



**Request for City Council Committee Action
From the Department of Finance and Property Services**

Date: July 20th 2015

To: Honorable John Quincy, Chair Ways & Means Committee

Subject: **Custodial Service Contract at the Public Service Center**

Recommendation:

That the proper City officers be authorized to...

- a. Reject all bids for Official Publication # 8091 "Bids for Janitorial Service at the Public Service Center".
- b. Amend and extend Contract #27342 with Prestige Maintenance USA on a monthly basis as required for re-bid and award.
- c. Require that this bid comply with the "Minneapolis Living Wage and Responsible Public Spending Ordinance" regardless of contract value.

Previous Directives:

- September 18, 2009 – Original Contract was approved with an initial one year term with City options for annual extensions up to five years.

Prepared by: Robert L. Verke, Director Facilities Operations and Maintenance, 673-5740

Approved by:

Kevin Carpenter, Chief Financial Officer, Finance and Property Services Dept.

Spencer Cronk, City Coordinator

Presenters: Robert L. Verke, Director Facilities Operations and Maintenance
Reviews

Permanent Review Committee (PRC): Approval **_NA**

Civil Rights Approval Approval **_NA**

Policy Review Group (PRG): Approval **_NA**

Financial Impact

No financial impact. This request is within the planned 2015 and 2016 Departmental operating budgets.

Community Impact

Neighborhood Notification:
City Goals:
Comprehensive Plan:
Zoning Code:

Background/Supporting Information

Janitorial Services for the Public Service Center has traditionally been bid and contracted.

In 2015 Finance and Property Services sought to renew the Janitorial Services Contract for the Public Service Center. In March of 2015 we issued OP# 8091. The Bid specifications requested a lump sum monthly cost. This cost was a combination of a minimum number of labor hours, cleaning materials, cleaning equipment and supplies of paper products to provide specifically listed services.

Bids were opened on April 7th, 2015 and evaluated. We had six responses with bid amounts varying widely from \$6,300 to \$12,500 per month. Upon evaluation and discussion with bidders we found that the City's living wage requirements were not consistently understood and applied by all responding bidders.

By choosing to compensate at or just above minimum wage, bidders could remain under the living wage threshold of \$100,000. Those that chose to pay living wages had their bid values rise significantly above the threshold.

To provide a level and fair procurement environment for all bidders, we are recommending the following:

1. The City cancel OP# 8091 and rebids with clarification on the living wage requirements.
2. The City specifically applies its living wage requirement to this official publication regardless of cost.

The current Contractor has agreed to extend its contract for the time required to request clarification and re-bid.