



Recommendation for Action

File #: 20-1087, **Agenda Item #:** 48.

2/6/2020

Posting Language

Authorize amendments to the existing contracts with American Facilities Services, Inc. and BHW Operating Company LP, to provide continued custodial services, for an increase in the amount of \$2,700,000, and to extend the term for up to three years, for revised contract amounts not to exceed \$4,700,000 divided between the contractors.

(Note: These contracts were 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 these contracts, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Public Health; Austin Public Library; Austin Water; Building Services Department; Parks and Recreation Department; Watershed Protection Department.

Fiscal Note

Funding in the amount of \$806,667 is available in the Fiscal Year 2019-2020 Operating Budget of various City departments. Funding for the remaining contract terms are contingent upon available funding in future budgets.

Purchasing Language:

Contract Amendments.

Prior Council Action:

February 1, 2018 - Council approved the initial two year contract with no extension options, item 46, on a 10-1 vote with Council Member Pool voting nay.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>> or to Claudia Rodriguez, at 512-974-2959 or ClaudiaR.Rodriguez@austintexas.gov <<mailto:ClaudiaR.Rodriguez@austintexas.gov>>.

Additional Backup Information:

In April 2017, the Purchasing Office issued Request for Proposals (RFP) 2200 MDD0102 for custodial services. The City conducted evaluations and determined American Facilities Services, Inc. and BHW Operating Company, LP to be the best evaluated offerors to provide these services. In December 2017, the original Recommendation for Council Action (RCA) was brought forward and was postponed to the February 2018 council meeting. At the February 2018 council meeting, the RCA was amended and only the initial two

year term of the contracts was approved. These contractors have been performing these services since February 2018 when these contracts were executed.

These proposed amendments are to allow for the continuation of services for up to three years to provide sufficient time to start insourcing City employee custodial services. The current contracts expire on March 1, 2020. Approval of these proposed amendments will allow for the continuation of custodial services under contracted rates. The City is currently reviewing services provided under these contracts as per the direction of Council Resolution 20190822-067. It is anticipated that some of the work provided under these contracts will be insourced over the next one to two years. Since the analysis and plan for bringing these positions in house is not yet complete, this request is based on incomplete knowledge of the results. If Council wants to limit this action to only approve the next contract terms of one year, that would be acceptable to staff.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Current Contract Authorization</u>	<u>Requested Additional Authorization</u>	<u>Revised Total Authorization</u>
Initial Term	2 yrs.	\$2,000,000		\$2,000,000
Proposed Amendment	3 yrs.		\$2,700,000	\$2,700,000
TOTALS	5 yrs.	\$2,000,000	\$2,700,000	\$4,700,000

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