



Motion No. M2019-54

Agency-wide Janitorial Services Contract Ratification

Meeting:	Date:	Type of action:	Staff contact:
Rider Experience & Operations Committee	06/06/2019	Final action	Bonnie Todd, Executive Director of Operations John Weston, Acting Deputy Executive Director, Facilities

Proposed action

Ratifies a contract modification with Management Services Northwest LLC to provide agency-wide janitorial services in the amount of \$500,000, for a total authorized contract amount not to exceed \$4,665,000.

Key features summary

- A ratification is being requested to pay for services provided under the contract that have increased in cost over the course of the four-year contract.
- Higher costs have been driven by changes in prevailing wage laws that must be borne by the contracting agency, increases in on-call minimums, increases in cleaning frequencies for some facilities, and unanticipated new facilities that must be cleaned.
- The contract scope of work included daily, monthly, and semi-annual janitorial services performed on an approved schedule with set rates and unscheduled work that must be authorized by work order.
- There is sufficient budget to cover this contract modification.
- The requested contract ratification amount will cover work through May 31, 2019 when the contract expires.
- A new agency-wide janitorial contract was approved by the Rider Experience and Operations Committee in May and will begin June 1, 2019.

Background

When the original contract was approved by the Board in June 2015, it covered the janitorial costs of 41 facilities and included estimated costs for new facilities that were planned to come online. Costs that have increased since that time and were unanticipated include four adjustments to the prevailing wage laws, a change in the on-call minimum from 30 minutes to a two-hour minimum, facilities that needed to be cleaned more frequently than planned, the addition of system-wide bike lockers, and unplanned ST2 facilities and ST3 office space.

The scope of work includes cleaning of office space, warehouse office space, external walkways, plazas, train platforms, pedestrian bridges, garages, parking lots, bus loops and shelters, elevators, bike lockers, Tacoma Link light rail vehicles, and services for day porter, special event porter (Great Hall), snow removal and de-icing.

Janitorial work is both scheduled and on call. On-call work orders are generated through Sound Transit's work order system and include urgent cleaning that must be done immediately such as biohazards and

safety issues, broken glass for instance. Other on-call work orders are completed within a two-day window.

Procurement information

This contract is the result of a competitive Request for Proposals, No. RP 0001-15, where Management Services Northwest was selected as the top ranked firm. This company has been performing well since the contract began in June 2015. Management Service Northwest has been a strong partner with Sound Transit in promoting public safety by cleaning and maintaining our facilities.

This contract allows the addition and removal of facilities as needed. With each additional facility, MSNW's proposed rate was compared to an independent cost estimate and found to be fair and reasonable.

To ensure environmental safety, the contractor is required to use green cleaning products to reduce Sound Transit's chemical foot print. Management Services Northwest LLC has a strong commitment to protecting the environment.

Fiscal information

The proposed action will modify the current contract by \$500,000, of which \$500,000 will be spent in 2019 for a new total authorized contract amount not to exceed \$4,665,000 and will be funded from the Services category within the Operations department's annual operating budget. The Services category budget is \$76,846,533, of which a total of \$1,089,488 is estimated to be spent for the contract in 2019 (YTD spending of \$589,408 and estimated spending for the rest of 2019 of \$500,000) and is within the agency's budget authority. After approval of this action, the remaining annual budget amount will be used to fund other department expenditures anticipated in the 2019 annual budget.

Operations (in thousands)

Cost Category	2019 Annual Operating Budget ¹	YTD Actuals ²	This Action (Current Year Impact Only)	YTD Actuals Plus Action (Current Year Only)	Remaining Annual Operating Budget
Salaries and Benefits	\$23,515	\$6,928	\$	\$6,928	\$16,587
Services	76,847	21,042	500	21,542	55,305
Materials and Supplies	11,340	4,648		4,648	6,691
Utilities	5,868	1,816		1,816	4,052
Insurance		-949		-949	949
Taxes	2,975	1,192		1,192	1,783
Purchased Transportation Services	196,186	66,116		66,116	130,070
Miscellaneous	567	90		90	477
Leases and Rentals	8,735	3,339		3,339	5,397
Total Annual Operating Budget	\$326,032	\$104,221	\$500	\$104,721	\$221,311

Contract Spending Plan	Spending to Date ³	Forecasted Spend for Remainder of 2019	Proposed Future Spending	Total
Management Services Northwest, Inc.	\$4,165	\$500	\$	\$4,665

Contract Detail	Board Approved Contract Value	Proposed Action	Proposed Total for Board Approval
Management Services Northwest, Inc.	\$4,165	\$500	\$4,665
Contingency			
Estimated Taxes			
Contract Amount - Total	\$4,165	\$500	\$4,665
Percent Contingency		0%	0%

Notes

¹ 2019 Annual Operating Budget is located on page 135 of the 2019 Adopted Budget book.

² YTD Actuals as of April 30, 2019.

³ Spending to Date as of April 30, 2019.

Small business participation and apprenticeship utilization

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBEs). Small Business and DBE goals are based upon an examination of subcontracting opportunities contained in the work of this contract and the number of Small Businesses/DBEs available to perform such subcontracting work.

Management Services Northwest LLC is a certified Small Business.

Public involvement

Not applicable to this action.

Time constraints

A delay would impact Sound Transit's ability to make timely payment to the contractor for work completed.

Prior Board/Committee actions

Motion No. M2015-46: Authorized the chief executive officer to execute a one-year contract with three one-year options with Management Services Northwest, Inc. to provide agency-wide janitorial services for a total authorized contract amount not to exceed \$4,165,000.

Environmental review – KH 5/28/19

Legal review – AJP 5/31/19



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A motion of the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority ratifying a contract modification with Management Services Northwest LLC to provide agency-wide janitorial services in the amount of \$500,000, for a total authorized contract amount not to exceed \$4,665,000.

Background

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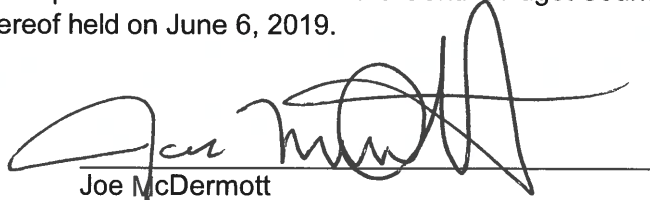
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Motion

It is hereby moved by the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority that a contract modification with Management Services Northwest LLC to provide agency-wide janitorial services in the amount of \$500,000, for a total authorized contract amount not to exceed \$4,665,000 is ratified.

APPROVED by the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 6, 2019.



Joe McDermott
Operations and Administration Committee Vice Chair

Attest:



Kathryn Flores
Board Administrator