



Legislation Text

File #: 2020-095, Version: 1

Contract No. 1904332

Commercial Janitorial Services

CIP# N/A / BCE Score: N/A

Agenda of: April 22, 2020

Item No.: **2020-095**

Amount:	Three-Year Contract	\$4,678,878.98
	First Year Renewal Option	1,158,837.68
	Second Year Renewal Option	1,158,837.68
	Total Contract	\$6,996,554.34

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Sue F. McCormick
Chief Executive Officer
Great Lakes Water Authority

DATE: March 4, 2020

RE: **Contract No. 1904332**
Commercial Janitorial Services
Vendor: GDI, Inc.

MOTION

Upon recommendation of Cheryl Porter, Chief Operating Officer - Water and Field Services, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **enter into Contract No. 1904332 "Commercial Janitorial Services" with GDI, Inc., in the amount of \$4,678,878.98 for a duration of three (3) years, with two (2) one (1) year renewal options at a cost not to exceed \$1,158,837.68 for each renewal year for a total contract amount of \$6,996,554.34;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

GLWA has multiple facilities that require commercial janitorial and housekeeping services, including but not limited to: GLWA office facilities, the five water treatment plants, treated water booster pumping stations, wastewater pumping stations, wastewater CSOs, and water resource recovery facilities. The number of facilities for this has increased from the previous GLWA Contract No. 6898, which only included the 5 water treatment plants and the Water Resource Recovery

Facility, to include 11 pumping stations and 7 wastewater CSOs. The scope is to provide commercial janitorial and housekeeping services, including but not limited to all personnel, equipment, tools, consumables, supplies, and supervision.

Additionally, as a result of a job function assessment conducted on several areas within the organization, prior to the bifurcation of GLWA/DWSD to improve efficiency and effectiveness, the results of the study indicated that janitorial services were determined to be a non-core function within the organization and would be best served by outsourcing this function.

JUSTIFICATION

Contract No. 1904332 will allow GLWA to maintain the commercial janitorial and housekeeping services at multiple GLWA facilities to ensure they remain clean, sanitary, and free of trash and debris. Contract No. 1904332 is required to ensure the cleanliness and upkeep of GLWA locations.

FINANCIAL PLAN IMPACT

Summary: The proposed contract with GDI, Inc. encompasses Operations & Maintenance expense only. The FY 2020 budget and five-year financial plan was based on prior usage of janitorial services over the contract periods. The value of the contract exceeds the current financial plan in total. Potential positive variances of other contractual services as well as the use of this janitorial service may vary by year therefore, sufficient funds will be provided in the Operations & Maintenance (O&M) financial plan for this contract related to contractual services.

Funding Source: Operations & Maintenance (O&M) Budget

Cost Center(s): Water Works ParkWater Operations cost center 882131
Springwells WTP.....Water Operations cost center 882141
Northeast WTP.....Water Operations cost center 882151
Southwest WTP.....Water Operations cost center 882161
Lake Huron WTP.....Water Operations cost center 882171
Various Pump Stations.....Centralized Services cost center 882421
WRRF.....Wastewater Operations cost center 892221
Puritan/Fenkell CSO.....Wastewater Operations cost center 892271
Seven Mile CSO.....Wastewater Operations cost center 892272
Hubbell-Southfield CSO.....Wastewater Operations cost center 892273
Leib Station CSO.....Wastewater Operations cost center 892274
Conner Creek CSO.....Wastewater Operations cost center 892276
Baby Creek CSO.....Wastewater Operations cost center 892277
Oakwood CSO.....Wastewater Operations cost center 892278
Belle Isle CSO.....Wastewater Operations cost center 892279
Belle Isle Pump Station.....Wastewater Operations cost center 892342
Bluehill Pump Station.....Wastewater Operations cost center 892343
Fisher Pump Station.....Wastewater Operations cost center 892347
Woodmere Pump Station....Wastewater Operations cost center 892352

Expense Types: Contractual Services (617200, 617210 & 617900)

Estimated Cost by Year and Related Forecasted Variance: See table below.

<u>Fiscal Year</u>	<u>Amount</u>
FY 2020 Budget (3 months)	\$265,241
FY 2021 Financial Plan	1,074,000
FY 2022 Financial Plan	1,087,000
FY 2023 Financial Plan	1,101,000
FY 2024 Financial Plan	1,111,000
FY 2025 Financial Plan (9 months)	<u>841,500</u>
Financial Plan Forecast	\$5,479,741
Proposed Contract Amount	<u>\$6,996,554</u>
Variance (positive/ (negative))	\$(1,516,813)

SAVINGS, COST OPTIMIZATION, AND REVENUE ENHANCEMENT IMPACT

The award of this contract provides a variance of \$1,516,813 (\$5,479,741 financial plan forecast less \$6,996,554 proposed contract amount). Contractual services are dependent on several factors such as, delays in estimated start and end dates, environmental constraints, and other unforeseen circumstances that can cause the expenses to fluctuate from fiscal year to fiscal year.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on April 8, 2020. The Operations and Resources Committee unanimously recommended that the CEO take appropriate action to implement the resolution consistent with the provisions of GLWA Board Resolution 2020-114.

SHARED SERVICES IMPACT

The proposed procurement of this item will be shared in part based on the following locations: Belle Isle Pumping Station, Belle Isle CSO, Blue Hill Station, Woodmere Station and Fisher Pump Station, are shared in part by DWSD and GLWA. This item is budgeted by both entities as noted above.