



# AWARD-FIVE YEAR EXTENSION TO F001438 GENERAL SERVICE AGREEMENT WITH ADS-MYERS INC FOR CITYWIDE JANITORIAL SERVICES

City Council Meeting  
May 24, 2022

Alan Alton  
Chief Financial Officer, Finance Department

# CURRENT

- Council approved F001438 General Service Agreement for a five-year contract award, with one five-year renewal option on June 20, 2017, in the amount of \$2,305,041, plus \$100,000 contingency for miscellaneous one-time services.
- The current Agreement expires on June 30, 2022.
- The vendor continues to provide satisfactory performance.

# PROPOSED

- On January 20, 2022, Purchasing staff received a five-year extension proposal from ADS-Myers with an overall increase of 72% through the five-year period.
- CPI increases over the past five years from June 2017 to December 2021, resulted in a 14.7% increase under CPI for All Urban Consumers (CPI-U) Series CUURS49BSA0. Vendor is including an estimated 15% CPI through the five-year extension.

# PROPOSED (Continued)

- In addition, the five-year projection for increase in cost in doing business includes:
  - 43% increase in wages from \$14/hr to 20/hr
  - 10-15% increase in material cost and supply chain challenges
  - 26% increase in fuel cost
  - Potential increase in employee benefits under the Build Back Better program
- Based on the information provided, staff deems the five-year extension proposal to be fair and reasonable.

# BENEFIT

- The vendor has been providing this service for five years and continues to provide satisfactory service.
- Vendor continues to provide sanitization cleaning services utilizing CDC approved cleaning products.
- Employees for the Public Safety Building service are authorized for entry to the building under the PD background check process.

# RECOMMENDATION

- It is recommended by the Finance, Transportation and Public Work, Recreation & Parks, and Police Departments, that the Council, by resolution, approve the Seventh Amendment to General Service Agreement F001438 for a five-year extension with ADS-Myers Inc., Gardnerville, NV for citywide janitorial services in the amount of \$4,149,805.20, for a total amount not to exceed \$6,561,392.15.

Questions?