



**CITY OF**

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# **NEWPORT BEACH**

## **City Council Staff Report**

August 14, 2018  
Agenda Item No. 20

**TO:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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**TITLE:** Award Contract Janitorial Services for City Facilities

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**ABSTRACT:**

Approval of an agreement with Universal Building Maintenance, LLC, dba Allied Universal Janitorial Services for the provision of regular and recurring janitorial services at 22 City buildings and facilities.

**RECOMMENDATION:**

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
- b) Approve and authorize the Mayor and City Clerk to execute the agreement for a three year period with Universal Building Maintenance, LLC, dba Allied Universal Janitorial Services, in an amount not to exceed \$2,122,018.76.

**FUNDING REQUIREMENTS:**

The current adopted budget includes sufficient funding for this service. Expenses will be charged to respective maintenance budgets for each facility.

**DISCUSSION:**

Recurring janitorial and custodial services for 22 of the City's buildings and facilities are provided through contract services. These services are required to keep buildings and facilities in the most well-maintained and presentable condition possible. Some facilities that are frequented by the public and are used heavily also require additional recurring portering services to address activities such as re-stocking paper goods and cleaning public restrooms. The following is a listing of the 22 facilities under the scope of this contract engagement:

No.	Facility	No.	Facility	No.	Facility
1	Civic Center	8	Corona del Mar Library	15	Community Youth Center
2	Corporate Yard	9	Police Department	16	Newport Lawn Bowling Center
3	Utilities Yard	10	Lifeguard Headquarters	17	Lincoln Athletic Center Gym
4	Back Bay Science Center	11	OASIS Senior Center	18	Mariners Library VJ Room
5	Central Library	12	Bonita Creek Community Center	19	Newport Coast Community Center
6	Mariners Library	13	Carroll Beek Community Center	20	Newport Theatre Arts Center
7	Balboa Library	14	Cliff Drive Park Community Center	21	16 <sup>th</sup> Street Recreation Center
				22	Marina Park

The procurement solicitation for these services involved a two-step RFQ (Request for Qualifications) and RFP (Request for Proposal) process. The decision was made not to conduct a simple Request for Bid for this project because staff wanted the opportunity to assess operational capabilities of potential contractors in response to issues raised through experience managing the incumbent janitorial contract. These issues include accuracy in tracking hours worked, daily cleaning tasks being omitted, tardy cleaning crews and unsatisfactory floor cleaning.

In the first step of the two-step procurement process, the City requested a Statement of Qualifications from bidders interested in providing janitorial services to the City. This RFQ process yielded 14 responses. A panel consisting of City staff from the Public Works Department, Recreation & Senior Services Department, Library Department and Fire Department rated the submittals. The RFQ solicitation called for and emphasized the following areas:

- Experience in providing janitorial services to large commercial accounts or government clients;
- Qualifications relevant to operational success such as technology or industry best practices to ensure timeliness of cleaning crews, reporting standards and compliant protocol;
- Understanding of State and Federal laws related to the industry of janitorial services; and
- Demonstrated ability to perform the requested services.

PART 1: The table below provides the evaluation panel's scores and rankings of all submittals in response to the RFQ:

<b>PROPOSER</b>	<b>AVERAGE SCORE (100 MAX.)</b>	<b>RFQ RANK</b>
<b>COMMERCIAL CLEANING SYSTEMS</b>	<b>82.50</b>	<b>1</b>
<b>ALLIED UNIVERSAL JANITORIAL SERVICES</b>	<b>80.50</b>	<b>2</b>
<b>OMNI ENTERPRISE, INC.</b>	<b>79.00</b>	<b>3</b>
<b>SANTA FE BUILDING MAINTENANCE</b>	<b>75.50</b>	<b>4</b>
<b>HAYNES BUILDING SERVICES, LLC</b>	<b>75.00</b>	<b>T-5</b>
<b>ABM BUILDING SERVICES</b>	<b>75.00</b>	<b>T-5</b>
XANADU SERVICE SYSTEMS	69.50	7
NMS MANAGEMENT, INC.	65.00	T-8
US METRO GROUP, INC.	65.00	T-8
PRIORITY BUILDING SERVICES, LLC	55.50	10
CORPORATE IMAGE MAINTENANCE	54.00	11
BRILLIANT GENERAL	47.50	T-12
CONSOLIDATED CLEANING SYSTEMS	47.50	T-12
TJ'S BUILDING SERVICES, INC.	20.50	14

Scores indicate that while some bidders provided information emphasized and requested in the RFQ, others simply provided standard information and did not fully engage the City's request. The evaluation panel determined that the top six (6) proposers had the requisite experience and qualifications and designated these finalists for advancement to the second step of the procurement process, involving a Request for Proposal (RFP).

Prior to the RFP, finalists were provided with detailed specifications on all 22 facilities, including information such as square footage, ratio of carpet to hard floor, number of restrooms and hours of operation. Finalists were invited to perform site visits of facilities affected by this contract. Some facilities require a thorough walkthrough in order to understand the importance of some of the cleaning tasks and frequencies. For example, Marina Park and the OASIS Senior Center regularly have event rentals that attract many visitors to these facilities. These events all require specialized cleaning after event rentals and both sites have kitchens that require certain cleaning protocol to be followed. Additionally, the public access areas of the Lifeguard Headquarters consistently has sand present due to the foot traffic from the surrounding beach area. Each site presents its own challenges and special considerations. By permitting the finalists to conduct site visits, staff was assured that all parties understood the nuances of the janitorial scope and would be able to propose best pricing without sacrificing cleaning responsibilities.

Following the site visits, the managers of each of the 22 facilities affected by this contract collaborated to develop a set of daily minimum labor hours to which the selected contractor would need to adhere. This methodology was inspired by the City's contract for landscaping services and allows staff to make a determination as to how many daily hours are required to successfully clean a respective facility. It is important to note that the finalists were still left with some flexibility in administration and deployment. For example, a site mandating eight (8) minimum labor hours could be addressed with a cleaning crew of four (4) people working for a total of two (2) hours each, or a cleaning crew of two (2) people working for a total of four (4) hours each, so long as the aggregate minimums were met at each facility.

This addressed a key concern from the incumbent contract, in which minimum hours are not defined and the contractor is able to scale down the size of the cleaning crews at its discretion. Throughout the incumbent contract engagement, certain facilities have reported a gradual reduction in cleaning crew size, resulting in a direct impact on the cleaning tasks and frequencies performed.

PART 2: By providing detailed facility specifications and list of minimum labor hours in the RFP, the City asked each finalist to provide a cost proposal and explanation of how they intend to assemble cleaning crews, reflective of the minimum labor hour requirements. The table below shows the result of the RFP pricing solicitation, using the proposed Year 1 contract pricing as the basis for comparison. The lowest cost proposal (Allied Universal) received the full 100 points, whereas every other proposal received an amount of points equal to its respective proportional relation to Allied Universal's pricing.

	<b>ALLIED UNIVERSAL JANITORIAL SERVICES</b>	<b>ABM BUILDING SERVICES</b>	<b>COMMERCIAL CLEANING SYSTEMS</b>	<b>SANTA FE BUILDING MAINTENANCE</b>	<b>OMNI ENTERPRISE, INC.</b>	<b>HAYNES BUILDING SERVICES, LLC</b>
<b>ANNUAL COST (YEAR 1)</b>	\$571,769.48	\$572,614.68	\$662,000.40	\$704,460.00	\$720,807.12	\$785,007.36
<b>RFP SCORE</b>	<b>100.00</b>	<b>99.85</b>	<b>86.37</b>	<b>81.16</b>	<b>79.32</b>	<b>72.84</b>

Combining the points earned from the RFP phase with the points earned from the RFQ phase, it becomes evident that Allied Universal is the highest-rated proposer following this RFQ/RFP procurement process:

	<b>ALLIED UNIVERSAL JANITORIAL</b>	<b>ABM BUILDING SERVICES</b>	<b>COMMERCIAL CLEANING SYSTEMS</b>	<b>OMNI ENTERPRISE, INC.</b>	<b>SANTA FE BUILDING MAINTENANCE</b>	<b>HAYNES BUILDING SERVICES, LLC</b>
<b>COST SCORE (RFP)</b>	100.00	99.85	86.37	79.32	81.16	72.84
<b>TECHNICAL SCORE (RFQ)</b>	80.50	75.00	82.50	79.00	75.50	75.00
<b>TOTAL SCORE</b>	<b>180.50</b>	<b>174.85</b>	<b>168.87</b>	<b>158.32</b>	<b>156.66</b>	<b>147.84</b>
<b>OVERALL RANK</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>

In particular, the evaluation panel was impressed with Allied Universal's operational methodology, which incorporates the following:

- Electronic check-in and check-out processes for their cleaning crews by use of smartphone and tablets, resulting in accurate timekeeping and confirmation of the labor hours deployed to each facility;
- An in-house developed work audit software program;
- Automated complaint submission and tracking systems, allowing staff to submit complaints or service improvements online;
- Regular, recurring site inspections by their supervisors;

- Experience in dealing with other municipal contracts requiring minimum manpower allocation; and
- Regular service report resources and procedures.

Additionally, Allied Universal currently holds janitorial contracts with the cities of Anaheim and Burbank, as well as the County of Los Angeles. Allied Universal received outstanding references from these agencies, as well as their commercial clients, which include CBRE. These references, coupled with their demonstrated experience, qualifications, technical capability and operational methodology all affirm staff's recommendation of award to Allied Universal.

The proposed agreement is reflective of the annual janitorial costs found in this Staff Report and includes known minimum wage increases over the next three (3) years, as mandated by the State of California. The agreement also contains a buffer allocated for as-needed or special event cleaning needed at the City's facilities that host event rentals, such as the OASIS Senior Center, Marina Park and the Community Room at the Civic Center. These post-event cleanings can vary each year and are directly tied to the number of rentals and events held at these facilities.

#### **ENVIRONMENTAL REVIEW:**

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

#### **NOTICING:**

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

#### **ATTACHMENT:**

Attachment A – Proposed Agreement