



Legislation Text

File #: 09-0315, **Version:** 2

Recommendation to declare ordinance making findings and determinations regarding contracting for work usually performed by City employees and authorizing the City Manager to enter a contract with American Building Maintenance Company for custodial services, read and adopted as read.
(Citywide)

The City has been contracting with the private sector for custodial services since 1998. The current contracts will expire on April 30, 2009, and a new contract is required. The contracted sites include more than 80 buildings operated by the Community Development, Parks, Recreation and Marine, Library Services, Police, Fire, Public Works, Gas and Oil, and Technology Services Departments. Two additional sites have been included in the specifications -- the Environmental Services Building (at Temple & Willow) and the new Fire Department Administration Building. These two sites have been receiving minimal levels of custodial service provided by temporary, part-time staff or by non-maintenance staff working on an overtime basis.

The format of the bid specifications was revised to include industry "best practices" and minimum staffing requirements as recommended in the Custodial Services Optimization Study. Additionally, the bid format was revised to provide greater assurance to staff that the bidders can successfully meet the contract specifications for the amounts bid.
Improved levels of service are anticipated.

The original bid was advertised on June 17th, 18th, 19th, and 22nd, 2008, and opened on July 10, 2008. The City received four bids and all were rejected to conduct a re-bid in order to simplify specifications and expand the bidders pool. The bid documents were available from the Purchasing Division, located on the seventh floor of City Hall, and the Purchasing Division's website at www.lonobeach.oov/purchasing. A bid announcement was also included in the Purchasing Division's weekly update on Open Bid Opportunities, which is sent to 30 local, minority, and women's business groups. Sixty-two potential bidders specializing in custodial services were notified: ten are Woman-owned Business Enterprises (WBEs), 22 are Minority-owned Business Enterprises (MBEs), five are Long Beach businesses, and 15 are certified Small Business Enterprises (SBEs). Fifty-seven potential bidders attended the Bidder's Conference and ten bids were received. Bids were opened on December 18, 2008. American Building Maintenance (ABM) Company (not a MBE, WBE, local, or SBE) a national company with regional headquarters in Irvine, California, was determined to be the lowest responsible bidder.

The bid specifications include a requirement that contractors provide health care benefits or make a monetary payment of \$1.60 per hour in lieu of such benefits, which shall increase annually, based on the Consumer Price Index (CPI), to their full-time and part-time employees working under contract with the City. In addition, the contract requires the contractor to provide supplemental information, such as the number of employees and types of equipment used under this contract.

The City's cost to perform the work described in the specifications is \$1,479,000. The City Auditor

has determined this estimate to be reasonable (Attachment A). The total contract cost for annual services is \$765,195, which is \$713,805 (48 percent) less, when compared to what it would cost if City employees were to provide the same level of service. The total contract amount includes the base bid of \$765,195, plus an optional 10 percent (\$76,520) contingency, if necessary and if funds are available, to provide for non-scheduled, supplemental and emergency functions to ensure public safety and sanitary conditions.

The City proposed ordinance provides for the findings required by City Charter Section 1806 and authorizes the City Manager to execute contracts for these services with ABM, for a period of one year and also authorizes the City Manager to execute three separate renewals for a period of one year each.

In June 2008, Ms. Janet Wright-Schabow, Business Representative of the International Association of Machinists and Aerospace Workers, was notified by mail, of the plans to adopt specifications and that no layoffs will result from any contract let pursuant to these specifications. In addition, an in person meeting was conducted on Monday, March 16, 2009 with Ms. Wright-Schabow to give her an update regarding the specifications and the City's recommended contractor.

This matter and Proposition "L" findings were reviewed by Deputy City Attorney Linda Trang on March 16, 2009 and Budget Management Officer Victoria Bell on March 13, 2009.

City Council action to adopt Specifications No. PA-00809 and award the contract concurrently is requested on March 24, 2009 to ensure that a contract is in place expeditiously.

The cost of the contract, in the estimated amount of \$841,715 annually, is budgeted in the funds of Community Development, Parks, Recreation and Marine, Library Services, Police, Fire, Public Works, Gas and Oil, and Technology Services Departments. This amount includes the option of adding up to 10 percent (\$76,520) above the base bid contract amount of \$765,195, if necessary and if funding is available.

Approve recommendation.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH MAKING FINDINGS AND DETERMINATIONS REGARDING CONTRACTING FOR WORK USUALLY PERFORMED BY CITY EMPLOYEES AND AUTHORIZING THE CITY MANAGER TO ENTER A CONTRACT WITH AMERICAN BUILDING MAINTENANCE COMPANY FOR CUSTODIAL SERVICES.

LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO

APPROVED:

PATRICK H. WEST
CITY MANAGER

