



**Contract and Award Letter
Purchase Resolution – Exhibit “A”**

TO: Board of Contracts and Awards
FROM: Andy Cherullo, Director, Finance
Patsy Best, Procurement and Payables Division Manager, Finance
COPY: Public Utility Board, Director of Utilities, Board Clerk, City Council, City Manager,
City Clerk, EIC Coordinator, LEAP Coordinator, and Aaron Bratton, Senior Buyer,
Finance/Procurement.
SUBJECT: Citywide Janitorial Services
Request for Proposals (RFP), Specification No. CT20-0151F, Contract No.
CW2241654 – July 8, 2026 Public Utility Board and July 21, 2026 City Council
DATE: June 16, 2026

RECOMMENDATION SUMMARY:

The Finance Department requests approval to increase Contract No. CW2241654, to American Custodial Inc, Tacoma, WA, by \$800,000, plus any applicable taxes, budgeted from various funds, for janitorial services at City and Tacoma Public Utility facilities. This increase will bring the contract to a projected total of \$5,000,000, plus applicable taxes.

STRATEGIC POLICY PRIORITY:

- Strengthen and support a safe city with healthy residents.
- Foster a vibrant and diverse economy with good jobs for all Tacoma residents.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

This contract was bid to include a large number of facilities to ensure highly competitive pricing, and, for the sake of future efficiency, the subsequent contract was intentionally structured to allow for expansion of the services to other facilities.

BACKGROUND:

This contract provides janitorial services at many City facilities, replacing individually held contracts that did not take advantage of the economy of scale included in this contract. The original solicitation included services at the Municipal Complex, all Fire and Police Facilities, Solid Waste Management buildings, the Green River Headworks and McMillin Reservoir, and several other Utility and City facilities. Since execution the services have been expanded to include other facilities and new services at originally included facilities. Due to the excellent performance of the supplier and the consistently competitive pricing, the contract was extended beyond its originally anticipated term through February 2028.

ISSUES: As a result of expanded services, the extended term, and increases to applicable prevailing wage rates, the contract is running short of funds and needs an amendment to allow services to continue to be rendered. The proposed amendment will also make newly established facility rates contractual obligations.

ALTERNATIVES: The alternative to approving this amendment would be to resolicit the services either as a citywide effort or with separate facility specific solicitations.



COMPETITIVE ANALYSIS: Throughout the term of the contract, price increases have been modest and focused on required increases to applicable prevailing wage rates. As a result, the pricing against the contract has remained very competitive. This is evidenced by the fact that despite having been extended beyond the original term and despite having services expanded to new facilities, the originally projected spend carried the contract past its originally conceived term.

CONTRACT HISTORY: This contract was originally awarded to American Custodial Inc as a result of RFP, Specification No. CT20-151F in March 2021, with a not to exceed contract value of \$3,500,000 and initial term of three years with two, one-year options to extend.

Amendment No. 1, effective July 1, 2023, was executed to extend the time for performance and termination date of the contract from February 29, 2024 to February 28, 2025 and amend the pricing to conform with the pricing set forth in Exhibit A to the contract; and

Amendment No. 2, effective February 28, 2024, was executed to extend the time for performance and termination date to February 28, 2026, and amend the pricing as set forth in Exhibit A-2 to the contract; and

Amendment No. 3, effective September 23, 2024, was executed to supplement the Scope of Work to include the additional services for Tacoma Police Department set forth in Exhibit A-3, payable at the rates set forth in Exhibit A-3; and

Amendment No. 4, effective June 1, 2025, was executed to supplement the Scope of Work to include additional services and rates for the Beacon Center location only as is shown in Exhibit A-4; and

Amendment No. 5, effective February 27, 2026, was executed to extend the time for performance and termination date to February 28, 2028, and amend the pricing as set forth in Exhibit A-5; and

Amendment No. 6, effective May 15, 2026, was executed to increase the compensation under the contract by \$700,000 from \$3,500,000 for a new not to exceed amount of \$4,200,000.

SUSTAINABILITY: Per the Sustainable Procurement policy in section XXIV. A. of the Purchasing Policy Manual, the specification included requirements to use environmentally preferable cleaning products as designated by Green Seal and the EPA. Additionally, five percent (5%) of the scoring was awarded based upon review of respondents' statements on the firm's efforts toward sustainability.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: The recommended contractor is in compliance with the Equity in Contracting (EIC) Regulation requirements per memorandum dated February 2, 2021. The EIC requirements for this project are (MBE 31 percent, WBE 23 percent, and SBE 23 percent) The EIC utilization levels of the recommended contractor American Custodial Inc are (MBE 100 percent, WBE 100 percent, and SBE 100 percent).

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP) COMPLIANCE: The Local Employment and Apprenticeship Training Program (LEAP)



requirements are for 15 percent local employment utilization and 15 percent apprentice utilization.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various			\$ 800,000
TOTAL			Up to \$ 800,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
N/A			(\$800,000)
TOTAL			Up to (\$800,000)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$600,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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