



**CONSENT CALENDAR**

**Agenda Item # 4**

**AGENDA REPORT SUMMARY**

**Meeting Date:** June 27, 2017

**Subject:** Contract Amendment: Custodial Services

**Prepared by:** Christopher Lamm, Engineering Services Manager

**Reviewed by:** Susanna Chan, Public Work Director

**Approved by:** Chris Jordan, City Manager

**Attachments:**

None

**Initiated by:**

Staff

**Previous Council Consideration:**

June 28, 2016

**Fiscal Impact:**

Custodial services are budgeted in the FY 2017/18 operating budget

**Environmental Review:**

Not applicable

**Policy Question(s) for Council Consideration:**

- None

**Summary:**

- Custodial services are an important aspect of a healthy work environment and inviting public spaces.
- The Contract is renewable for four additional years.
- Amendment No. 1 would be the first renewal of the contract.

**Staff Recommendation:**

Authorize the City Manager to execute an amendment to the contract with IMPEC Group for custodial services in the amount of \$360,624 on behalf of the City



**Subject:** Contract Amendment: Custodial Services

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### **Purpose**

Authorize the City Manager to execute an amendment to the contract with IMPEC Group for custodial services in the amount of \$360,624 on behalf of the City

### **Background**

Custodial services are an important aspect of a healthy work environment and inviting public spaces. The City contracts custodial services for the cleaning of the buildings and facilities, parks and litter control within parks. Work is performed at the following locations, with scopes of services tailored to each unique location on daily, weekly, monthly and quarterly timeframes.

- Grant Park Community Center
- Municipal Services Center
- Hillview Community Center
- Police Department
- City Hall
- Garden House
- Teen Center
- Gymnasiums (Blach, Egan, Rosita)
- City Parks

### **Discussion/Analysis**

The City advertised a request for proposals for custodial cleaning services on May 3, 2016 and received five proposals on June 2, 2016. Following a review of the proposals, the City awarded a contract renewable for four (4) additional years. The contract was terminated in March of 2017 and the City contracted with the next qualified low bidder, IMPEC Group, for the remainder of the fiscal year at the monthly bid price of \$23,728.

The contract is renewable for four (4) years with annual increases that reflect the increase in the consumer price index, however, for FY 2017/18, the monthly price will increase approximately 27% to \$30,052 per month to reflect recent changes in minimum wage requirements established by the City and neighboring agencies. The minimum wage at bidding was \$11/hr. To meet minimum wage requirements and remain competitive with neighboring agencies whose minimum wage ordinances exceed those set in the City of Los Altos, it is expected to require \$14/hr. to retain qualified individuals. This wage increase of 27% reflects directly upon the monthly rate increase for service.

The Amendment Number 1 with IMPEC Group is the first renewal of four (4) optional renewals for custodial services.



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### **Options**

- 1) Authorize the City Manager to execute an amendment to the contract with IMPEC Group for custodial services in the amount of \$360,624 on behalf of the City.

**Advantages:** IMPEC Group has provided satisfactory work and was the second lowest responsible proposal received when bid.

**Disadvantages:** None

- 2) Re-advertise the contract for custodial services.

**Advantages:** None

**Disadvantages:** This is not recommended as it is not anticipated that re-advertising would result in better proposals.

### **Recommendation**

The staff recommends Option 1