sought out, purchased, and utilized in the Municipal Complex.

SBE/LEAP COMPLIANCE: Not applicable



FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Fund 5700 – PWF Municipal Building Operations	825100	5320100	Up to \$147,000.00
TOTAL			Up to \$147,000.00

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Rent Revenue	Various	4347120	\$147,000.00
TOTAL			\$147,000.00

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$242,098.86 through April 2020

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. N/A