



Recommendation for Action

File #: 20-1835, **Agenda Item #:** 15.

5/7/2020

Posting Language

Authorize an amendment to an existing contract with GCA Services Group Mountain States LP D/B/A GCA Services Group, for continued janitorial services, for an increase in the amount of \$1,636,000, for a revised total contract amount not to exceed \$4,088,932.

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

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$340,833 is available in the Fiscal Year 2019-2020 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Contract Amendment.

Prior Council Action:

June 15, 2017 - Council approved the terms of item 34, however it was amended to only authorize funds for the initial term on a 10-0 vote, with Council Member Alter off the dais.

April 25, 2019 - Council approved authorization for one year along with additional direction, item 32, on a 11-0 vote.

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 Melita Harden, at 512-322-6149 or Melita.Harden@austintexas.gov <<mailto:Melita.Harden@austintexas.gov>>.

Council Committee, Boards and Commission Action:

Additional Backup Information:

On June 15, 2017, Council approved the original contract which contained an initial two-year term and three,

one-year extension options for janitorial services. However, Council amended the authorization to only fund the initial two-year term. On April 25, 2019, Council authorized funding for a one-year extension option.

The proposed amendment is for funding authorization for the remaining two extension options. The current extension option expires on July 5, 2020. The City is currently reviewing services provided under this contract as per the direction of Council Resolution 20190822-067 and as Austin Energy transitions to the new Austin Energy Mueller Headquarters. It is anticipated that some of the work provided under this contract 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 term 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. | \$1,635,932 | | \$1,635,932 |
| Extension Option 1 | 1 yr. | \$ 818,000 | | \$ 818,000 |
| Proposed Amendment | 2 yrs. | | \$1,635,000 | \$1,635,000 |
| TOTALS | 5 yrs. | \$2,453,932 | \$1,635,000 | \$4,088,932 |

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

Strategic Outcome(s):

Economic Opportunity and Affordability; Government that Works for All.