



## Recommendation for Action

**File #:** 23-1594, **Agenda Item #:** 27.

4/13/2023

### **Posting Language**

Authorize negotiation and execution of five contracts to provide custodial services with American Facility Services, Inc., UBM Enterprise, Inc., PJS of Texas, Inc., Kleen-Tech Services, LLC, and ABM Industry Groups, LLC d/b/a ABM, each for up to five years for a total contract amount not to exceed \$53,500,000, divided among the contractors.

[Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C (Minority Owned and Women Owned Business Enterprise Procurement Program). For the services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established].

### **Lead Department**

Financial Services Department.

### **Client Department(s)**

All City Departments.

### **Fiscal Note**

Funding in the amount of \$4,375,000 is available in the Fiscal Year 2022-2023 Operating Budget of various City departments. Funding for the remaining contract term is contingent upon available funding in future budgets.

### **Purchasing Language:**

The Financial Services Department issued a Request for Proposals (RFP) RFP 5000 WJT3001 for these services. The solicitation was issued on September 26, 2022, and closed on December 1, 2022. Of the seventeen offers received, the recommended contractors submitted the best evaluated responsive offers. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=136957)  
<[https://financeonline.austintexas.gov/afo/account\\_services/solicitation/solicitation\\_details.cfm?sid=136957](https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=136957)>.

### **For More Information:**

Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Persons: William Toler, at 512-974-2054 or [William.Toler@austintexas.gov](mailto:William.Toler@austintexas.gov) <<mailto:William.Toler@austintexas.gov>> or Erin D'Vincent, at 512-974-3070 or [Erin.Dvincent@austintexas.gov](mailto:Erin.Dvincent@austintexas.gov) <<mailto:Erin.Dvincent@austintexas.gov>>.

### **Additional Backup Information:**

These contracts will provide custodial services for multiple City departments. City departments require custodial services for routine cleaning and disinfection of office space and public space to ensure a clean and safe environment for City employees, contractors, and the public. Services include day and night crews with tasks that are divided throughout daytime, evenings, weekly, monthly, and quarterly, semi-annually, and annually, and on an as-needed basis. Contractors are responsible for cleaning and light maintenance of

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restrooms, office spaces, break areas, conference and meeting rooms, and garage areas.

These contracts are required to continue contracted custodial services, augment in-house custodial staff, and cover surge and event-driven needs as each department continues to assess in-sources custodial positions to permanent City positions in alignment with Council Resolution 20190822-67. The insourcing strategy for janitorial services has been met with challenges due to the City experiencing unprecedented and rapidly accelerating growth. Systematic labor shortages for labor-intensive type services and extreme cost of living increases in the Austin area has made it challenging to fill positions. It has also been a contributing factor to high rates of labor-intensive position attrition. Future insourcing opportunities are dependent on the addition of budgeted positions during future budget years and the ability of departments to effectively recruit, hire, manage, train, and retain these positions. The total area to be serviced is estimated at over 500,000 square feet of City occupied spaces.

The Austin Convention Center Department (ACCD) will use the contracts for cleaning and disinfection of office and public spaces to ensure a clean and safe environment for City employees, event attendees, and the public. ACCD utilizes contracted services to supplement its custodial staff during larger events.

The Austin Public Library (APL) will use the contracts for custodial services and cleaning products for all APL branches. The contract provides a consistent standard for these services. The requested authorization amounts were based on the department's estimated custodial needs for 22 APL branches.

The Department of Aviation (AUS) will use the contracts to assist the facility services team with maintaining the health and safety of passengers and employees within the AUS campus. AUS has seen tremendous growth and increased passenger traffic over the last year. With this growth, AUS has surpassed the reasonable volume that their current staff can maintain in regards to the cleanliness and maintenance of their basic functions. These contracts allow AUS to address these issues and provide a clean, safe, and healthy experience for the public.

Austin Water (AW) will use these contracts in order to operate multiple sites that require routine cleaning of commercial office space and public space to ensure a clean and safe environment for City employees, contractors, and the public. AW is currently focused on insourcing security positions in alignment Council Resolution 20190822-67 and will continue to work with City leadership to determine the optimal approach to providing custodial services and the appropriate timeline for making changes to the current staffing model.

Austin Energy (AE) analyzed the opportunity to in-source janitorial services through a partnership with the Building Services Department (BSD) pursuant to City Council Resolution 20190822-67. With janitorial functions being essential to AE operations, AE foresees a hybrid of insourced and contracted services as a necessary course of operations to ensure continuity of services. AE continues to assess, in partnership with BSD, insourced janitorial services options on an annual basis to align with the intent of the resolution.

These contracts are replacing three current contracts, the soonest of which will expire on June 29, 2023. Failure to approve the contracts will result in increased unsanitary conditions, health concerns, customer discontent, and loss of revenue at our City's gateway to the world as well as various City facilities. One of the recommended Contractors is a current provider of these services.

An evaluation team with expertise in this area evaluated the offers and scored American Facility Services Inc, UBM Enterprise, Inc., PJS of Texas, Inc., Kleen-Tech Services, LLC, and ABM Industry Groups, LLC d/b/a ABM as the best to provide these services based on price, service-disabled veteran business enterprise, local preference, proposed work plan, experience, qualifications, and business organization.

#### **Contract Detail:**

<b><u>Contract Term</u></b>	<b><u>Length of Term</u></b>	<b><u>Contract Authorization</u></b>
Initial Term	1 yr.	\$10,482,000
Optional Extension 1	1 yr.	\$10,497,000
Optional Extension 2	1 yr.	\$10,847,000
Optional Extension 3	1 yr.	\$10,857,000
Optional Extension 4	1 yr.	\$10,817,000
<b>TOTAL</b>	<b>5 yrs.</b>	<b>\$53,500,000</b>

**Note:** Contract Authorization amounts are based on the City's estimated annual usage.

**Strategic Outcome(s):**

Health and Environment, Safety.