



# City Council Report

**Date:** July 1, 2014  
**To:** City Council  
**Through:** Alex Deshuk, Manager of Technology and Innovation  
**From:** Edward Quedens, MPA, C.P.M., CPPO, Business Services Director  
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator  
**Subject:** Three-Year Term Contract for Custodial Services for the Facilities Maintenance Department (**Citywide**)

## Purpose and Recommendation

Council is requested to approve the Term Contract for Custodial Services as recommended. A committee representing the Facilities Maintenance Department and Purchasing evaluated responses.

The evaluation committee recommends awarding the contract to the highest scored proposal from Olympus Building Services, Inc. at \$1,437,529 annually, based on estimated requirements.

## Background / Discussion

This contract provides custodial services for both Secured and Non-Secured City buildings. The contractor is responsible to provide personnel, insurance, transportation, supplies and tools of the trade to perform custodial cleaning tasks at City facilities on the scheduled days and frequencies as specified. These buildings house approximately 3,140 employees and 94,000 visitors per week. The City requires the contractor to provide a high level of customer service in a timely and professional manner using industry standards for custodial services.

Staff from the Facilities Maintenance Department evaluated the proposals based on the elements: Number of Custodians to be Assigned to City Contract; Number and Experience of Field Supervisors, Project Managers to be Assigned to City Contract; Evaluation of Customer References regarding Current/Past Performance; Inspection Results from Three Current Customer Accounts; Financial Resources, Stability; Employee Training, Retention Practices, Turnover Ratio; Customer Satisfaction Program; Clarity, Thoroughness of Proposal; and Price. 3H Service System's and Caretakers Building Maintenance's responses were both determined to be non-responsive because they did not respond to addendum #2. The highest scored proposal, Olympus Building Services, Inc. is being recommended for award. The evaluation committee unanimously agreed on the recommendation.

The City received a protest letter from GCA Services Group, Inc. regarding the award of solicitation #2014079 on June 5, 2014. The award of the contract was withheld from the June 16, 2014 Council agenda until the protest was resolved. The Procurement Administrator reviewed the protest and responded on June 11, 2014 denying the

protest. Per section 6.4 of the Procurement Rules, the protesting party has the right to appeal the decision of the Procurement Officer. GCA Services Group, Inc. exercised the right to appeal and provided an appeal to the City on June 18, 2014. The Chief Procurement Officer denied the appeal on June 19, 2014. Copies of the protests and responses are attached.

### **Alternatives**

Council may choose not to authorize the purchase and new responses will be solicited.

### **Fiscal Impact**

The total amount of \$1,437,529 is available in the Facilities Maintenance Department's operating budget.

### **Coordinated With**

Facilities Maintenance and Purchasing

### **PURCHASING INFORMATION**

Action: Initial Award

Procurement Type: Request for Proposals

Solicitation Number: 2014079

Vendors Registered on Bid List: Fifty (Five Mesa)

Advertising: Arizona Republic, Bid Net, Record Reporter and Purchasing Website

Downloads: Eighty-three

Responses: Seven

Local Consideration: Policy did not apply to this procurement method

Protests Received: None

Initial Contract Term: Three years

Possible Renewals: Two, One-year renewals subject to future Council consideration

Prices: Future price increases are capped by the Consumer Price Index

Pricing Available to Other Cooperative Agencies: Yes

### **RFP Responses received on December 17, 2013:**

Crown Building Maintenance dba Able Building Maintenance – San Francisco, CA

GCA Services Group Mountain States, L.P. dba GCA Services Group, Inc. – Tempe, AZ

Olympus Building Services, Inc. – Tempe, AZ

O.P.E.N. America, Inc. dba OpenWorks – Phoenix, AZ

Varsity Contractors dba Varsity Facility Services – Salt Lake City, UT

### **Non-Responsive – did not respond to Addendum #2**

3H Service System – Acworth, GA

Caretakers Building Maintenance – Phoenix, AZ

**Proposal Scoring Results:**

<b>Elements / Possible Points</b>	<b>Olympus Building Services</b>	<b>GCA Services Group</b>	<b>Varsity Facility Services</b>	<b>Open Works</b>	<b>Crown Building dba Able</b>
Number of Custodians to be assigned to City Contract / 50	45	46	48	50	47
Number and Experience of Field Supervisors, Project Managers to be assigned to City Contract / 50	50	45	45	40	35
Evaluation of Customer References Regarding current/past Performance / 50	50	45	50	35	40
Inspection results from three current customer accounts / 25	24	15	25	0	0
Financial resources, stability / 25	23	22	25	21	24
Employee training, retention practices, turnover ratio / 25	23	23	25	19	21
Customer Satisfaction Program / 25	25	20	25	23	20
Clarity, thoroughness of proposal / 25	24	20	25	20	22
Price / 125	120	125	92	61	39
<b>Total Points / Maximum Points / 400</b>	<b><u>384</u></b>	<b>361</b>	<b>360</b>	<b>269</b>	<b>248</b>

**BAFO Scores:**

<b>Elements / Possible Points</b>	<b>Olympus Building Services</b>	<b>GCA Services Group</b>	<b>Varsity Facility Services</b>
Number of Custodians to be assigned to City Contract / 50	45	46	48
Number and Experience of Field Supervisors, Project Managers to be assigned to City Contract / 50	50	45	45
Evaluation of Customer References Regarding current/past Performance / 50	50	45	50
Inspection results from three current customer accounts / 25	24	15	25
Financial resources, stability / 25	23	22	25
Employee training, retention practices, turnover ratio / 25	23	23	25
Customer Satisfaction Program - 25	25	20	25
Clarity, thoroughness of proposal / 25	24	20	25
Price / 125	121	125	94
<b>Total Points / Maximum Points 400</b>	<b><u>385</u></b>	<b>361</b>	<b>360</b>

**AWARD RECOMMENDATION**  
***Olympus Building Services, Inc.***  
**Tempe, AZ**

Description
Custodial Services per Terms and Conditions, Specifications and Pricing as offered
<b>Annual Contract Amount: <u>\$1,437,529</u></b>