



Administrative Report

H.8., File # 20-0886

Meeting Date: 5/19/2020

To: MAYOR AND CITY COUNCIL
From: TED SEMAAN, PUBLIC WORKS DIRECTOR

TITLE

APPROVE THE SECOND AMENDMENT TO THE AGREEMENT WITH GOLDEN TOUCH CLEANING, INC. FOR JANITORIAL SERVICES FOR AN ADDITIONAL AMOUNT NOT TO EXCEED \$315,653 AND A TOTAL COST NOT TO EXCEED \$742,819 AND EXTEND THE TERM FOR TWO YEARS TO MAY 31, 2022

EXECUTIVE SUMMARY

Approval of the recommended action would extend for two additional years a contract for janitorial services. The current vendor, Golden Touch Cleaning, Inc., has provided quality, reliable services for a competitive price for the past three years. The cost for services during the extension period would not exceed \$315,653, which includes a 1.5% pricing increase in each year of the extension period. The total cost for the three-year initial term and two-year extension period would not exceed \$742,819.

BACKGROUND

On May 23, 2017, the City Council approved a three-year agreement with Golden Touch Cleaning, Inc. to provide janitorial services for the following ten facilities:

Alta Vista Park Community Center	Perry Park Senior Center
Alta Vista Racquetball Courts	Perry Park Teen Center
Anderson Park Senior Center	North Branch Library
Community Services Dept. Offices	Veterans Park Senior Center
Main Library	Wilderness Park Visitor Center

The initial three-year term of the agreement will expire on May 31, 2020. The agreement allows for a two-year extension. Staff feels it is in the City's best interests to extend the contract for two additional years. Golden Touch Cleaning, Inc., has proven reliable in providing quality services at competitive rates. The contractor and Public Works staff negotiated a rate increase of 1.5% for each year of the extension period. All other terms and conditions of the current agreement would remain unchanged. The total cost for services during the extension period would not exceed \$315,653, as follows:

<u>Year 1</u>	
Regular Services	\$126,108
Special Services	\$16,423
10% Contingency	<u>\$14,253</u>

Year 1 Total	\$156,784
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Year 2

Regular Services	\$128,004
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Special Services	\$16,423
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10% Contingency	<u>\$14,442</u>
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Year 2 Total	\$158,869
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Total Cost for Extension Period \$315,653

In addition to regular janitorial services, the agreement also includes several as-needed services, such as pressure washing, parking lot sweeping and carpet cleaning, that are provided on an hourly basis.

COORDINATION

The amendment process was coordinated with the Financial Services Department. The City Attorney's office prepared and approved the amendment as to form.

FISCAL IMPACT

The total cost for janitorial services during the two-year extension period would not exceed \$315,653. Funding is available in the Public Works Department's Building Occupancy Fund annual operating budget.

APPROVED BY:

Joe Hoefgen, City Manager

ATTACHMENTS

- Amendment No. 2
- Amendment No. 1 and Original Agreement