

COUNCIL ACTION FORM

SUBJECT: CITY HALL CUSTODIAL SERVICES CONTRACT

BACKGROUND:

All cleaning and custodial services for City Hall are provided by a third party professional cleaning service. The tasks included in this service are all the routine daily cleaning tasks, carpet shampooing, vinyl and Terrazo floor maintenance, ceramic tile cleaning, plumbing fixture cleaning and sanitation, spot cleaning as needed, emptying all trash receptacles, glass cleaning, window washing, and litter collection around the outside of the building, litter collection in parking lots M, MM, N, and the Veterans Memorial, and an occasional emergency unplanned clean-up. **The current contract expires on June 30, 2013, after six years at the same annual base fee.** That base fee is \$66,000 and is split for budget purposes for specific areas as follows:

City Hall and Police Department	\$45,950
Gym & community center	\$11,840
Auditorium	\$ 3,135
Wellness/Aerobics room	\$ 5,075

The specifications for this contract have now been revised to include a goal of creating a more pristine appearance in all the areas served and of having a contractor's employee on duty from 8 AM to 5 PM daily. This bid is for the period of July 1, 2013, through June 30, 2014. There are also four 12 month renewal periods available through June 30, 2018. Each renewal period is subject to successful past performance and approval by Council. The bid also provides for a percentage increase on base fees for each renewal period.

After six years at the same base rate plus the addition of an increase in the results expected, an increase in base fees was anticipated. The approved operating budget for FY 2013/14 was set at \$82,500, of which \$60,000 is in the Facilities budget, \$12,000 is in the Gym & Community Center budget, \$5,400 is in the Auditorium budget, and \$5,100 is in the Wellness budget.

The base bid amounts include all routine services provided daily plus other services provided periodically or less frequently. Also bid separately is a per-hour rate for additional services requested, emergency clean up, and special events clean-up in the Auditorium. These services will be billed at the hourly rate bid in addition to the planned services.

On May 31, 2013, six bids were received as follows:

BIDDER – Base Bid	TOTAL ANNUAL COST	ADDITIONAL SERVICES COST PER HOUR
Klean Rite, Ames, IA	\$56,940.00	\$20.00
LogiClean LLC, Ames, IA	69,000.12	20.00
FBG Services Corp., Des Moines, IA	71,964.00	15.10
Jones Cleaning & Remodeling, Ames, IA	72,652.00	17.00
Reliable Maintenance Co., Des Moines, IA	106,777.00	18.00
Nationwide Office Care, Clive, IA	197,542.00	15.00

BIDDER – Annual % Rate Increase by FY	14/15	15/16	16/17	17/18
Klean Rite, Ames, IA	0.5%	0.5%	0.75%	0.75%
LogiClean LLC, Ames, IA	0.0%	0.0%	0.0%	0.0%
FBG Services Corp., Des Moines, IA	1.0%	1.0%	1.0%	1.0%
Jones Cleaning & Remodeling, Ames, IA	0.0%	0.0%	0.0%	0.0%
Reliable Maintenance Co., Des Moines, IA	1.0%	1.0%	2.0%	2.0%
Nationwide Office Care, Clive, IA	3.0%	3.0%	3.0%	3.0%

The bid award recommendation is based on the lowest overall cost to the City over the 5-year period.

Klean Rite submitted the lowest acceptable bid of \$56,940. This bid is 13.7% below the current contract and is 31% under the budgeted amount. This cost will be shared in operating budgets as follows:

- \$39,800 in the Facilities budget
- \$10,240 in the Gym & Community Center budget
- \$ 2,700 in the Auditorium budget
- \$ 4,200 in the Wellness budget

ALTERNATIVES:

1. Award this contract for City Hall custodial services to Klean Rite, Ames, IA., in the amount of \$56,940 per year plus \$20.00 per hour for emergency callback and additional work as authorized, for FY 2013/14. The contract is renewable for up to four, twelve-month periods subject to successful performance and Council approval, with the increases reflected in the bid.
2. Award the contract for custodial services for the Ames City Hall to one of the other bidders.
3. Reject all bids and direct staff to re-bid custodial services.

MANAGER'S RECOMMENDATION:

Klean Rite is the current provider of custodial services for the Transit Department, Water Plant, and Water Pollution Control. Klean Rite has the lowest overall cost to the City over the five-year contract. The Director of Fleet & Facilities has examined Klean Rite's performance in the other City facilities and finds them to be acceptable. Klean Rite is committed to meeting the expected results and is ready to provide these services. The level of services will be increased from the past, while the actual cost of services will be less by \$9,060 (13.7%) and under budget by \$25,560 (31%).

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby awarding the contract for City Hall custodial services to Klean Rite, Ames, IA., in the amount of \$56,940 per year, plus \$20.00 per hour for emergency callback and additional work as authorized, for FY 2014.