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# MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, [www.miamibeachfl.gov](http://www.miamibeachfl.gov)

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee

FROM: Jorge M. Gonzalez, City Manager

DATE: April 19, 2012

SUBJECT: **AMENDMENT NO. 2 TO THE CONTRACT BETWEEN THE CITY AND PROFESSIONAL BUILDING SERVICES, DATED AUGUST 3, 2011, FOR CITYWIDE JANITORIAL SERVICES**

This memorandum is submitted as a follow-up to the March 21, 2012, City Commission Meeting, wherein Agenda Item C4P was referred to the Finance and Citywide Projects Committee for further discussion.

Pursuant to a selection process via Invitation to Bid (ITB) No. 13-10/11, Item C4P provided for approval of Amendment No. 2 to the contract between the City and Professional Building Services (PBS), dated August 3, 2011, for citywide janitorial services. Under said amendment, PBS would provide janitorial services to additional City facilities, as detailed in the attached March 21, 2012 Commission Memorandum.

  
JMG/JGG/FHB

Attachment: March 21, 2012 Commission Memorandum – Janitorial Services



# MIAMIBEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

## COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: March 21, 2012

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AMENDMENT NO. 2 TO THE CONTRACT BETWEEN THE CITY AND PROFESSIONAL BUILDING SERVICES, DATED AUGUST 3, 2011, FOR CITYWIDE JANITORIAL SERVICES; SAID AMENDMENT ADDING THE FOLLOWING LOCATIONS: HISTORIC CITY HALL; POLICE SUBSTATION; NORTH END OCEAN RESCUE HEADQUARTERS; AND BEACHFRONT RESTROOMS; AND INCREASING THE CONTRACT, IN THE AMOUNT OF \$17,473.74 PER MONTH.**

### ADMINISTRATION RECOMMENDATION

The Administration recommends adopting the Resolution.

### KEY INTENDED OUTCOME SUPPORTED

Ensure Well-Maintained Facilities.

### FUNDING

Funding will be provided from the following Accounts, for six (6) months of services required during Fiscal Year 2012:

\$90,849.10	Contract Maintenance Account 435-0430-000325
<u>\$13,993.34</u>	<u>Contract Maintenance Account 520-1720-000325</u>
<b>\$104,842.44</b>	<b>Total</b>

### BACKGROUND

On July 13, 2011, the City Commission awarded contracts for Janitorial Services Citywide, pursuant to Invitation to Bid (ITB) No. 13-10/11, to the following contractors: ISS Facility Services, Inc., Omarcio Cleaning Services, Inc., Performance Cleaning Group, and Professional Building Services (PBS). These contracts are effective until September 30, 2013, and may be renewed by mutual agreement for three (3) additional years, on a year to year basis.

After the execution of contracts, it was noted that three of the locations, Historic City Hall, Police South Substation and North End Headquarters/Ocean Rescue, had been omitted from the Invitation to Bid, and needed to be added via Amendment using the "Addition/Deletion of Facilities" clause of the contract.

On November 7, 2011, Procurement issued a request for quotes, including the aforementioned locations, and the beachfront restrooms, from all four vendors awarded contracts. Sealed quotes were received on November 10, 2011 from Professional Building Services, Omarco Cleaning Services, Inc., and ISS Facility Services, Inc. (see attached tabulated results).

A Technical Review Panel (the "Panel") convened on December 7, 2011 to interview the two lowest bidders, Professional Building Services, and ISS Facility Services, Inc. The Panel consisted of the following individuals:

- Jorge Cano, P.E., Administration and Business Officer
- Alfonso Ritchie, Sanitation Operations Supervisor
- George Ruiz, Assistant Director Sanitation
- Gus Andino, Property Management Contracts Administrator

The Panel determined that the staff allocated by ISS was not adequate to provide the necessary maintenance level of service for the restrooms, as reflected in the difference in the proposed staffing level, and that the City would receive better value if Professional Building Services (PBS) is awarded all facilities.

The Panel concluded that PBS had conducted a more thorough due diligence effort in assessing the maintenance requirements of the beachfront restrooms. This was reflected in their proposal that offered the most complete service coverage of all of the respondents, as well as a plan that compared favorably against the currently provided services in terms of level of service and cost. The Panel recommended the award of the additional janitorial work to PBS.

### **ANALYSIS**

The City's public restrooms are an important amenity serving the general public, and residents along the beachfront - the heart of the City's tourist corridor. Maintaining these key facilities clean and well-maintained is essential to helping preserve the City's status as a world class destination. For a number of years, the City's Sanitation Division has provided janitorial services for all the beachfront restrooms. These services are being provided by two-man crews working two daily shifts, seven days a week. In order to be able to staff the daily two-man crews, four City employees (municipal service workers), as well as two temporary employees, are employed. A total of four employees are utilized on a daily basis to provide these janitorial services. Their work is overseen by a Sanitation Division operations supervisor. The budgeted personnel cost to provide these services, including pension, benefits and supplies is \$250,510/year.

As a result of the City's capital construction program, the number of restroom facilities maintained by the Sanitation Division has grown over the years to ten, including the public restrooms at South Pointe Park. The South Beach restrooms located at 6<sup>th</sup>, 10<sup>th</sup>, and 14<sup>th</sup> Streets, along Ocean Drive, experience significantly high traffic that peaks during numerous major City events, such as Memorial Day Weekend, New Year's, and Fourth of July festivities. A new public restroom facility at the Unidad Senior Center in North Beach is nearing completion.

The Parks & Recreation Department also oversees contracted outside janitorial services for the newly constructed restrooms at SoundScape Park.

This growth in the number and geographical distribution of restroom facilities has stretched City Sanitation personnel beyond originally anticipated levels of support and presented the opportunity for staff to explore the possibility of contracting the maintenance of the restrooms with industry professionals. An integrated service program offers the benefit of competitive pricing while maximizing value and service delivery efficiencies. It also allows for the redeployment of in-house resources to focus on their respective operational core areas.

PBS' plan offers a significantly higher level of service as well as a cost that is approximately 30% lower than by using City resources. PBS' plan divides the City into three zones: South Pointe, South Beach, and Mid-Beach/North Beach. The South Pointe zone includes South Pointe Park and the 3<sup>rd</sup> Street beachfront restrooms; the South Beach Zone includes the beachfront restrooms from 6<sup>th</sup> Street through 21<sup>st</sup> Street; and the Mid-Beach North Beach zone includes the beachfront restrooms from 35<sup>th</sup> street through 73<sup>rd</sup> Street.

Each zone will be staffed by a man and woman team per shift, for a total staff of six per shift. This compares favorably with the current City staffing of two persons per shift; effectively tripling the current service coverage. In an effort to further improve the service level and efficiency, the vendor will include a woman as part of each zone's shift teams. Each of the shifts will have a supervisor available that can assist with additional cleaning if needed. This eliminates the need to temporarily close the women's restrooms when serviced by male employees, which negatively affects the convenience of the public, and results in service delays when the restrooms are occupied. The vendor will also provide pressure washing on a weekly-basis as presently provided by City staff.

PBS' proposal also compares favorably with the City's current personnel budgeted cost of \$250,510 per year, and would generate Fiscal Year 2012/13 savings of \$73,146 (29% cost reduction from current budgeted cost) and recurring annual savings of \$80,019 (31% cost reduction) beginning in FY 2013/14. The savings include avoided fuel and repair expenses from two restroom cleaning service vans that would be removed from the Sanitation Division vehicle fleet, as well as avoided capital expenses from not having to replace one of the vans scheduled to be retired in FY 2012/13.

As a result of the contract award for beachfront restrooms janitorial services, the disposition of City staff impacted by the privatization of the beachfront restrooms' maintenance will be handled in accordance with provisions of the Collective Bargaining Agreement governing those positions. The existing four City employees would be reassigned to other Sanitation crews. The equivalent number of vacant budgeted positions in the Sanitation Division, as well as the two temporary positions would be reduced from the budget in order to cover the contract cost and generate the previously described savings.

**CONCLUSION**

Based on the aforementioned, the Administration recommends that the Mayor and City Commission adopt the resolution approving Amendment No. 2 to the contract between the City Professional Building Services, dated August 3, 2011, for Citywide janitorial services; said amendment adding the following locations: Historic City Hall, Police Substation, North End Ocean Rescue Headquarters, and beachfront restrooms; and increasing the contract, in the amount of \$17,473.74 per month.

Attachment 1: Janitorial Services Contract Amendment Tabulated Results

DRB/FHB/RWS

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**Attachment 1.  
Janitorial Services Contract Amendment Tabulated Results**

		<b>Monthly Cost</b>		
<b>I. CITY FACILITIES</b>		<b>ISS Facilities</b>	<b>Professional Building Services</b>	<b>Omarcio</b>
1	<b>HISTORIC CITY HALL</b>	\$ 3,436.04	\$ 1,000.00	\$ 1,721.17
2	<b>POLICE SOUTH SUB STATION</b>	\$ 337.92	\$ 610.76	\$ 821.11
3	<b>NORTH END HEADQUARTERS OCEAN RESCUE</b>	\$ 407.25	\$ 721.46	\$ 921.71
<b>II. RESTROOM FACILITIES</b>				
4	<b>SOUTH POINTE RESTROOMS</b>	\$ 1,672.20	\$ 1,828.50	\$ 6,521.07
	South Pointe			
	3 <sup>rd</sup> Street And Ocean Drive			
5	<b>SOUTH BEACH RESTROOMS</b> (Includes Extended Schedule during Holidays and Special Events)	\$ 4,571.32	\$ 7,719.98	\$ 10,296.97
	6 <sup>th</sup> Street and Ocean Drive			
	10 <sup>th</sup> Street and Ocean Drive			
	14 <sup>th</sup> Street and Ocean Drive			
	21 <sup>st</sup> Street and Ocean Drive			
6	<b>MID BEACH AND NORTH BEACH RESTROOMS</b>	\$ 3,762.94	\$ 5,593.04	\$ 7,341.74
	35 <sup>th</sup> Street and Collins Avenue			
	46 <sup>th</sup> Street and Collins Avenue			
	53 <sup>rd</sup> Street and Collins Avenue (including Ocean Rescue HQ)			
	64 <sup>th</sup> Street and Collins Avenue			
<b>GRAND TOTAL FACILITIES AND RESTROOMS (Items 1-6)</b>		<b>\$ 14,187.67</b>	<b>\$ 17,473.74</b>	<b>\$ 27,623.77</b>
<b>CONTRACT AMENDMENT FROM APRIL 1 THRU SEPT. 30, 2012 (6 Months) (Items 1-6)</b>			<b>\$104,842.38</b>	