

**COUNCIL ACTION FORM**

**SUBJECT: CONTRACT RENEWAL FOR CUSTODIAL SERVICES AT CITY HALL**

**BACKGROUND:**

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, and additional tasks performed periodically such as carpet shampooing, vinyl and Terrazzo floor maintenance, ceramic tile cleaning, plumbing fixture cleaning and sanitation, spot cleaning, glass cleaning, and window washing. There is also the expectation to provide unplanned emergency clean-up services.

On May 20, 2021, two bids were received as follows:

<b>BIDDER – Base Bid</b>	<b>TOTAL ANNUAL COST</b>	<b>ADDITIONAL SERVICES COST PER HOUR</b>
ServePro of Ames	\$56,525.00	\$25.84
Reliable Maintenance Co., Des Moines, IA	\$58,800.00	\$19.50

<b>BIDDER – Annual % Rate Increase by FY</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>
ServePro of Ames	2.0%	2.0%	2.0%	2.0%
Reliable Maintenance Co., Des Moines, IA	2.5%	2.5%	2.5%	2.5%

The City Council awarded ServePro of Ames the contract on June 8, 2021 which includes four optional renewal periods. Each renewal period is subject to successful past performance and approval by Council. The contract also provides for a percentage increase on base fees for each renewal period. The period from July 1, 2022 through June 30, 2023 is the first of four optional renewal periods.

The FY 2022/23 renewal with ServePro of Ames has a 2% price increase, for a contract total of \$57,655.50. The total cost for these basic daily services in FY 2022/23 will be split for budget purposes for specific areas as follows:

City Hall and Police Dept	\$35,700.33
Gym, Community Center, & Wellness	16,855.17
<u>Auditorium</u>	<u>5,100.00</u>
<b>TOTAL</b>	<b>\$57,655.50</b>

This total does not include any emergency or other work in excess of the daily and periodic cleaning. Emergency and authorized additional services (e.g., event clean-up) in FY 2022/23 will be billed at the rate of \$26.36 per hour.

The approved FY 2022/23 operating budget includes \$73,218 for custodial services (daily cleaning services and additional services as authorized) from the following sources:

Facilities Budget	\$60,000
Gym & Community Center Budget	5,887
Auditorium	3,281
<u>Wellness</u>	<u>4,050</u>
TOTAL	\$73,218

**ALTERNATIVES:**

1. Award a contract renewal for FY 2022/23 custodial services at Ames City Hall to ServePro of Ames in the amount of \$57,655.50 per year plus \$26.36 per hour for emergency clean-up and additional work as authorized.
2. Reject the renewal and direct staff to re-bid custodial services.

**CITY MANAGER'S RECOMMENDATION:**

ServePro of Ames is providing relatively low cost cleaning and custodial services for City Hall and has demonstrated a commitment to meeting the expectations in a consistent and responsive manner.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.