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Title: RESOLUTION AUTHORIZING AGREEMENT WITH NMS MANAGEMENT INC. FOR FACILITY JANITORIAL AND RELATED MAINTENANCE SERVICES FROM DECEMBER 1, 2021 TO JUNE 30, 2027 FOR A NOT TO EXCEED AMOUNT OF \$2,550,000. THIS SERVICE HAS BEEN DEEMED AN OPERATIONAL NECESSITY. THE AGREEMENT ALLOWS FOR EARLY TERMINATION BY THE EXECUTIVE DIRECTOR. FUNDS FOR FISCAL YEAR 2022 HAVE BEEN BUDGETED IN THE AMOUNT OF \$210,000. ALL FUNDS REQUIRED FOR FUTURE FISCAL YEARS WILL BE BUDGETED IN THE APPROPRIATE FISCAL YEAR, SUBJECT TO BOARD APPROVAL UPON ADOPTION OF EACH FISCAL YEAR'S BUDGET.

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Attachments: 1. 1. 2021-0104 Attachment A, 2. 1. 2021-0104 Draft Resolution

Date	Ver.	Action By	Action	Result
11/9/2021	1	Board of Port Commissioners	adopted	

DATE: November 9, 2021

SUBJECT:

RESOLUTION AUTHORIZING AGREEMENT WITH NMS MANAGEMENT INC. FOR FACILITY JANITORIAL AND RELATED MAINTENANCE SERVICES FROM DECEMBER 1, 2021 TO JUNE 30, 2027 FOR A NOT TO EXCEED AMOUNT OF \$2,550,000. THIS SERVICE HAS BEEN DEEMED AN OPERATIONAL NECESSITY. THE AGREEMENT ALLOWS FOR EARLY TERMINATION BY THE EXECUTIVE DIRECTOR. FUNDS FOR FISCAL YEAR 2022 HAVE BEEN BUDGETED IN THE AMOUNT OF \$210,000. ALL FUNDS REQUIRED FOR FUTURE FISCAL YEARS WILL BE BUDGETED IN THE APPROPRIATE FISCAL YEAR, SUBJECT TO BOARD APPROVAL UPON ADOPTION OF EACH FISCAL YEAR'S BUDGET.

EXECUTIVE SUMMARY:

The San Diego Unified Port District (District) contracts for facility janitorial services at all District buildings. The current agreement for facility janitorial services with NMS Management Inc. (NMS) expires November 30, 2021 and the proposed new agreement will be in place from December 1, 2021 to June 30, 2027.

Pursuant to Board of Port Commissioners Policy No. 110, Section II, a Request for Proposal (RFP) 21-01MG was issued July 16, 2021. The District received eight (8) bids and it was determined that seven (7) were responsive and acceptable. Three (3) of the seven (7) janitorial service providers were interviewed. A decision analysis was conducted by staff which rated service providers according

to the standard weighted criteria as listed in the RFP. NMS received the highest total score and was deemed the best value to provide facility janitorial services.

Staff recommends the Board select and authorize an agreement (Attachment A) with NMS for facility janitorial and related maintenance services in an amount not to exceed \$2,550,000.

RECOMMENDATION:

Adopt a Resolution selecting and authorizing an agreement with NMS for facility janitorial and related maintenance services from December 1, 2021 through June 30, 2027 for an amount not to exceed \$2,550,000.

FISCAL IMPACT:

Funds for Fiscal Year 2022 are budgeted in the requested General Services Facilities Maintenance - Outside Services budget. Staff estimates a cash requirement of approximately \$210,000 in the first year of the agreement and increasing annually resulting in a 6-term total cash requirement of \$2,550,000.

Funds required for future fiscal years will be budgeted in the appropriate fiscal year, subject to Board approval upon adoption of each fiscal year's budget.

COMPASS STRATEGIC GOALS:

This agenda item supports the following Strategic Goal(s).

- A Port that the public understands and trusts.
- A vibrant waterfront destination where residents and visitors converge.
- A Port with a healthy and sustainable bay and its environment.
- A Port that is a safe place to visit, work and play.

DISCUSSION:

The District contracts for facility janitorial services at eleven (11) District buildings and properties. These include the Administration and Annex Building, Harbor Police Headquarters, Harbor Police South Bay and Shelter Island Buildings, Maritime Tenth Avenue Marine Terminal and National City Marine Terminal Offices, General Services and Procurement Facility, Joint Harbor Operations Center, National City Aquatic Center, and Railcar Plaza. Facility janitorial services include cleaning of District facilities, offices, trailers, training rooms, conference rooms, restrooms, lockers, gyms, kitchen facilities, hallways, elevators, stairwells, common areas, and floor care.

On April 14, 2016, the Board of Port Commissioners (Board) adopted a resolution authorizing the District to enter into an agreement with NMS for facility and comfort station janitorial services from July 1, 2016 through June 30, 2019 with two (2) 1-year options in an amount not to exceed \$2,458,640. This agreement combined janitorial services for facilities and comfort stations and drinking fountains. Eight amendments to the agreement were adopted by the Board to cover additional unforeseen janitorial service requirements, including the Hepatitis A outbreak, COVID 19 related disinfecting, and the addition of District assets to include the Harbor Police Investigations

Building, Tenth Avenue Marine Terminal Tiger Project, Historic Railcar Museum in National City, as-needed janitorial services at the National City Aquatic Center, and cleaning of the Administration Building's 8th floor. These eight amendments increased the maximum expenditure by a total amount of \$1,192,360. On June 15, 2021 the Board adopted a resolution authorizing Amendment No. 9 which increased the maximum expenditure by \$290,000 for a new total not to exceed amount of \$3,651,000 for continuity of janitorial services at District facilities for five (5) months and comfort stations and drinking fountains for three (3) months. The current agreement with NMS for facilities janitorial services ends on November 30, 2021. The Board adopted a resolution with Excellence Professional Cleaning, Inc for public comfort station and drinking fountain janitorial services on August 10, 2021.

Staff has made the decision to split the janitorial services for facilities and janitorial services for comfort stations and drinking fountains into two (2) separate agreements, thereby increasing opportunities for businesses to provide janitorial services to the District. In addition to creating more business opportunities with the District, combining like services allows flexibility for the Service Provider and the District to quickly deal with challenges that arise with janitorial services. Recent examples include the Hepatitis A public health crisis in San Diego and the COVID 19 pandemic.

RFP 21-01MG was solicited through Planet Bids on July 16, 2021. Electronic notifications went to 242 potential service providers; 33 service providers downloaded the bid package; and 12 potential service providers attended the Pre-Bid Meeting. On April 27, 2021, the District received eight (8) bids. The bids were evaluated; it was determined that seven (7) were responsive and acceptable. Staff conducted a short list meeting and evaluated the seven (7) proposals that were responsive and acceptable. Three (3) of the seven (7) service providers were offered the opportunity to interview, which included a 12-minute presentation followed by questions asked by a panel of District representatives. A decision analysis was conducted by staff, which evaluated the service providers based on standard criteria listed in the RFP. The selection panel found that NMS offered the best value to the District, based upon their approach to the project, capability to perform, fair and reasonable costs, experience of proposed staff and the relevant experience of the firm. The proposed service agreement will run for six (6) terms from December 1, 2021 to June 30, 2027 for a total of five (5) years and seven (7) months.

NMS is located in National City, California, and focuses on providing janitorial and disinfecting services throughout the San Diego region. NMS has the following business certifications:

- Certified as Small Business Enterprise (SLBE) Certification No. 227952
- Disadvantaged Business Enterprise (DBE) by California Unified Certification Program Vendor Number 39730
- Minority Business Enterprise (MBE) by California Public Utilities Commission Number 12020134

NMS provided references from local entities that include San Diego Unified Port District, Metropolitan Transit District, County of San Diego, and City of San Diego. In their proposal and in their presentation, NMS demonstrated a strong understanding of District facility janitorial needs, cleaning requirements, the population served, and the level of service required to maintain enhanced cleanliness. Their proposal included use of eight (8) full time equivalents to perform janitorial services, plus supervisors and quality assurance staff to monitor work. All District buildings will be cleaned daily during the work week except for Harbor Police Headquarters which will be cleaned daily, seven days a week. The National City Aquatic Center and Railcar Plaza will be cleaned

periodically, as needed. NMS uses a quality assurance software application that is used by both vendor and District staff to track service and report maintenance issues. Additionally, NMS' proposal included a focus on new employee technical, safety, and annual training for all employees as well as a heavy focus on security protocols and badging for all staff. NMS maintains their own supply warehouse in National City to ensure quick access to all needed janitorial supplies.

Upon selection and recommendation of NMS from the RFP panel as the best value to the District, staff negotiated service levels with NMS that fit within the District's current financial limitations. Staff recommends the Board select and authorize an agreement (Attachment A) with NMS for facility and related maintenance services in an amount not to exceed \$2,550,000.

General Counsel's Comments:

The Office of the General Counsel has reviewed this agenda sheet and the attachments as presented to it and approves the same as to form and legality.

Environmental Review:

The proposed Board action, including without limitation, a resolution authorizing various agreements to provide janitorial and related maintenance services, does not constitute a "project" under the definition set forth in California Environmental Quality Act (CEQA) Guidelines Sections 15352 and 15378 because no direct or indirect changes to the physical environment would occur. CEQA requires that the District adequately assess the environmental impacts of projects and reasonably foreseeable activities that may result from projects prior to the approval of the same. Any project developed as a result of the proposed Board action that requires the District or the Board's discretionary approval resulting in a physical change to the environment will be analyzed in accordance with CEQA prior to such approval. CEQA review may result in the District, in its sole and absolute discretion, requiring implementation of mitigation measures, adopting an alternative, including without limitation, a "no project alternative" or adopting a Statement of Overriding Consideration, if required. The proposed Board action in no way limits the exercise of this discretion. Therefore, no further CEQA review is required.

The proposed Board action allows for the District to implement its obligations under Sections 35 and 81 of the Port Act, which authorize the Board to do acts necessary and convenient for the exercise of its power; and the use funds for necessary expenses of conducting the District. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the proposed Board action is consistent with the Public Trust Doctrine.

The proposed Board action does not allow for "development," as defined in Section 30106 of the California Coastal Act, or "new development," pursuant to Section 1.a. of the District's Coastal Development Permit (CDP) Regulations because it will not result in, without limitation, a physical change, change in use or increase the intensity of uses. Therefore, issuance of a Coastal Development Permit or exclusion is not required. However, development within the District requires processing under the District's CDP Regulations. Future development, as defined in Section 30106 of the Coastal Act, will remain subject to its own independent review pursuant to the District's certified CDP Regulations, PMP, and Chapters 3 and 8 of the Coastal Act. The proposed Board action in no way limits the exercise of the District's discretion under the District's CDP Regulations. Therefore, issuance of a CDP or exclusion is not required at this time.

Diversity, Equity and Inclusion Program:

No direct DEI impact.

PREPARED BY:

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Attachment(s):

Attachment A: Draft Agreement 119-2021MA