

REGIONAL TRANSIT ISSUE PAPER

| Agenda Item No. | Board Meeting Date | Open/Closed Session | Information/Action Item | Issue Date |
|-----------------|--------------------|---------------------|-------------------------|------------|
| 6 | 09/27/10 | Open | Action | 09/13/10 |

Subject: Repealing Resolution No. 10-08-0093 and Approving a Revised First Amendment to the Contract for Janitorial Services with PRIDE Industries

ISSUE

Whether or not to Repeal Resolution No. 10-08-0093 and Approve a Revised First Amendment to the Contract for Janitorial Services with PRIDE Industries.

RECOMMENDED ACTION

Approve Resolution 10-09-____, Repealing Resolution No. 10-08-0093 and Approving a Revised First Amendment to the Contract for Janitorial Services with PRIDE Industries.

FISCAL IMPACT

| | | | |
|-----------------|------------|---------------|------------|
| Budgeted: | Yes | This FY11: | \$ 153,482 |
| Budget Source: | Operating | Next FY12: | \$ 150,000 |
| Funding Source: | Local | Annualized: | \$ N/A |
| Cost Cntr# | 37 | Total Amount: | \$ 303,482 |
| GL Acct(s) #: | 630027 | | |
| Total Budget: | \$ 303,482 | | |

DISCUSSION

On August 23, 2010, Board Resolution 10-08-0093, the Board approved the First Amendment to the Contract for Janitorial Services with PRIDE Industries (PRIDE), to modify the scope of work to decrease service by \$92,621, from \$576,858 to \$484,237. Under the same Resolution, the Board also delegated authority to the General Manager/CEO to approve any future amendments to the Principal Agreement of up to a \$250,000 increase or decrease in the total contract price for the duration of the contract term.

The First Amendment approved by the Board on August 23, 2010 included a provision that gave RT the authority to terminate the contract in the event that RT does not have sufficient funding in the budget to pay for the services to be provided under the Agreement. The provision is intended to provide RT with the flexibility to terminate a multiple year contract if budget funding does not materialize from one year to the next. Termination under this provision is effective immediately. RT's termination of its contract with PRIDE would likely result in the termination of those employees assigned to work on RT's contract. PRIDE is required to provide its employees with notice before they are terminated. When PRIDE's counsel read the provision, she became concerned that RT could terminate the contract immediately, leaving PRIDE and its employees in a financial bind. Consequently, PRIDE requested a modification to the provision requiring RT to provide PRIDE with 30-days notice of its intent to terminate as a result of a budget shortfall.

Approved:

Presented:

FINAL 9/20/10

General Manager/CEO

Director of Facilities

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RT recommends that the Board approve an amendment with the change noted to the termination provision requiring that RT provide 30-day notice of its intent to terminate the contract due to a budget shortfall.

PRIDE also requested that the effective date of the reduction in service be changed from August 1, 2010 to September 1, 2010 to give the Contractor ample time to notify its staff of the adjustment in hours.

Staff recommends that the Board repeal Resolution No. 10-08-0093, and approve the Revised First Amendment to the Contract for Janitorial Services, wherein the total consideration is decreased by \$92,621, from \$576,858 to \$484,237 and the scope of work is modified to delete work effective September 1, 2010. Staff also recommends that the Board delegate authority to the General Manager/CEO to approve all future amendments to the Principal Agreement, including contract terms and conditions, and changes to the total consideration of up to a \$250,000 increase or decrease in the total contract price for the duration of the contract term.

RESOLUTION NO. 10-09-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

September 27, 2010

REPEALING RESOLUTION NO. 10-08-0093 AND APPROVING A REVISED FIRST AMENDMENT TO THE CONTRACT FOR JANITORIAL SERVICES WITH PRIDE INDUSTRIES

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, RESOLUTION NO. 10-08-0093 is hereby repealed.

THAT, the First Amendment to the Contract between the Sacramento Regional Transit District, therein referred to as "RT," and PRIDE Industries, therein referred to as "Contractor," whereby Contractor agrees to provide janitorial services as revised in Exhibit A, and the total consideration is decreased by \$92,621, from \$576,858 to \$484,237, is hereby approved.

THAT, the Chair and General Manager/CEO are hereby authorized and directed to execute said revised First Amendment.

THAT, the Board delegates to the General Manager/CEO authority to approve all amendments to the Principal Agreement, including contract terms and conditions, and changes to the total consideration of up to a \$250,000 increase or decrease in the total contract price for the duration of the contract term.

STEVE MILLER, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary

To: Ann Kent
Sacramento Regional Transit

From Tim Vanover
PRIDE Director of Commercial Services
PRIDE Industries

Re: SERVICE REDUCTION QUOTE: PRIDE Custodial Services

SCOPE OF SERVICE:

PRIDE will provide custodial services in accordance with "Attachment A" scope of work, days of service and pricing listed below.

PRICING:

| Estimated Square Footage | Days Per Week | Building Name | Monthly Price | Annual Price | Estimated Hours Per Week | % of Cost |
|--------------------------|---------------|---------------------------|---------------------|----------------------|--------------------------|---------------|
| 8000 | 5 | 1225 R street | \$ 1,288.70 | \$ 15,464.40 | 11.9 | 14.9% |
| 5680 | 3 | Finance | \$ 570.34 | \$ 6,844.04 | 5.3 | 6.6% |
| 8909 | 3 | HR- G street | \$ 618.23 | \$ 7,418.73 | 5.7 | 7.1% |
| 6800 | 3 | Bell Building | \$ 561.63 | \$ 6,739.55 | 5.2 | 6.5% |
| 11024 | 3 | Engineering | \$ 648.70 | \$ 7,784.44 | 6.0 | 7.5% |
| 5600 | 3 | BMF2 -McClellan | \$ 522.45 | \$ 6,269.35 | 4.8 | 6.0% |
| 3500 | 3 | BMF1-Bus Maint | \$ 557.28 | \$ 6,687.31 | 5.2 | 6.4% |
| 55808 | 3 | 1400 29th- Admin | \$ 2,298.76 | \$ 27,585.14 | 21.3 | 26.6% |
| 8000 | 3 | 2760 Academy | \$ 474.56 | \$ 5,694.66 | 4.4 | 5.5% |
| 3400 | 3 | 2750 Academy | \$ 448.43 | \$ 5,381.19 | 4.1 | 5.2% |
| 5000 | 1 | 2501 Land | \$ 148.03 | \$ 1,776.32 | 1.4 | 1.7% |
| | 3 | 2700 Academy | \$ 513.74 | \$ 6,164.86 | 4.8 | 5.9% |
| 121721 | | Night Shift Totals | \$ 8,650.83 | \$ 103,810.00 | 80.0 | 100.0% |
| As Assigned | 5 | Dayporter Service | \$ 3,803.78 | \$ 45,645.30 | 40 | |
| TOTALS | | | \$ 12,454.61 | \$ 149,455.30 | 120 | |

Labor Breakdown

| Position | Wage | Benefits | FICA | SUI | Workers Comp | Other Expenses | G & A | Profit | Loaded Wage | % Markup |
|------------|----------|----------|---------|---------|--------------|----------------|---------|---------|-------------|----------|
| Supervisor | \$ 13.75 | \$ 6.34 | \$ 1.05 | \$ 0.09 | \$ 0.96 | \$ 1.31 | \$ 3.36 | \$ 1.10 | \$ 27.96 | 103% |
| Dayporter | \$ 11.15 | \$ 4.26 | \$ 0.85 | \$ 0.09 | \$ 0.78 | \$ 1.31 | \$ 2.63 | \$ 0.86 | \$ 21.94 | 97% |
| Custodian | \$ 11.15 | \$ 4.26 | \$ 0.85 | \$ 0.09 | \$ 0.78 | \$ 1.31 | \$ 2.63 | \$ 0.86 | \$ 21.94 | 97% |

Summary of Changes

- ✓ Number of service days changed to as listed above.
- ✓ Mills Station removed from contract
- ✓ 2700 Academy added to contract
- ✓ Cost per facility revised to reflect % of labor used in each facility versus % of square footage.
- ✓ Revised pricing and personnel adjustments to take affect on August 1st 2010

REGIONAL TRANSIT SCOPE OF WORK ATTACHMENT “A”

CUSTODIAL SCOPE OF WORK – ALL AREAS

This scope of work applies to the following buildings: 1225 R street, Financial Bld., G Street HR Building, Bell Bld, Engineering Bld., BMF2 McClellan, BMF1 Bus Maintenance, 1400 29th Street, 2700 Academy, 2760 Academy, 2750 Academy and 2501 Land

Daily = Number of days building is serviced per week

Restrooms

| | | |
|------------------|--|-------|
| Sinks & Counters | Clean and sanitize | Daily |
| Mirrors | Spot clean | Daily |
| Toilets/Urinals | Clean and sanitize | Daily |
| Trash Removal | Empty trash and change liner as required | Daily |
| Floors | Sweep and Mop | Daily |
| Consumables | Check all supplies and refill | Daily |
| Dusting | Vents, Partitions horizontal surfaces | Daily |

Lobbies/Entrance

| | | |
|----------------|--|-----------|
| Interior glass | Clean glass doors and frames | Daily |
| Floors | Vacuum offices | 1 x week |
| Trash | Empty trash and change liner as required | Daily |
| Dust | Vents, frames, sills and horizontal surfaces | 2 x Month |

Break Areas

| | | |
|------------------|--|----------|
| Sinks & Counters | Clean and sanitize | Daily |
| Tables/Chairs | Wipe down | Daily |
| Trash Removal | Empty trash and change liner as required | Daily |
| Floors | Sweep and Mop or vacuum | 1 x week |
| Spot Clean | Walls, Doors, Fixtures | Daily |

REGIONAL TRANSIT SCOPE OF WORK ATTACHMENT “A”

Offices/Conference Areas

| | | |
|---------------|---|-----------|
| Carpet | Vacuum | 1 x Week |
| Trash Removal | Service to empty common area cans only –no desks. | Daily |
| Dusting | Dust offices and all areas | 1 x Month |
| Spot Clean | Walls, Doors, Fixtures | 1 x Month |

Hallways/Cooridors

| | | |
|------------|----------------------------|-----------|
| Carpet | Vacuum | 1 x Week |
| Sweep/Mop | Sweep or Mop Floors | 1 x Week |
| Dusting | Dust offices and all areas | 1 x Month |
| Spot Clean | Walls, Doors, Fixtures | 1 x Month |

Floors

| | | |
|-------------------|--------------------------|------------|
| Floor care | Scrub/recoat | 2 x yearly |
| Carpet Extraction | Extract All carpet areas | 1 x year |

DAYPORTER SERVICES

One 40- hour per week dayporter will be provided M-F to service to all common areas including lobbies, break areas and restrooms. Dayporter will also be able to respond to requests for service.

REGIONAL TRANSIT SCOPE OF WORK ATTACHMENT "A"

DAYS OF SERVICE

| Days Per Week | Building Name |
|--------------------------|----------------------|
| 5 | 1225 R street |
| 3 | Finance |
| 3 | HR- G street |
| 3 | Bell Building |
| 3 | Engineering |
| 3 | BMF2 -McClellan |
| 3 | BMF1-Bus Maint |
| 3 | 1400 29th- Admin |
| 3 | 2760 Academy |
| 3 | 2750 Academy |
| 1 | 2501 Land |
| 3 | 2700 Academy |

Last Update

✓ July 13th, 2010