

*STAFF REPORT**CITY OF OCEANSIDE*

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DATE: September 19, 2012

TO: Honorable Mayor and City Councilmembers  
Honorable President and Board of Directors

FROM: Public Works - Harbor and Beaches

SUBJECT: **APPROVAL OF A TWO-YEAR PROFESSIONAL SERVICES AGREEMENT WITH TWO ONE-YEAR OPTIONS FOR JANITORIAL SERVICES FOR THE HARBOR AND BEACH AREA**

**SYNOPSIS**

Staff recommends that the City Council and Harbor Board approve a two-year professional services agreement with two one-year options with California Office Maintenance of Poway in an amount not to exceed \$446,400 for the first two years for harbor and beach area janitorial services and authorization for the City Manager to execute the agreement.

Staff also recommends that the City Council and Harbor Board retroactively approve additional funding of \$55,800 for the period of July 1, 2012 to September 30, 2012.

**BACKGROUND**

The Harbor District and the City routinely contract for janitorial service for restrooms and laundry rooms in the harbor, restrooms on or near the beach and pier, the Harbor Administration Building and the Lifeguard Headquarters Building. In June of 2012 the Public Works Department - Harbor and Beaches Division solicited proposals from qualified private companies to perform the harbor and beach janitorial services.

Staff has been using the prior contract with California Office Maintenance since June on a month-to-month basis and the authorization for the additional funding, which is included in the budget, is needed.

**ANALYSIS**

Six companies responded to the proposal. Five of those companies were interviewed by a four-person panel of Property Management and Harbor and Beaches staff. A summary of the companies and their proposals is shown in the table below.

<b>Company Name</b>	<b>City</b>	<b>Monthly Cost</b>	<b>24-Month Cost</b>
T & T Janitorial, Inc	San Diego	\$11,900.00	\$285,600.00
California Office Maintenance	Poway	18,600.00	446,400.00
Prizm Janitorial Services, Inc.	Escondido	15,014.08	360,337.92
Nova Commercial Co., Inc.	National City	7,242.50	173,820.00
ISS Facility Services, Inc.	San Diego	17,706.00	424,944.00
Full Janitorial Services	San Diego	21,064.93	505,558.32

California Office Maintenance scored highly based on their staffing plan, paper product budget, response time and past performance. California Office Maintenance has a proven record of providing a high quality of service for a competitive price. They are the current contract holder and have met or exceeded all terms and conditions of the current agreement.

**FISCAL IMPACT**

The cost for the agreement is included in the Harbor and Beaches operating budget. The costs will be split between the Harbor and City services. The Harbor will fund 68 percent (\$303,552 Harbor Maintenance Account 600627101.5320), the Pier 5 percent (\$22,320 Pier Maintenance Account 600626101.5320), and the Beaches 27 percent (\$120,528 Beach Maintenance Account 600625101.5320) of the agreement costs.

The cost of the two-year agreement is:

	<u>Harbor</u>	<u>Pier</u>	<u>Beaches</u>	<u>Total Cost</u>
Agreement cost:	\$303,552	\$22,320	\$120,528	\$446,400

The third and fourth (option) year cost will be the same as the first two years with an adjustment based on the change in the All-Urban Consumer Price Index (CPI) for San Diego County.

**INSURANCE REQUIREMENTS**

The City's standard insurance requirements will be provided.

**COMMITTEE REPORT**

Does not apply.

**CITY ATTORNEY'S ANALYSIS**

The referenced documents have been reviewed by the City Attorney and approved as to form.

**RECOMMENDATION**

Staff recommends that the City Council and Harbor Board approve a two-year professional services agreement with two one-year options with California Office Maintenance of Poway in an amount not to exceed \$446,400 for the first two years for harbor and beach area janitorial services and authorization for the City Manager to execute the agreement.

Staff also recommends that the City Council and Harbor Board retroactively approve additional funding of \$55,800 for the period of July 1, 2012 to September 30, 2012.

PREPARED BY:

SUBMITTED BY:

*J. F. Quan*

*Peter A. Weiss*

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Frank Quan  
Harbor and Beaches Coordinator

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Peter A. Weiss  
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

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*MS*

Teri Ferro, Financial Services Director

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Attachment 1: Agreement  
Attachment 2: Rating Sheet

## CITY OF OCEANSIDE

### PROFESSIONAL SERVICES AGREEMENT

#### PROJECT: HARBOR AND BEACHES JANITORIAL

THIS AGREEMENT, dated August 16, 2012 for identification purposes, is made and entered into by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter designated as "CITY", and California Office Maintenance, hereinafter designated as "CONSULTANT."

#### NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **SCOPE OF WORK.** The project is more particularly described as follows: Harbor and Beaches janitorial services as outlined in Attachment A.
2. **TERM OF AGREEMENT.** The term of the agreement is October 1, 2012 until September 31, 2014.

The CITY and the CONSULTANT have the option of renewing for two (2) additional one year terms. The option years cost will be the previous year's cost plus an adjustment based on the change in the All-Urban Consumer Price Index (CPI) for San Diego County. To exercise the renewal option, CONSULTANT must request each option period in writing including their proposed compensation no later than 120-days prior to the end of the agreement. Any extension shall require approval by the City Council.

3. **INDEPENDENT CONTRACTOR.** CONSULTANT'S relationship to the CITY shall be that of an independent contractor. CONSULTANT shall have no authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless specifically authorized in writing by the CITY. CONSULTANT shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this Agreement. CONSULTANT shall report to the CITY any and all employees, agents, and consultants performing work in connection with this project, and all shall be subject to the approval of the CITY.
4. **WORKERS' COMPENSATION.** Pursuant to Labor Code section 1861, the CONSULTANT hereby certifies that the CONSULTANT is aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and the CONSULTANT will

## Harbor and Beaches Janitorial

comply with such provisions, and provide certification of such compliance as a part of this Agreement.

### 5. LIABILITY INSURANCE.

5.1. CONSULTANT shall, throughout the duration of this Agreement maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of CONSULTANT, its agents and employees, performed in connection with this Agreement including but not limited to premises and automobile.

5.2 CONSULTANT shall maintain liability insurance in the following minimum limits:

Comprehensive General Liability Insurance  
(bodily injury and property damage)

Combined Single Limit Per Occurrence	\$ 1,000,000
General Aggregate	\$ 2,000,000*

Commercial General Liability Insurance  
(bodily injury and property damage)

General limit per occurrence	\$ 1,000,000
General limit project specific aggregate	\$ 2,000,000

<u>Automobile Liability Insurance</u>	\$ 1,000,000
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\*General aggregate per year, or part thereof, with respect to losses or other acts or omissions of CONSULTANT under this Agreement.

5.3 If coverage is provided through a Commercial General Liability Insurance policy, a minimum of 50% of each of the aggregate limits shall remain available at all times. If over 50% of any aggregate limit has been paid or reserved, the CITY may require additional coverage to be purchased by the CONSULTANT to restore the required limits. The CONSULTANT shall also notify the CITY promptly of all losses or claims over \$25,000 resulting from work performed under this contract, or any loss or claim against the CONSULTANT resulting from any of the CONSULTANT'S work.

5.4 All insurance companies affording coverage to the CONSULTANT for the purposes of this Section shall add the City of Oceanside as "additional insured"

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under the designated insurance policy for all work performed under this agreement. Insurance coverage provided to the City as additional insured shall be primary insurance and other insurance maintained by the City of Oceanside, its officers, agents, and employees shall be excess only and not contributing with insurance provided pursuant to this Section.

- 5.5 All insurance companies affording coverage to the CONSULTANT pursuant to this agreement shall be insurance organizations admitted by the Insurance Commissioner of the State of California to transact business of insurance in the state or be rated as A-X or higher by A.M. Best.
- 5.6 CONSULTANT shall provide thirty (30) days written notice to the CITY should any policy required by this Agreement be cancelled before the expiration date. For the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.
- 5.7 CONSULTANT shall provide evidence of compliance with the insurance requirements listed above by providing, at minimum, a Certificate of Insurance and applicable endorsements, in a form satisfactory to the City Attorney, concurrently with the submittal of this Agreement.
- 5.8 CONSULTANT shall provide a substitute Certificate of Insurance no later than thirty (30) days prior to the policy expiration date. Failure by the CONSULTANT to provide such a substitution and extend the policy expiration date shall be considered a default by CONSULTANT and may subject the CONSULTANT to a suspension or termination of work under the Agreement.
- 5.9 Maintenance of insurance by the CONSULTANT as specified in this Agreement shall in no way be interpreted as relieving the CONSULTANT of any responsibility whatsoever and the CONSULTANT may carry, at its own expense, such additional insurance as it deems necessary.
6. **CONSULTANT'S INDEMNIFICATION OF CITY.** To the greatest extent allowed by law, CONSULTANT shall indemnify and hold harmless the CITY and its officers, agents and employees against all claims for damages to persons or property arising out of the negligent acts, errors or omissions or wrongful acts or conduct of the CONSULTANT, or its employees, agents, subcontractors, or others in connection with the execution of the work covered by this Agreement, except for those claims arising from the willful misconduct, sole negligence or active negligence of the CITY, its officers, agents, or employees. CONSULTANT'S indemnification shall include any and all costs, expenses, attorneys' fees, expert fees and liability assessed against or incurred by the CITY, its officers, agents, or

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employees in defending against such claims or lawsuits, whether the same proceed to judgment or not. Further, CONSULTANT at its own expense shall, upon written request by the CITY, defend any such suit or action brought against the CITY, its officers, agents, or employees resulting or arising from the conduct, tortious acts or omissions of the CONSULTANT.

CONSULTANT'S indemnification of CITY shall not be limited by any prior or subsequent declaration by the CONSULTANT.

7. **COMPENSATION.** CONSULTANT'S compensation for all work performed in accordance with this Agreement, shall not exceed the total contract price of \$446,400. Payments will be made in monthly increments of \$18,600, paid within 30-days of receipt of the invoice.

The option years cost will be the previous year's cost plus an adjustment based on the change in the All-Urban Consumer Price Index (CPI) for San Diego County.

No work shall be performed by CONSULTANT in excess of the total contract price without prior written approval of the CITY. CONSULTANT shall obtain approval by the CITY prior to performing any work that results in incidental expenses to CITY.

8. **TIMING REQUIREMENTS.** Time is of the essence in the performance of work under this Agreement and the timing requirements shall be strictly adhered to unless otherwise modified in writing. All work shall be completed in every detail to the satisfaction of the CITY.
9. **ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between CITY and CONSULTANT concerning the work to be performed for this project and supersedes all prior negotiations, representations, or agreements.
10. **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to CITY.

The CONSULTANT shall be responsible for complying with all local, state, and federal laws whether or not said laws are expressly stated or referred to herein.

Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision, and all other provisions,

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which are otherwise lawful, shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

- 11. **AGREEMENT MODIFICATION.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.
- 12. **TERMINATION OF AGREEMENT.** Either party may terminate this Agreement by providing thirty (30) days written notice to the other party. If any portion of the work is terminated or abandoned by the CITY, then the CITY shall pay CONSULTANT for any work completed up to and including the date of termination or abandonment of this Agreement. The CITY shall be required to compensate CONSULTANT only for work performed in accordance with the Agreement up to and including the date of termination.
- 13. **SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY.

IN WITNESS WHEREOF, the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Professional Services Agreement to be executed by setting hereunto their signatures on the dates set forth below.

CALIFORNIA OFFICE MAINTENANCE

CITY OF OCEANSIDE

By:

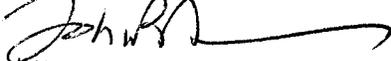
Joe Johnson/Owner

By:

City Manager



APPROVED AS TO FORM:

  
City Attorney

Employer ID No.

**NOTARY ACKNOWLEDGMENTS OF CONSULTANT MUST BE ATTACHED.**

ACKNOWLEDGMENT

State of California  
County of San Diego } ss.

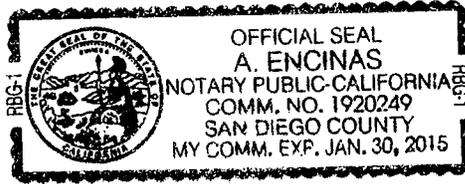
On Sept. 10, 2012 before me, A. Encinas  
Notary Public, personally appeared Joe Johnson

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ are subscribed to the within instrument and acknowledged to me that ~~he~~/she/they executed the same in ~~his~~/her/their authorized capacity(ies), and that by ~~his~~/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

A. Encinas  
Signature

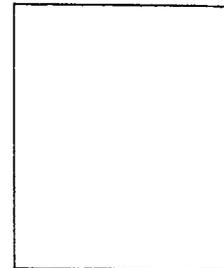


(seal)

OPTIONAL INFORMATION

Date of Document Sept. 10, 12  
Type or Title of Document Prof. Services  
agmt  
Number of Pages in Document \_\_\_\_\_  
Document in a Foreign Language \_\_\_\_\_  
Type of Satisfactory Evidence:  
 Personally Known with Paper Identification  
 Paper Identification  
 Credible Witness(es)  
Capacity of Signer:  
 Trustee  
 Power of Attorney  
 CEO / CFO / COO  
 President / Vice-President / Secretary / Treasurer  
 Other: \_\_\_\_\_

Thumbprint of Signer



Check here if no thumbprint or fingerprint is available.

Other Information: \_\_\_\_\_