

**Council Meeting: July 27, 2010****SUBJECT: Modify an Existing Contract for Janitorial Services (F1007-02)****BACKGROUND**

Approval is requested to modify an existing contract with Sunnyvale Building Maintenance of San Jose to provide janitorial services for the Community Center Complex and Multi-Modal Transit Station for the Facilities Services Division, Office of the City Manager. This contract amendment adds \$49,469 to the previous contract amount of \$98,938, for a total of \$148,407. Approval is also requested for a contract contingency in the amount of \$5,000 to cover extra and/or emergency services as necessary.

DISCUSSION

The Facilities Services Division has contracted with Sunnyvale Building Maintenance for janitorial services for all City buildings since December 2007. The 2007 contract award resulted from a competitive Request for Proposals (RFP) process (RTC No. 07-389).

In April 2009 and in response to service concerns at the time, an RFP was issued for just the Community Center Complex and Multi-Modal Transit Station. Six firms submitted proposals, with Sunnyvale Building Maintenance ultimately being awarded a one-year contract in the amount of \$98,938 under the City Manager's award authority. This contract covered the period August 1, 2009 through July 31, 2010.

On the other hand, the original contract awarded in December 2007 expires on January 30, 2011, with an additional one-year renewal period if pricing and service remain acceptable to the City. In order to synchronize the term of the Community Center contract with the contract covering the remaining City buildings from the original 2007 contract, staff is recommending an extension of the existing contract for a six month period, with an option to renew for one additional one-year period, if pricing and service remain acceptable to the City. As the January 30, 2011 end date approaches, staff will evaluate whether to issue a new RFP for all City buildings versus renewing with the current vendor for one additional year.

FISCAL IMPACT

Total cost to the City for the requested six-month contract extension is approximately \$49,469. This extension would increase the total contract

amount to \$148,407 for an eighteen month period. Budgeted funds are available in operating program 709 – Facility Services.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site.

RECOMMENDATION

It is recommended that Council:

1. Extend existing contract, in substantially the same form as the attached draft Amendment to Service Agreement and in an amount not to exceed \$148,407, to Sunnyvale Building Maintenance for janitorial services; and
2. Authorize the City Manager to extend the contract for an additional one-year period if pricing and service remain acceptable to the City; and
3. Approve a contract contingency in the amount of \$5,000 for extra and/or emergency services as necessary.

Reviewed by:

Grace K. Leung, Acting Director of Finance
Prepared by: Pete Gonda, Purchasing Officer

Reviewed by:

Robert Walker
Assistant City Manager

Approved by:

Gary M. Luebbers
City Manager

Attachments

- A. Draft Services Agreement Amendment

**DRAFT
AMENDMENT TO SERVICE AGREEMENT
BETWEEN THE CITY OF SUNNYVALE
AND SUNNYVALE BUILDING MAINTENANCE
TO PROVIDE JANITORIAL SERVICES
FOR THE COMMUNITY CENTER COMPLEX
AND MULTI-MODAL TRANSIT STATION**

This Amendment to Consultant Services Agreement, dated _____, is by and between the CITY OF SUNNYVALE, a municipal corporation ("CITY") and SUNNYVALE BUILDING MAINTENANCE, an individual proprietorship ("CONTRACTOR").

WHEREAS, on August 3, 2009, CITY and CONTRACTOR entered into a Service Agreement whereby CONTRACTOR would provide janitorial services at the Community Senior Center Complex and Multi-Modal Transit Station; and

WHEREAS, the parties now agree that an Amendment to said Agreement is advisable;

NOW, THEREFORE, THE PARTIES ENTER INTO THIS AMENDMENT TO SERVICE AGREEMENT:

Replace the existing Time for Performance section with the following:

Time for Performance

The term of this Agreement shall be eighteen months, beginning the date of contract execution, unless otherwise terminated. The term will consist of the original year one award as specified in the Request for Proposals, and six month extension as exercised by the CITY. The Agreement may be extended for an additional one-year period at the option of the CITY. CITY shall give CONTRACTOR sixty (60) days advance notice should it exercise its option to extend the agreement.

Replace the existing Compensation section with the following:

Compensation

CITY agrees to pay CONTRACTOR One Hundred Forty Eight Thousand Four Hundred Seven and no/dollars (\$148,407.00) which includes \$130,407.00 for 7,800 hours proposed and \$18,000.00 for a day porter at the rate of \$16.67 per hour, for the first year and six months of the contract. If the CITY exercises the option to extend the contract a three percent (3%) increase shall apply. Total compensation for the first year and six months as exercised by the CITY shall not

ATTACHMENT A

exceed One Hundred Ninety Seven Thousand Eight Hundred Seventy Six and no/dollars (\$148,407.00).

All other terms and conditions remain unchanged.

IN WITNESS WHEREOF, the parties have executed this Agreement Amendment.

ATTEST:

CITY OF SUNNYVALE ("CITY")

By _____
City Clerk

By _____
City Manager

APPROVED AS TO FORM:

SUNNYVALE BUILDING MAINTENANCE
("CONTRACTOR")

By _____
City Attorney

By _____

Title and Date