



DATE: May 16, 2012

TO: Honorable Mayor and City Councilmembers

FROM: Neighborhood Services Department

SUBJECT: **APPROVAL TO REJECT ALL PROPOSALS TO THE RECREATION CUSTODIAN PROGRAM RFP**

SYNOPSIS

Staff recommends that the City Council approve the rejection of all proposals to the Recreation Custodian Program RFP and continue the City's provision of services.

BACKGROUND

In 2011, the City of Oceanside had a Management Review of City Services conducted by Public Financial Management, Inc. (PFM). The City of Oceanside received the Final Management Review Report in June 2011. The report lists numerous initiatives that could potentially create an initial and ongoing cost savings to the City through outsourcing services and/or use of fewer personnel. Recreation custodial services was listed as one of the initiatives to consider for outsourcing.

A Request for Proposal for Recreation Custodial Services was released in early February 2012 for the provision of custodial services at five recreation facilities. Five proposals were received in March 2012. Proposals were reviewed for completeness and then interviews were conducted with all five of the proposers by a staff committee comprised of staff from the Neighborhood Services, Public Works, and Property Management Departments. The interviews were followed by a comparative assessment of the proposals to the budgeted City provision of services.

ANALYSIS

The RFP for Recreation Custodial Program was initiated by the PFM report. The RFP requested a full scope of work for straight janitorial work as well as an additive alternative scope of work for additional as-needed services that are an integral part of the City's provision of services such as set-up and break-down of programs/events at the recreation facilities and deeper bi-annual cleanings (most essential at the City's two senior centers). The five proposals that were received had a significant range of

\$70,533 to \$239,098 (Attachment A). It was imperative to interview each company to verify the scope of work being offered at the proposed price, the quality of service, the experience of the company, and the ability to perform the scope of work as proposed. After interviews were held and references contacted the following was considered the most responsive proposal:

Quality Coast		Most responsive proposer to the scope of work in the RFP. However, the comparison of Contractor proposal price to FY 11-12 City costs is minimal at: \$118,405 to \$139,656.
Straight Janitorial Bid	\$116,654	
Additive Alternative Scope	\$ 1,751	
Total Bid Price	\$118,405	
Cost Savings FY 12-13	\$3,390	

The Neighborhood Services Department has proposed a new budget for the City's provision of services in FY 12-13 that includes the elimination of one full time custodian position.

Total FY 11-12 Budget (3 FTE custodians)	\$139,656
Total FY 12-13 Budget (2 FTE custodians)	\$ 98,650
Cost Savings FY 12-13	\$ 41,006

The recommended option for cost savings in the Recreation Custodial Program is:

1. Reject all proposals, eliminate one FTE custodian position and run two FTE custodian positions, augmenting services with some contract work for a cost savings of \$41,006.

FISCAL IMPACT

Staff's recommendation to reject all proposals and continue the City's provision of custodial services will create a general fund cost savings of \$41,006 for FY 12-13.

COMMISSION OR COMMITTEE REPORT

The Parks and Recreation Commission will be updated on this item at its June 2012 regularly scheduled meeting.

CITY ATTORNEY'S ANALYSIS

The City Council has the discretion to reject all proposals.

RECOMMENDATION

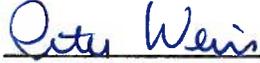
Staff recommends that the City Council approve the rejection of all proposals to the Recreation Custodian Program RFP and continue the City's provision of services.

PREPARED BY:

SUBMITTED BY:



Megan Crooks
Management Analyst



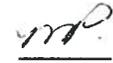
Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager



Margery M. Pierce, Director, Neighborhood Services



Teri Ferro, Director, Financial Services



Recreation Custodial Program RFP Bid Table

<u>Prizm Janitorial</u> Straight Janitorial Bid Additive Alternative Scope Total Bid Price Cost Savings FY 12-13	 \$65,627 <u>\$ 4,906</u> \$70,533 \$51,262	This proposal is found to be non-responsive to the full scope of work. Staff recommends rejection of this proposal as it would lead to a lessened scope of work or change orders that would ultimately eliminate the possibility of cost savings.
<u>Quality Coast</u> Straight Janitorial Bid Additive Alternative Scope Total Bid Price Cost Savings FY 12-13	 \$116,654 <u>\$ 1,751</u> \$118,405 \$3,390	Most responsible proposer to the scope of work in the RFP. However, the comparison of Contractor bid price to FY FY 11-12 City costs is minimal at: \$118,405 to \$139,656.
<u>Nova Commercial</u> Straight Janitorial Bid Additive Alternative Scope Total Bid Price Cost Savings FY 12-13	 \$129,801 <u>\$ 10,259</u> \$140,061 N/A (\$18,265)	Nova Commercial was not recommended by the interview panel. No cost savings.
<u>Rock Maintenance</u> Straight Janitorial Bid Additive Alternative Scope Total Bid Price Cost Savings FY 12-13	 \$178,785 <u>\$ 10,000</u> \$188,785 N/A (\$66,989)	Rock Maintenance was not recommended by the interview panel. No cost savings.
<u>Jani-King</u> Straight Janitorial Bid Additive Alternative Scope Total Bid Price Cost Savings FY 12-13	 \$229,919 <u>\$ 9,178</u> \$239,098 N/A (\$117,302)	Jani-King was not recommended by the interview panel. No cost savings.

The assessment of cost savings for FY 12-13 is based on the FY 11-12 budget for the City's provision of services. Outsourcing custodial services would require the elimination of three full-time positions; causing a payout of two of those positions which is factored in the target for cost savings for FY 12 as such:

Total FY 11-12 Budget (3 FTE custodians)	\$139,656
Payout of 2 FTE custodians	(\$ 17,860)
Cost Savings Target	\$121,796*

*This target was used to calculate the cost savings shown in the bid table above.