


CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Motion to accept the State of Washington proposal for janitorial services and authorize the City Manager to authorize the State of Washington to execute a contract with Advantage Building Services for the City's 2006 janitorial services in an amount of \$103,924.18

DEPARTMENT: Public Works

PRESENTED BY: Paul S. Haines, Public Works Director
Jesús Sanchez, Operations Manager 

PROBLEM/ISSUE STATEMENT:

Since incorporation, the City of Shoreline has contracted with various firms for janitorial services of its owned and leased facilities. This year is the third and last year of a one-year contract with two one-year date extensions allowed under our current contract. A formal bid process was necessary to procure janitorial services beginning in 2006. A new contract must be fully executed to provide continuous janitorial service beginning on January 1, 2006.

FINANCIAL IMPACT:

The proposed 2006 contract amount is for \$103,924.18. The proposed 2006 Public Works General Fund Budget includes sufficient funding to pay for this contract and any change orders up to 10% of the new contract amount.

RECOMMENDATION

Staff recommends that Council authorize the City Manager to authorize the Office of State Procurement to execute a contract with Advantage Building Services in the amount of \$103,924.18 for the City's 2006 janitorial services.

Approved By: City Manager  City Attorney _____

INTRODUCTION

Since incorporation, the City has contracted with various firms for janitorial services of its owned and leased facilities. This year is the third and last year allowed under the current janitorial contract. An open bid process was necessary to procure janitorial services to begin in 2006. A new contract must be fully executed to provide continuous janitorial service beginning on January 1, 2006.

BACKGROUND

The City of Shoreline contracts for janitorial services to maintain its owned and leased facilities. The annual Janitorial costs are \$95,868.83. In the past, the City prepared bid documents and conducted an open bidding process for janitorial services. The City's last open bid process was conducted in 2002. Since that time, a janitorial services contracting program has been developed by the Office of State Procurement (OSP) developed a Janitorial Services Contracting Program.

ANALYSIS

The City reviewed two (2) bid options for the 2006 janitorial services: 1) Issue a City generated bid, as the City has done in the past, or 2) use the OSP Janitorial Services Contracting Program. After meeting with the OSP and discussing their program, the Public Works Department elected to use the OSP Janitorial Services Contracting Program. Using the OSP program offered the City several advantages:

- OSP pre-qualifies janitorial contractors, verifying that the contractors have a current business license, certificate of insurance, bonding, and are in current standing with the Department of Labor and Industry and other applicable State departments.
- OSP administers the bidding and contractor selection process. City personnel provide the scope of work, conduct a facilities walk-through, checks references and review and score the contractors' proposed work plans. OSP prepares the bid documents, distributes the bids, reviews the bids initially for compliance and then distributes the bids to the City along with an evaluation form. OSP withholds the names of the contractors until after the City has completed its evaluation and determined the most qualified contractor. Specific information about the OSP process is attached.
- Upon authorization from the City, OSP executes the final contract with the selected contractor and administers the contract. The City monitors the contractor's performance and submits quarterly performance reports to the OSP. If the City is unable to resolve any issues directly with the contractor, OSP steps in to resolve the matter.
- The City is billed by the contractor, reviews the invoice and pays the contractor directly.

- The City avoids the costs of preparing and distributing elaborate bid documents, advertising the bid, and much of the staff time required to evaluate bids and execute the contract.
- A 3% fee for OSP to administer the contract is included in the contractor's submitted bid. The contractor pays the 3% fee directly to the OSP.
- In surveying other agencies that have use the OSP Janitorial Services Contracting Program, all agencies noted a savings in their costs, even when the additional 3% fee was added to the contractor's bid.
- The lowest successful bidder is currently the existing service provider and their bid was more in keeping with the actual costs of providing janitorial services hence a more accurate bid.

Public Works staff prepared the base bid janitorial specifications for the City's owned and leased facilities, including the Highland Plaza Building (City Hall Annex), the Police Station, the Eastside and Westside Neighborhood Police Storefronts, the Shoreline Pool, Richmond Highlands Recreation Center, Spartan Gym, Aldercrest Annex and the parks restrooms. An alternate bid specification, which included the base bid facilities plus the City Hall basement and more frequent cleaning of the parks restrooms, was also included in the bid. For the evaluation process, staff selected a Point Value formula of 50% price, 30% site plan and 20% references. The bid was advertised as a one-year term with the option of four (4) one-year renewals for a possible total contract term of five (5) years.

OSP advertised a Request for Bids with their pre-qualified contractors on July 14, 2005. Public Works staff conducted a walk-through of all the facilities with ten (10) contractors on July 28, 2005. The City received five bids from OSP on August 15, 2005. The results of the bids and the City's evaluations are listed below:

BASE BID RESULTS

Bidder Name: Bidder Number:	Advantage Building Services 1	A-1 Performance 2	Pro Team 3	Campbell Brothers Maintenance 4	National Maintenance Contractors 5
COST Evaluation					
Bid Price (annual)	\$97,755.36	\$208,616.76	\$223,152.00	\$232,884.00	\$274,240.20
Prompt Payment Discount	1.50%		1.00%	1.00%	1.00%
Evaluated Bid Price	\$96,289.08	\$208,616.76	\$220,920.48	\$230,555.16	\$271,497.84
Total COST Points:	50.00	23.08	21.79	20.88	17.73
NON-COST Evaluation					
Work Reference Points	19.00	13.00	19.00	17.00	20.00
Site Work Plan Points	24.00	24.00	24.00	14.40	26.40
Total NON-COST Points:	43.00	37.00	43.00	31.40	46.40
TOTAL POINTS	93.00	60.08	64.79	52.28	64.13

ALTERNATE BID

Bidder Name:	Advantage Building Services	A-1 Performance	Pro Team	Campbell Brothers Maintenance	National Maintenance Contractors
Bidder Number:	1	2	3	4	5
<u>COST Evaluation</u>					
Bid Price (<i>annual</i>)	\$103,924.18	\$225,933.24	\$254,412.96	\$259,668.00	\$294,704.76
Prompt Payment Discount	1.50%		1.00%	1.00%	1.00%
Evaluated Bid Price	\$102,365.32	\$225,933.24	\$251,868.84	\$257,071.32	\$291,757.68
Total COST Points:	50.00	22.65	20.32	19.91	17.54
<u>NON-COST Evaluation</u>					
Work Reference Points	19.00	13.00	19.00	17.00	20.00
Site Work Plan Points	24.00	24.00	24.00	14.40	26.40
Total NON-COST Points:	43.00	37.00	43.00	31.40	46.40
TOTAL POINTS	93.00	59.65	63.32	51.31	63.94

Based on the scoring and submitted bid documents, Public Works staff is recommending the City Council accept the Alternate Bid amount of \$103,924.18 from Advantage Building Services for the City's 2006 janitorial services.

RECOMMENDATION

Staff recommends that Council authorize the City Manager to authorize the Office of State Procurement to execute a contract with Advantage Building Services in the amount of \$103,924.18 for the City's 2006 janitorial services.

ATTACHMENTS

Attachment A – Office of State Procurement Janitorial Services Contracting Program

State of Washington

Janitorial Services Contracting Program

Contract Number: 01902

For Use By: All State Agencies, Political Subdivisions of Washington, Qualified Non-profit Corporations, Materials Management Center, Participating Institutions of Higher Education (College and Universities, Community and Technical Colleges).

Scope of Contract: The purpose of this contract is to obtain Janitorial Services for use by all state agencies, political subdivisions of Washington, qualified non-profit corporations, Materials Management Center, participating institutions of higher education (college and universities, community and technical colleges) – all members of the WSPC. As a result, customers will have easy access to a pool of pre-qualified janitorial service providers available to provide quality janitorial services.

PRE-QUALIFIED POOL OF VENDORS: The Office of State Procurement maintains a list of vendors who have completed a first tier pre-qualification evaluation and were able to achieve a score indicative of above average capability in the level or levels of service for which they were successful. The possible pre-qualification levels that vendors achieved was based on the estimated annual dollar value of janitorial services requirements. Level I is smaller contracts estimated at less than \$12,000 per year. Level II is medium contracts estimated at between \$12,000 and \$42,300 per year. Level III is large contracts estimated at more than \$42,300 per year.

OBTAINING JANITORIAL SERVICES: Customers needing janitorial services may initiate a competitive second tier work request by contacting the Office of State Procurement at PCAJanitorial@ga.wa.gov or by phone at (360) 902-7400. Email communication is preferred, as most of the second tier communications with vendors and customers will be via email. OSP will help customers conduct a simple, competitive second tier hiring process. In most cases, this process can be completed in two to four weeks. When re-bidding an expiring contract, OSP suggests that customers initiate a second tier work request six to 8 weeks prior to the expiration date of the old contract. Successful first tier vendors have signed agreements that incorporate the standard terms and conditions that should be needed for most janitorial services contracts. Customers may add additional special terms and conditions to their second tier work request (solicitation) documents. The signed agreements also commit the vendors to comply with the steps outlined for the second tier competition that are found herein. The Office of State Procurement will facilitate the second tier process and work closely with each customer and selected vendor to help ensure the success of this program.

VENDOR PERFORMANCE EVALUATIONS: Customers will evaluate vendor performance quarterly using a simple template that can be emailed to OSP. When problems are identified, OSP will facilitate vendor improvement. If issues are serious or go unresolved, a cure letter will be issued by OSP to the vendor. This letter will again detail the issues at hand and give a cure period to resolve them. Cure periods may range from 10 to 30 days depending on the severity of the issue. Vendors unable to resolve cure issues within the assigned period are subject to termination. Customer performance evaluations will be made available for all other potential customers and may

be used as additional information, pro- or con-, in subsequent second tier awards contests, as well as in future pre-qualification efforts.

BEST PRACTICE: Two-tier contracting has been identified as state government “Best Practice.” Pre-qualifying vendors and using a streamlined second tier hiring process reduces the redundancy and the efforts expended by the state and the vendor community. It enhances competition and saves process time while simplifying the effort for securing vendors to perform specific janitorial services for customers.