



Staff Report

Date: July 5, 2016

To: City Council

From: Valerie J. Barone, City Manager

Reviewed by: Justin Ezell, Director of Public Works

Prepared by: Robert Hardie, Facilities Maintenance Manager
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Subject: **Considering approval of a one-year custodial services contract extension with Universal Building Services in a form acceptable to the City Attorney in the amount of \$376,000 (Building Maintenance Fund)**

Report in Brief

The City relies entirely on contract custodial services. The current custodial services contract allows for two one year extensions. The Public Works Department is proposing a contract amendment to implement the first one-year contract extension to provide custodial services during the 2016-17 Fiscal Year.

Recommended Action

Staff recommends that the City Council approve a one-year custodial services contract extension with Universal Building Services in the amount of \$376,000, in a form acceptable to the City Attorney.

Background

In 2013 the City of Concord conducted a formal competitive bidding process for custodial services. Four bids were received. Universal Building Services was selected as the lowest responsive and responsible bidder and was awarded a contract to perform the work. The company has been performing contractual custodial services for the City since 2008.

City Council Agenda Report

Award custodial services contract in the amount of \$376,000 to Universal Building Services

July 5, 2016

The contract with Universal Building Services expired on June 30, 2016. The contract has provisions that allow for two additional one year extensions at agreed prices, with all other terms and conditions remaining the same.

Analysis

Prior to the Great Recession, the Public Works Department employed more than six full time people to perform custodial services, including supervision. The cost of providing the same level of service today would be about \$564,000 in salaries and benefits, if the work was performed using in-house labor. In contrast, the contractual cost of performing custodial work at the same level of service is about \$346,000 (or about 39% less), and it includes both labor and equipment to perform the work, as well as all additional costs such as workers compensation and other benefits.

The proposed contract amount with UBS includes an additional \$30,000 to cover the cost of ad-hoc services, such as carpet and window cleaning, bringing the total contract amount up to \$376,000..

Alternatives

Custodial services could be performed using in-house labor. Doing so, however, would require several months to purchase equipment, complete a recruitment, hiring and training process, and would cost the City considerably more for the same service.

Procurement Process

A formal competitive bidding process was completed in April 2013. Four bids were received and Universal Building Services was identified as being the lowest responsive and responsible bidder. Staff has found the services provided by the company to be acceptable and the contract allows for two, one year extensions. This would be the first one year extension of the contract.

Financial Impact

Funds for this contract are available in the Fiscal Year 2016-17 Building Maintenance Operating Budget.

Public Contact

The City Council Agenda was posted.

Attachments

1. Amendment to Custodial Services Agreement

AMENDMENT TO CUSTODIAL SERVICES AGREEMENT

1 This First Amendment to Agreement is entered into on this date, _____, 2016 and amends
2 the July 9, 2013 Agreement between the City of Concord (“CITY”) and Universal Building Services
3 and Supply Co., a California corporation (hereinafter “CONTRACTOR”), whose mailing address is
4 3120 Pierce Street, Richmond, California 94804.

5 **WHEREAS**, the CITY and CONTRACTOR entered into an Agreement dated July 9, 2013,
6 wherein CONTRACTOR agreed to provide custodial services for the CITY (the “Agreement”); and,
7

8 **WHEREAS**, the Agreement provides that the custodial services include fifteen sites as
9 specified in the Request for Bid #2256; and

10 **WHEREAS**, the CITY paid \$166,020 to CONTRACTOR each year for FY 2013-14 and
11 2014-15 as specified in the Agreement; and

12 **WHEREAS**, for FY 2015-16, the CITY paid \$166,020 and added \$135,864 (for a total
13 payment of \$301,884) to CONTRACTOR to account for increased costs to CONTRACTOR and
14 increased frequency and service levels as specified in Request for Bid #2256; and

15 **WHEREAS**, under Section 1, “Term”, the Agreement states in part that, “...this contract may
16 be extended for up to two (2) additional one year terms at agreed prices...”; and

17 **WHEREAS**, Exhibit A attached to this First Amendment to Agreement are the listed work
18 sites and rate sheet to be covered under the Agreement.
19

20 **NOW THEREFORE**, in consideration of the promises and conditions set forth in the
21 Agreement dated July 9, 2013, the parties mutually desire to exercise the option to extend the
22 agreement for a period of one year.
23

24 Accordingly the Agreement (and any subsequent amendment) is amended with the following:

25 1. Section 1. TERM of the Agreement is amended to read as follows:

26 The term of this AGREEMENT shall be from the effective date until June 30, 2017. By
27 mutual agreement, this contract may be extended for up to one (1) additional one-year term at agreed
28 prices with all other terms and conditions remaining the same.

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FINANCE DIRECTOR'S CERTIFICATION:

Concord, California

Date: _____, 2016

I HEREBY CERTIFY THAT ADEQUATE FUNDS EXIST OR WILL BE RECEIVED
DURING THE CURRENT FISCAL YEAR 2016/17 TO PAY THE ANTICIPATED
EXPENSES TO BE INCURRED PURSUANT TO THIS CONTRACT.
THE SUM OF \$376,000 Account Code 630 5740 63800 400

Finance Director's Signature

**EXHIBIT A
UNIVERSAL BUILDING SERVICES
RATE SHEET**

| Job Location | Calendar Year 2016 Rates (monthly) | New Cost Effective 1/1/17 (monthly) |
|-----------------------------------|---|--|
| Salvio Parking Garage | \$ 241.96 | \$ 255.27 |
| Todos Santos Parking Garage | \$ 241.96 | \$ 255.27 |
| Community Pool | \$ 1,802.96 | \$ 1,902.12 |
| Salvio Library | \$ 859.67 | \$ 906.95 |
| Police Department | \$ 5,832.57 | \$ 6,153.36 |
| Willow Pass Recreation Center | \$ 1,126.15 | \$ 1,188.09 |
| Centre Concord | \$ 1,947.91 | \$ 2,055.05 |
| IT & Finance Wing C | \$ 664.54 | \$ 701.09 |
| Council Chamber | \$ 430.39 | \$ 454.06 |
| Wing D | \$ 680.15 | \$ 717.56 |
| Wing A | \$ 680.15 | \$ 717.56 |
| Human Resources | \$ 340.08 | \$ 358.78 |
| Corporation Yard/Parks Dept. | \$ 2,264.57 | \$ 2,389.12 |
| Senior Center | \$ 2,691.61 | \$ 2,839.65 |
| Corp Yard-Engineering Office | \$ 318.89 | \$ 336.43 |
| Day Porter Services | \$ 5,455.70 | \$ 5,755.76 |
| Salvio Parking Garage (M-F) | \$ 1,235.42 | \$ 1,303.37 |
| Todos Santos Parking Garage (M-F) | \$ 1,235.42 | \$ 1,303.37 |
| MONTHLY TOTAL | \$ 28,050.10 | \$ 29,592.86 |