



CITY COUNCIL STAFF REPORT



October 26, 2021

ITEM TITLE

Janitorial Services Contract: Award a Contract to Source Facility Solutions for Janitorial Services

Report Number: 21-0184

Location: Various City Facilities including – Police Department, Libraries, Recreation Centers

Department: Public Works

Environmental Notice: The activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required

Recommended Action

Adopt a resolution awarding a contract for janitorial services to Source Facility Solutions in an amount not to exceed \$1,250,000 for up to five years and approve a budget transfer of \$165,000 from the Public Works Department's Personnel Services expense category to the Supplies and Services expense category in the fiscal year 2021-22 budget **(4/5 Vote Required)**.

SUMMARY

In August 2021, City received eight bids for janitorial services. After review of the bids, staff determined that Source Facility Solutions was the lowest responsive and responsible bidder. The cost of the contract would be funded by transferring salary savings from vacant custodial positions and no current custodial staff will be adversely impacted by this change. Staff recommends that Council accept the lowest bid, award the janitorial service contract to Source Facility Solutions, and approve a budget transfer needed to fund the contract.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines because it will not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

DISCUSSION

Earlier this year, staff solicited bids for janitorial services. The City received the following eight bids in August 2021 – bid amounts included below are annualized:

Vendor Name	Bid Amount	
Source Facility Solutions	\$	218,640
Francisco J. Rivera	\$	318,227
NOVA Commercial Co., Inc	\$	323,940
Allied Universal Janitorial Services	\$	335,516
Aztec Landscaping, Inc.	\$	347,532
NMS Management, Inc	\$	417,132
T & T Janitorial, Inc	\$	473,424
Hoa Duong Maintenance	\$	537,960

Staff has reviewed the bid documents and determined Source Facility Solutions' bid to be responsive and Source Facility Solutions to be a responsible bidder. Staff recommends accepting the bid from Source Facility Solutions and awarding the janitorial services contract to Source Facility Solutions.

Contracted janitorial services allows the City to provide expanded coverage across various City facilities. The cost of the contract will be funded by transferring salary savings from vacant custodial positions – no current custodial staff will be adversely impacted by this change.

Key provisions of the contract include, but are not limited to, the following:

Services – the contractor will provide janitorial services at designated City facilities. These services generally include cleaning, disinfecting, and/or sanitizing exterior and entry areas, offices, conference rooms, corridors, stairs, elevators, restrooms, lunchrooms and break rooms.

Facilities – The proposed contract includes the following City facilities: Police Department (including jail), Libraries (Civic Center, South, and Otay Ranch), Heritage Recreation Center, and Veterans Recreation Center. Additional facilities may be included as funding permits upon mutual agreement with the vendor.

Term - The contract term is initially from November 1, 2021 to June 30, 2022. If Source Facility Solutions work performance is satisfactory, the parties may mutually agree in writing to extend the contract for four (4) additional one (1) year periods. The annual option year renewals would be effective from July 1 to June 30 - the City's Fiscal Year. If the vendors work performance is not satisfactory, the City reserves the right to not renew the contract without penalty. Prices shall be firm through June 30, 2022. If the parties agree to extend the contract for the option years, acceptable

price increases may be agreed to and such increases would be based on changes in the annual San Diego Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), in an amount not to exceed 5%.

There are currently several vacancies in the Public Works-Custodial group. The contracted janitorial services will be funded by salary savings from these vacancies. Adding contracted janitorial services gives the City greater flexibility in addressing janitorial needs across various City facilities. The long-term service delivery model would be to have a hybrid of City Custodians and contracted janitorial services to meet City needs in a cost-effective way that still meets City standards. No current Custodial staff will be adversely impacted by this transition. Additional City facilities may be added to the contract as vacancies occur and funding is available.

City staff met and conferred with the Association of Chula Vista Employees (ACE) in order to discuss impacts. This is not impacting any current employees.

DECISION-MAKER CONFLICT

Staff has determined that the action contemplated by this item solely concerns the repairs, replacement, or maintenance of existing streets, water, sewer, storm drainage or similar facilities, and any member's property will not be affected disproportionately to other properties receiving the same services. Consequently, pursuant to California Code of Regulations Title 2, sections 18700 and 18702.2(d)(1)), this item does not present a real property-related conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

The base amount for this contract in fiscal year 2021-22 (November to June) totals \$145,760. In order to account for special events, additional cleaning services, and/or the addition of facilities, staff recommends a not-to-exceed contract amount of \$165,000 for the current fiscal year. There are sufficient salary savings in Public Works-Custodial to offset the cost of the contract resulting in no net fiscal impact to the General Fund.

Approval of the resolution will result in the transfer of \$165,000 from Public Works' Personnel Services budget to the Supplies and Services budget. There are sufficient salary savings from the vacant custodial positions in order to make this transfer without impacting current staffing.

ONGOING FISCAL IMPACT

The proposed term of the contract is for the current fiscal year (8 months) with four (4) one-year optional extensions for a total term of five years. The annualized base bid for the identified facilities totals \$218,640. If the parties agree to extend the contract for the option years, cost increases would be based on changes in

the annual San Diego Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), in an amount not-to-exceed 5%.

As part of the development of the fiscal year 2022-23 budget, staff recommends the elimination of 3.5 vacant Custodian positions. The equivalent cost of these positions will be included in the Public Works Supplies and Services budget for the contracted janitorial services. As additional Custodian positions become vacant, the City may expand the contracted janitorial services.

ATTACHMENTS

1. Two-Party Agreement with Source Facility Solutions

Staff Contact: Angelica Aguilar, Assistant Director of Public Works