

**Date:** October 26, 2016

**To:** Board of Directors

**From:** Neil McFarlane *Neil McFarlane*

**Subject:** RESOLUTION 16-10-62 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING CONTRACTS WITH 2C BUILDING SERVICES LLC, SNUG'S PRO WASH INC., AND G & L JANITORIAL LLC FOR BUS SHELTER CLEANING SERVICES

**1. Purpose of Item**

The purpose of this item is to request that the TriMet Board of Directors (Board) authorize the General Manager to execute contracts with 2C Building Services LLC, Snug's Pro Wash Inc., and G & L Janitorial LLC for bus shelter cleaning services.

**2. Type of Agenda Item**

- Initial Contract
- Contract Modification
- Other \_\_\_\_\_

**3. Reason for Board Action**

Board approval is required for goods and services contracts obligating TriMet to pay in excess of \$500,000.

**4. Type of Action:**

- Resolution
- Ordinance 1<sup>st</sup> Reading
- Ordinance 2<sup>nd</sup> Reading
- Other \_\_\_\_\_

**5. Background**

TriMet has approximately 1000 bus shelters that require cleaning at least once per week. High ridership locations are cleaned more often, with some needing to be cleaned on a daily basis. TriMet uses contracted services for cleaning all bus stops that have shelters or other amenities. The cleaning services are divided into three regions:

1. West Region (west of the Willamette River);
2. Northeast Region (NE) (east of the Willamette River and north of Burnside to the Oregon border); and
3. Southeast Region (SE) (east of the Willamette River and south of Burnside).

The current contracts were the result of three (3) separate Request for Proposals (RFP), one for each region. The current contracts expire on June 30, 2017, December 31, 2016, and March 31, 2017.

## **6. Procurement Process**

Prior to issuance of the solicitation, Facilities Management, Procurement & Contracts, and Diversity and Transit Equity staff met to collaborate on an outreach plan to target DBE firms and other small businesses for this opportunity. Staff conducted two informational sessions for DBEs and other small businesses to provide information about the scope of work, resource requirements, and how to respond to TriMet's solicitation. Staff reached out to a total of 51 certified firms within TriMet's service district and invited them to the sessions. A total of 21 firms attended the two sessions.

In addition to the two outreach sessions, staff decided to make three (3) separate awards to three (3) different contractors to maximize the number of opportunities for DBE firms and other small businesses. Staff also decided to maintain the existing expiration dates for the current contracts to allow for staggered start dates to accommodate mobilization and transition for new contractors without impacting the level of service in each region. Procurement and Contracts also made available to all potential vendors interested in submitting a bid the option of submitting a Public Records Request to receive pricing on the current contracts to inform them of what the incumbents are charging. This allowed all who took advantage of the request to understand how a bid package is developed and submitted, including pricing for personnel and equipment as well as overhead and profit.

On August 19, 2016, TriMet issued an ITB for bus shelter cleaning services. A pre-bid conference was held following the issuance of the ITB to invite prospective firms to ask questions and observe an explanation from the Project Manager as to all of the requirements of the contract, including visiting an example bus shelter.

On September 15, 2016, TriMet received fourteen (14) bids. Seven (7) were submitted from certified firms, all of which attended one or both of the informational sessions.

Following receipt of bids, but prior to the issuance of the Notice of Intent to Award, staff met separately with all three vendors to review expectations, mobilization plans, basic next steps, and to answer any questions the vendors had with regards to the start up of their respective contracts. Two of the three, 2C Building Services LLC and G & L Janitorial LLC, need to mobilize (i.e. acquire resources and hire additional staff), and will be having monthly meetings with Procurement and Contracts and Facilities Management until their contract start dates. 2C Building Services LLC's contract will start on July 1, 2017, and G & L Janitorial LLC's contract will start on April 1, 2017. Snug's Pro Wash, Inc.'s contract will start January 1, 2017.

The proposed contracts with each of the three vendors will have a base term of one-year, with four one-year options, for a maximum five-year term. Contract pricing is based on per service rates. No rate increases are allowed during the base term of the contract; any rate increases during the renewal terms (option years) will be subject to TriMet approval, and will be tied to the Consumer Price Index (CPI) All-Urban Workers, for the Portland-Salem area. The base term estimated contract amounts are:

***2C Building Services LLC***

- Initial one-year base term – \$ 160,919.60
- 5-year contract total – \$ 804,598.00

***G & L Janitorial***

- Initial one-year base term – \$ 220,766.80
- 5-year contract total – \$1,103,834.00

***Snug's Pro Wash, Inc.***

- Initial one-year base term – \$ 207,527.00
- 5-year contract total – \$1,037,635.00

***Total of All Contracts = \$2,946,067.00 (10.85% less than the ICE)***

The final total contract amounts will be based on the agency's actual usage, which will vary annually according to the frequency of shelter cleanings and the number of shelters serviced.

The total price of the 3 contracts of \$2,946,067 compares favorably to TriMet's independent cost estimate (ICE) for this procurement of \$3,304,784 for a 5-year contract term. The ICE was based on TriMet's current contracts pricing, including escalation.

**7. Diversity**

- 2C Building Services LLC is a certified DBE, MBE, and ESB; their workforce is 100% minority and 60% female. The total employee count of the company is 5.
- G & L Janitorial is a certified ESB (they are also qualified to be a certified DBE, and will work on obtaining that additional certification); their workforce diversity is 100% minority and 57% female. The total employee count of the company is 7.
- Snug's Pro Wash, Inc. is not certified, but is a local, small business; their workforce diversity is 27% minority and 9% female. The total employee count of the company is 22.

All three vendors will perform their respective region's bus shelter cleaning services via the use of their own employees; none of them will use subcontractors.

**8. Financial/Budget Impact**

Bus shelter cleaning costs are budgeted as an element of the FY2017 Facilities Management department's operating budget. The contract dollar amounts are within budget.

**9. Impact if Not Approved**

Should the Board choose to not approve these contracts, it could direct Facilities Management to provide shelter cleaning services utilizing TriMet staff. TriMet, however, is not currently staffed and/or equipped to perform these functions, and doing so would mean that TriMet would have to find additional funds to hire enough staff and equipment to perform the functions as solicited, which would be at a greater cost than the proposed contracts.

**RESOLUTION 16-10-62**

**RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING CONTRACTS WITH 2C BUILDING SERVICES, SNUG'S PRO WASH INC., AND G & L JANITORIAL FOR BUS SHELTER CLEANING SERVICES**

**WHEREAS**, TriMet has authority under ORS 267.200 to enter into contracts with 2C Building Services, Snug's Pro Wash Inc., and G & L Janitorial for bus shelter cleaning services (Contracts); and

**WHEREAS**, the total amount of each Contract shall exceed \$500,000; and

**WHEREAS**, the TriMet Board of Directors (Board), by Resolution dated November 25, 2009, adopted a Statement of Policies requiring the Board to approve goods and services contracts obligating TriMet to pay in excess of \$500,000;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Contracts shall be in conformance with applicable laws.
2. That the General Manager is authorized to execute the Contracts.

Dated: October 26, 2016

\_\_\_\_\_  
Presiding Officer

Attest:

\_\_\_\_\_  
Recording Secretary

Approved as to Legal Sufficiency:

  
\_\_\_\_\_  
Legal Department