

Recommendation for a Janitorial Service contract for Convention and Event Services

Economic Development
Committee

December 3, 2007



Purpose

- To inform the Economic Development Committee about the existing janitorial services contract at the Dallas Convention Center, Reunion Arena and the Farmers Market and the recent procurement process to recommend award of a new 36 month janitorial contract

Background

- This contract will provide janitorial service before, during and after scheduled events, in addition to routine daily cleaning at each facility
- The Dallas Convention Center has approximately 2 million square feet of space that requires janitorial service
- Reunion Arena requires janitorial service for approximately 386,000 square feet
- Farmers Market has nearly 127,700 square feet of space that requires janitorial service
 - This location service requirement generally remains constant

Background (cont'd)

- The current thirty-six-month janitorial service contract was awarded on 8/11/04 to United Building Maintenance, Inc. (UBM) in the amount of \$7,872,076
 - Contract term - October 1, 2004-Sept 30, 2007
 - UBM agreed to an administrative extension that expired November 6, 2007
 - To continue operations, Convention and Event Services began using the citywide industrial labor contract with Tolman Building Maintenance
- This thirty-six-month janitorial service contract was presented on the Council's 11/28/07 agenda and deferred by Council
 - Item was referred to the Economic Development Committee

Procurement Process

- The Request for Bid was advertised July 7, and July 14, 2007
- As part of our vendor notification process, 282 electronic notices were sent by the City's web-based procurement system
- Additionally, notifications were sent by the Business Development and Procurement Services' ResourceLINK Team (RLT) to 25 chambers of commerce, and two advocacy groups (i.e. DFW Minority Business Council and Women's Business Council – Southwest)
- A Pre-Bid conference was held July 23, 2007
 - 8 companies were represented
 - 5 of those attending submitted a bid
 - In addition, 2 additional companies submitted bids that did not attend the pre-bid
- Bids closed on August 15, 2007; bids read publicly August 16, 2007

Bids

- Seven bids were received for this service with Andrew's Building Service, Inc. being the lowest responsive bidder
 - Andrew's Building Service, Inc. \$13,731,475
 - Tolman Building Maintenance \$15,402,635
 - United Building Maintenance, Inc. \$15,773,688
 - Oriental Building Services, Inc. \$16,266,581
 - Aramark \$16,520,851
 - ServiceMaster by Starlite \$18,513,320
 - CTJ Maintenance Non-responsive*

*material errors on the bid sheet

Experience Requirement

- Specifications required the vendor to have a minimum of three years experience in performing similar services in a major multi-purpose facility of public assembly halls, 10,000 seat arena, theater, ballroom and various sized meeting rooms

Andrew's Building Service, Inc. - Experience

- City staff reviewed the bid from Andrew's Building Services, Inc. to ensure compliance with all bid specifications including required experience, compliance with the City's Good Faith Effort policy and the required insurance affidavit
 - Andrew's Building Service, Inc. is a Asian owned M/WBE company certified through the North Central Texas Regional Certification Agency
- City staff met with representatives from Andrew's Building Services, Inc., the apparent low bidder to discuss project approach and proposed staff
 - Andrew's site project manager has over 11 years of similar experience with Baylor University
 - Facility has more square feet than City facilities to include a arena that seats 10,284

Andrew's Building Service, Inc. - Experience

- Andrew's currently is under contract to provide janitorial services for the following City facilities and performs per the specifications
 - Central Service Center (Canton St.)
 - Awarded amount: \$1,548,470
 - 60 month contract
 - 02/01/06 – 01/31/11
 - Was the previous contract vendor for this service
 - City District Facilities Contract (various buildings)
 - Awarded amount: \$3,699,475
 - 60 month contract
 - 05/01/06 – 04/30/11
 - I. C. Harris Service Center
 - Awarded amount - \$32,700
 - 24 month contract
 - 09/01/05 – 12/01/07
 - Three month administrative extension

Andrew's Building Service, Inc. - Experience (cont'd)

- Andrew's has previously contracted to provided acceptable levels of janitorial services for the following City facilities
 - Central Service Center (Canton St.)
 - Awarded amount - \$2,092,783
 - 60 month contract
 - 12/13/00 – 12/13/05
- Andrew's has a contract with Presbyterian Hospital
 - Campus and meeting rooms
- City of McKinney city facilities
- In addition to the City experience, the recommended vendor brings eleven years of experience on all hard surface and carpeted areas and emergency clean up work at the Baylor University campus

City Protection

- This contract required the successful vendor to maintain the required insurance coverage levels for the term of this contract
 - Workers Compensation – \$100,000 per accident, policy aggregate \$500,000
 - Commercial General Liability Insurance - \$1,000,000 per occurrence, \$2,000,000 general aggregate
 - Business Automobile Liability Insurance - \$500,000 per occurrence
 - Risk has reviewed Andrew's Building Services, Inc. insurance and found them to be in compliance with specifications
- Additionally, the specifications required a \$100,000 payment and performance bond prior to commencing service
- Like most service contracts with the City, this janitorial contract includes a termination for convenience clause giving thirty days notification to the vendor

Cost Comparison

- The recommended vendor is 10.8% lower than the second low bidder
- Andrew's Building Service, Inc., bid is 19.5% higher than the current contract pricing

Recommendation

- Secure Economic Development Committee recommendation for the action item placed on the December 12, 2007 Council agenda
 - Award a thirty-six-month contract to Andrew's Building Service, Inc. in the amount of \$13,731,475