



# CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

# C-8

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June 20, 2017

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary to amend Contract No. 33516 with ABM Onsite Services-West, Inc., of Irvine, CA, for providing custodial services at various locations, to increase the annual contract amount by \$129,124, plus a 10 percent contingency of \$104,525, for a revised annual contract amount not to exceed \$1,149,774. (Citywide)

## DISCUSSION

On September 23, 2014, the City Council awarded a contract to ABM Onsite Services-West, Inc., for providing custodial services, in an annual amount of \$916,125, with a 10 percent contingency of \$91,613, for a total annual amount not to exceed \$1,007,738 for a period of two years, with the option to renew for two additional one-year periods, at the discretion of the City Manager.

City Council action is requested to amend Contract No. 33516 with ABM Onsite Services-West, Inc., to increase the annual contract amount by \$129,124, plus a 10 percent contingency of \$104,525. Since the contract was established, the Recreation Dog Park, Council District Nine field office, and the Michelle Obama Library have been added as additional service sites. In addition, contract pricing has been raised on several occasions due to paid sick leave legislation, minimum wage increases, and annual CPI adjustments in lieu of health care benefits. As such, the additional service sites and increased costs have exhausted the contract's available contingency funds. Additional spending authority is needed to continue services through the end of this term, October 5, 2017, and to sustain custodial services during the second renewal period. The proposed increase in annual contract amount also includes an allocation for a 3 percent CPI increase for the second renewal period.

This matter was reviewed by Deputy City Attorney Amy R. Webber and by Assistant Finance Director Lea Eriksen on May 23, 2017.

## TIMING CONSIDERATIONS

City Council action is requested on June 20, 2017, to allow for uninterrupted continuation of services.

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FISCAL IMPACT

The requested action increases the annual contract authority by \$129,124, plus a 10 percent contingency of \$104,525, for a revised annual contract amount not to exceed \$1,149,774. Sufficient funds to support the increased authority are budgeted in multiple funds and departments. The approval of this recommendation will provide continued support to our local economy by assisting in the preservation of employment for 279 full-time employees and 64 part-time employees residing in Long Beach.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS  
DIRECTOR OF FINANCIAL MANAGEMENT

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APPROVED:

  
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PATRICK H. WEST  
CITY MANAGER