



# City Council Report

**Date:** November 2, 2020  
**To:** City Council  
**Through:** Michael Kennington, Deputy City Manager/Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Matt Bauer, Procurement Administrator  
**Subject:** Dollar Limit Increase to the Term Contract for Custodial Services for Parks and Sports Field Facilities for the Parks, Recreation and Community Facilities Department **(Citywide)**

## Recommendation

Council is requested to approve the contract amendment as recommended.

The Parks, Recreation and Community Facilities Department and Purchasing recommend increasing the dollar limit with Carnation Building Service, Inc., by \$85,403.14 for Year 2, from \$262,283.60 to \$347,686.74 annually, with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

## Background / Discussion

This contract provides City of Mesa parks and sports field patrons safe, clean (floor to ceiling) and sanitary restroom facilities that are free from trash and debris, and are sufficiently stocked with soap and paper goods at the City's 32 parks and sports field facilities.

Due to COVID-19, Carnation Building Services needed to increase their starting pay scale in order to retain employees in this environment, an increase of \$6.11 per day/per site to meet these increasing costs. For the City's 32 sites, this equates to an increase of \$1,368.64 per weekly frequency (from \$4,203.26 to \$5,571.90 weekly); the annual increase of \$71,169.28 plus 20% contingency of \$14,233.86 for a total of \$85,403.14. This pricing change is for Year 2 from 8/1/2020 through 7/31/2021 and the pricing will revert back the original contract pricing on 8/1/2021.

Through this amendment, Carnation Building Services has agreed to submit in writing no later than 1/15/2021 its intent to begin and continue the contract through Year 3 with the roll back to original contract pricing.

## Purchase Information

Action: Amendment  
Procurement Type: Request for Bids  
Contract Number: 2019165

Initial Contract Term: Three years

Possible Renewals: Up to a maximum of two years subject to Administrative review and approval

Funding Source: Parks, Recreation and Community Facilities Department - Parks Maintenance Operations budgets through the General Fund, Commercial Facilities Fund and Environmental Compliance Fee

Dollar Limit History

Original Council Award – 7/1/2019 (Years 1, 2 and 3):	\$254,000.00
Administrative approved Increase – 1/27/2020:	<u>\$8,283.60</u>
Current Annual Contract Amount:	\$262,283.60

Dollar Limit Increase Request for Year 2 – 11/2/2020:	<u>\$85,403.14</u>
New Contract Amount (Year 2 through 7/31/2021):	<b><u>\$347,686.74</u></b>