

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
2	09/08/14	Open	Action	08/26/14

Subject: Awarding a Contract for Janitorial Service to PRIDE Industries One, Inc. and Delegate Authority to the General Manager/CEO to Release an Invitation to Bid

ISSUE

Awarding Contract for Janitorial Service to Pride Industries.

RECOMMENDED ACTION

- A. Adopt Resolution No. 14-09-____, Awarding a Contract for Janitorial Services to PRIDE Industries One, Inc., and
- B. Adopt Resolution No. 14-09-____, Delegating Authority to the General Manager/CEO to Release an Invitation to Bid for Janitorial Services

FISCAL IMPACT

Budgeted:	Yes	This FY15:	\$ 175,339.56
Budget Source:	Operating	Next FY:	\$ NA
Funding Source:	Local	Annualized	\$ NA
Cost Cntr/	37		
GL Acct(s)#:	630027/630003		
Total Budget:	\$175,339.56		

DISCUSSION

PRIDE Industries (PRIDE), a private non-profit corporation providing job training and employment to developmentally disabled adults of varying skill levels, has performed janitorial services under contract with RT for several years. On June 22, 2009, Board Resolution 09-06-0106 authorized the General Manager/CEO to negotiate an agreement with PRIDE for janitorial services at RT's facilities and light rail stations in lieu of competitive bidding. RT and PRIDE entered into a contract for janitorial services for a 3-year term with the option of extending the term for an additional two years. Both option years were executed and the contract expired on June 30, 2014.

Because RT has an on-going need for janitorial services, RT has continued to use PRIDE since the Contract expired on June 30, 2014. Consequently, PRIDE is currently performing services without a Contract. Per Procurement Ordinance No. 13-11-01, Article 1.405B2, Noncompetitive and Sole Source Procurement, the RT Board may approve a non-competitive nonprofessional services procurement when it determines that it is in RT's best interests to proceed in that manner and when non-federal funds are used to fund the Contract. RT staff recommends that RT enter

Approved:

Presented:

Final 9/2/14

General Manager/CEO

Director, Facilities

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September

8,

REGIONAL TRANSIT ISSUE PAPER

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Subject: Awarding a Contract for Janitorial Service to Pride Industries

into another new contract with PRIDE to perform the same general scope of work as the Contract that expired on June 30, 2014.

The new contract scope of work includes: one Dayporter at RT's main campus to service lobbies, break areas and restrooms. Routine janitorial services include cleaning and sanitizing, refilling supplies in restrooms and trash can liners, sweeping, mopping, vacuuming, spot cleaning walls, doors and fixtures in restrooms, lobbies and entrances, break areas, offices and conference areas, hallways and corridors, and floors. Twice a year the floors are to be scrubbed and recoated and carpets are to be cleaned. Service areas include: 6 buildings at RT's main campus, 3 buildings at RT's light rail facility, RT's customer service building at 1225 R Street, Community Bus Service at McClellan, a warehouse at 2501 Land Avenue, and the Mills Station Building.

RT staff recently performed market research to determine whether the rates PRIDE charges RT are fair and reasonable. Through that research, staff determined that RT should procure janitorial services through full and open competition and issue a formal solicitation document. Staff will develop a solicitation document and go through the procurement process for full and open competition; a process that will take several months to complete. In the meantime, because RT has a continued need for janitorial services, staff was able to negotiate a 1-year term contract with PRIDE for continuation of services until a new contract is in place. RT will then either terminate the Contract with PRIDE for convenience, or let the 1-year contract finish its term depending on how long it takes to secure a new longer-term contract using full and open competition. The 1-year term contract with PRIDE will be effective July 1, 2014 through June 30, 2015.

PRIDE has experienced an increase in its costs due to mandatory wage increases, medical, and the cost of supplies. Staff is unable to equally compare PRIDE's prices to those recently obtained through market research from other janitorial firms because PRIDE's services includes janitorial supplies (cleaning agents, trash can liners, etc., but no paper products); however, PRIDE reduced its monthly price to \$14,611.63, compared to its offer in 2009 of \$16,481.60 per month. The monthly price of \$14,611.63 is considered fair and reasonable.

Because RT has an immediate need for janitorial services, and PRIDE can immediately provide those services at a reduced rate, it is in RT's best interest to enter into a short-term agreement with PRIDE. Therefore, staff recommends the Board approve a 1-year term contract award to PRIDE Industries for janitorial services for an amount not to exceed \$175,339.56, and delegate to the General Manager/CEO authorization to release an Invitation to Bid for janitorial services.

RESOLUTION NO. 14-09-_____

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

September 8, 2014

AWARDING A CONTRACT FOR JANITORIAL SERVICES TO PRIDE INDUSTRIES ONE, INC.

WHEREAS, PRIDE Industries One, Inc., provides cost effective janitorial services in the Sacramento region, and

WHEREAS, RT has an immediate and continuing need for such services; and

WHEREAS, the parties desire to enter into a Contract for janitorial services and have negotiated terms and conditions that will result in RT obtaining janitorial services at competitive rates; and

WHEREAS, the Board finds that PRIDES proposal is acceptable to RT.

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

THAT, it is in the best interest of the Sacramento Regional Transit District, as set forth in Section 1.405.B2 of Ordinance 13-11-01, to award this Contract without competitive solicitation.

THAT, the Contract between the Sacramento Regional Transit District, therein referred to as "RT," and PRIDE Industries One, Inc., therein referred to as "Contractor," whereby Contractor agrees to provide janitorial services as specified, for an amount not to exceed \$175,339.56 for a 1-year term, is hereby approved.

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

PHILLIP R. SERNA, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary

RESOLUTION NO. 14-09-_____

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

September 8, 2014

**DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO RELEASE AN
INVITATION TO BID FOR JANITORIAL SERVICES**

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

THAT, the Board hereby delegates authority to the General Manager/CEO to
release an Invitation to Bid for Janitorial Services.

THAT, the Invitation to Bid is advertised pursuant to the provisions of the
Procurement Ordinance.

PHILLIP R. SERNA, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary