

**COUNCIL ACTION FORM**

**SUBJECT: CITY HALL CUSTODIAL SERVICES CONTRACT**

**BACKGROUND:**

On May 22, 2007, Council awarded a one year contract to Quality One Commercial Cleaning, Inc. to provide custodial services for City Hall and the Community Center for FY 2007/08. This contract included four annual renewal periods, to be approved by the City Council one year at a time. All four years were renewed annually; and this contract will expire on June 30, 2012.

The annual cost for this service contract is \$66,000. It has remained the same amount for all 5 years, and is shared by budgets for City Hall, the Municipal Auditorium, the Community Center, and the Wellness Program. The amounts budgeted in each area for FY 2012/13 are as follows: City Hall = \$50,000, Community Center = \$11,840, Auditorium = \$4,250, and the wellness program = \$5,075, for a total budget of \$71,165. In addition to the base amount, this contract also includes a \$20.00 per hour rate for extra cleaning needs throughout the facility, for after hours or other scheduled events.

This contract is now due to rebid for FY 2012/13. However, there are two new issues that provide a challenge to updating the specifications and bidding for the next year.

**Issue 1:**

Council approved plans and specifications on May 22, 2012, for the major remodeling of two areas in City Hall – the Police Department and the basement. Construction is scheduled to begin in the fall of 2012 and will take 8 to 12 months to complete. The project requires staging of employees as each space is renovated and will require the cleaning staff to be flexible on what areas will be available to clean or not; and what type of cleaning is needed in these areas. The areas to be cleaned will vary and will not be consistent until this project is complete, making it difficult to predict the impact of this in the specifications for bidding.

**Issue 2:**

The expected level of the appearance for City Hall has been elevated for FY 12/13. This will require experimentation and adjustments to the required tasks, task frequency, and other efforts required to achieve this higher level of appearance. By the end of fiscal year 2012/13, the specifications for this bid will be modified, based on what is required to maintain this facility at the levels expected. Those revised specifications will then be used to solicit bids for FY 2013/14.

**Due to these two elements, staff is requesting that the City Council waive formal bidding procedures and authorize extending this contract by one year. This will provide an opportunity for staff to work with the current contractor, who knows the facility and how it is used, for the next fiscal year to determine what is required to improve the level of services provided, and to work around the construction project.**

Staff has discussed this concept with the current contractor, QualityOne Commercial Cleaning, Inc., to determine if they are open to this arrangement. The contractor has indicated that they are willing to continue the cleaning services for another year, under the circumstances identified; and that **they are willing to do this for the same rate of \$66,000, plus \$20.00/hr for additional cleaning needs after hours or after special events.**

**ALTERNATIVES:**

1. Waive formal bidding and extend this cleaning contract for City Hall and the Community Center for one year, FY 2012/13, to QualityOne Commercial Cleaning in the amount of \$66,000 (\$5,500 per month) plus \$20.00 per hour for emergency callback and additional work as authorized.
2. Reject extending this contract for FY 12/13, but approve extending the current contract with QualityOne Commercial Cleaning through September 30, 2012, with the same terms and fees as the current contract (\$5,500/month plus \$20.00 per hour for callbacks and additional work), to give staff time to update specifications and to re-bid this contract.
3. Reject this contract extension and direct staff to re-bid custodial services.

**MANAGER'S RECOMMENDED ACTION:**

QualityOne has been the custodial services contractor for the past seven years, and has worked closely with the City to continually improve its quality of services. Given the disruption that we will be experiencing over the next 8 to 12 months, it does not appear to be a good time to bid out these custodial services at this time.

Given the fact that QualityOne is willing to extend its contract with the City for another year at the same price, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1. This alternative will approve the waiver of formal bidding and extend this cleaning contract for City Hall and the Community Center for one year, FY 2012/13, to QualityOne Commercial Cleaning in the amount of \$66,000 (\$5,500 per month), plus \$20.00 per hour for emergency callback and additional work as authorized.