

COUNCIL ACTION FORM

**SUBJECT: FACILITIES MAINTENANCE PROGRAM – CONTRACT EXTENSION
FOR CUSTODIAL SERVICES AT CITY HALL**

BACKGROUND:

On June 11, 2013, the City Council awarded a contract to Klean Rite to provide custodial services for the City Hall and Community Center for the period of July 1, 2013 through June 30, 2014. This contract also included four optional renewal periods.

The period from July 1, 2016, through June 30, 2017, is the third of four optional renewal periods. Klean Rite has indicated there would be a 0.75% price increase for this renewal period, for a total of \$61,824.45 per year, plus \$21.72 per hour for emergency callback and additional work as authorized. Extension periods are contingent upon approval of funding by Council.

The approved operating budget for custodial services in FY 2016/17 was set at \$93,108. These budgeted amounts will cover the base and hourly bid costs for this renewal:

\$71,725 Facilities Budget
\$10,983 Gym & Community Center Budget
\$ 6,000 Auditorium Budget
\$ 4,400 Wellness Budget
\$93,108 Total funding available

ALTERNATIVES:

1. Award the contract renewal option for the FY 2016/17 custodial services for the City Hall and Community Center to Klean Rite in the amount of \$61,824.45 per year plus \$21.72 per hour for emergency callback and additional work as authorized.
2. Reject renewal award and direct staff to re-bid custodial services.

MANAGER'S RECOMMENDATION:

Klean Rite is the current provider of custodial services in City Hall and the Community Center and has provided these services for one year. Based upon the previous bids, Klean Rite provides these services at a relatively low overall cost, and has worked closely with staff to continually improve the quality of services received. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.