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Title: RESOLUTION AUTHORIZING AMENDMENT NO. 9 TO AGREEMENT WITH NMS MANAGEMENT, INC. FOR JANITORIAL SERVICES, INCREASING THE MAXIMUM AMOUNT PAYABLE UNDER THE AGREEMENT BY \$290,000 FOR A NEW MAXIMUM AMOUNT OF \$3,651,000; EXTENDING THE TERM OF THE AGREEMENT FOR AN ADDITIONAL FIVE (5) MONTHS ENDING NOVEMBER 30, 2021; AND REMOVING PUBLIC COMFORT STATIONS AND DRINKING FOUNTAIN JANITORIAL SERVICES FROM THE AGREEMENT EFFECTIVE SEPTEMBER 30, 2021. THIS SERVICE HAS BEEN DEEMED AN OPERATIONAL NECESSITY. THE AGREEMENT ALLOWS FOR EARLY TERMINATION BY THE EXECUTIVE DIRECTOR. ALL JANITORIAL SERVICES REQUIREMENTS FOR FISCAL YEAR 2022 ARE BUDGETED AND WILL BE EXPENDED AGAINST DEPARTMENT NON-PERSONNEL EXPENSE (NPE) BUDGETS.

Sponsors:

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Attachments: 1. 3. 2021-0190 Attachment A, 2. 3. 2021-0190 Draft Resolution

Date	Ver.	Action By	Action	Result
6/15/2021	1	Board of Port Commissioners	adopted	

DATE: June 15, 2021

SUBJECT:

RESOLUTION AUTHORIZING AMENDMENT NO. 9 TO AGREEMENT WITH NMS MANAGEMENT, INC. FOR JANITORIAL SERVICES, INCREASING THE MAXIMUM AMOUNT PAYABLE UNDER THE AGREEMENT BY \$290,000 FOR A NEW MAXIMUM AMOUNT OF \$3,651,000; EXTENDING THE TERM OF THE AGREEMENT FOR AN ADDITIONAL FIVE (5) MONTHS ENDING NOVEMBER 30, 2021; AND REMOVING PUBLIC COMFORT STATIONS AND DRINKING FOUNTAIN JANITORIAL SERVICES FROM THE AGREEMENT EFFECTIVE SEPTEMBER 30, 2021. THIS SERVICE HAS BEEN DEEMED AN OPERATIONAL NECESSITY. THE AGREEMENT ALLOWS FOR EARLY TERMINATION BY THE EXECUTIVE DIRECTOR. ALL JANITORIAL SERVICES REQUIREMENTS FOR FISCAL YEAR 2022 ARE BUDGETED AND WILL BE EXPENDED AGAINST DEPARTMENT NON-PERSONNEL EXPENSE (NPE) BUDGETS.

EXECUTIVE SUMMARY:

The San Diego Unified Port District (District) contracts for janitorial services at all District facilities and at twenty (20) comfort stations located in the parks and common public areas throughout the tidelands.

The current agreement for janitorial services with NMS Management, Inc. (NMS) expires June 30,

2021. Amendment No. 9 is needed to increase the maximum amount payable under the agreement by \$290,000 for continuity of janitorial services at District facilities for five (5) months and comfort stations for three (3) months. Guidance and requirements mandated from Federal, State, and County agencies have continued to evolve during this COVID-19 health crisis, which led to challenges for staff to develop a complete scope of services for future janitorial needs for a new Request for Proposals (RFP).

Staff requests Board authorization to execute Amendment No. 9 to the agreement with NMS for janitorial services, increasing the total amount by \$290,000 for a new total agreement maximum amount of \$3,651,000.

RECOMMENDATION:

Adopt a Resolution authorizing Amendment No. 9 to the agreement with NMS Management, Inc. for Janitorial Services, increasing the maximum amount payable under the agreement by \$290,000 for a new maximum amount of \$3,651,000.

FISCAL IMPACT:

Anticipated funds for FY 2022 are included in the requested General Services' Facilities Maintenance -Outside Services budget, subject to Board approval. Staff estimates an annual cash requirement of approximately \$290,000 during Fiscal Year 2022. The 5-year and 5-month total agreement amount is \$3,651,000 after all amendments (including the proposed Amendment No. 9) are incorporated.

Funds required for future fiscal years will be budgeted in the appropriate 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 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.
- A Port with an innovative and motivated workforce.

DISCUSSION:

On April 14, 2016 the Board of Port Commissioners (Board) adopted a resolution authorizing the District to enter into an agreement with NMS for 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. The current agreement is in term 5 (Option Year 2) and commenced on July 1, 2020 and will terminate on June 30, 2021.

This agreement is used to provide janitorial services at various District buildings, offices and comfort stations located in parks and common public areas throughout the tidelands. Janitorial services may also be requested on an as-needed basis to perform special cleaning requirements associated with public events where normal, scheduled services are not adequate to maintain an acceptable level of cleanliness or sanitation.

The previous amendments have been issued 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 amendments have increased the maximum expenditure from \$2,458,640 to \$3,360,989.

Amendment No. 9 is needed to increase the maximum amount payable under the agreement by \$290,000 for continuity of janitorial services at District facilities for five (5) months and comfort stations for three (3) months. Amendment No. 9 increases the maximum expenditure to \$3,651,000.

As the COVID-19 health crisis has changed over the course of the last eighteen (18) months, flexibility of janitorial services provided to the District has proved to be critical. Challenges with changing guidance and requirements mandated from Federal, State, and County agencies in relation to COVID-19, coupled with staffing resources, resulted in the request for an amendment to the current janitorial agreement. Additionally, staff reviewed current practices and decided that ultimately splitting the janitorial agreement into two (2) separate agreements would result in a win for the District and a win for companies wanting to do business with the District. This amendment extends janitorial services at District facilities for five (5) months and separates out the twenty (20) comfort stations effective October 1, 2021 with NMS, allowing staff time to process two (2) separate RFPs: one (1) RFP for janitorial services at District Facilities and one (1) RFP for janitorial services at twenty (20) comfort stations. The resolution for the new agreement for comfort stations janitorial services will go to the Board August 2021 for adoption and the resolution for the new agreement for janitorial services at District Facilities will go to the Board November 2021 for adoption.

Staff requests Board authorization to execute Amendment No. 9 to the agreement with NMS for Janitorial Services, increasing the total amount by \$290,000 for a new total agreement maximum amount of \$3,651,000.

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 an amendment to an agreement for janitorial services, does not constitute a "project" under the definition set forth in California Environmental Quality Act (CEQA) Guidelines Section 15378 because it would not have the potential to result in a direct or indirect physical change in the environment and is, therefore, not subject to CEQA. No further action under CEQA is required.

The proposed Board action complies with Sections 21 and 81 of the Port Act, which allow for the Board to pass ordinances and resolutions and to use District funds for 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 Regulations. Therefore, issuance of a Coastal Development Permit or exclusion is not required.

Diversity, Equity, and Inclusion Program:

Due to limited known subcontracting opportunities, no SBE goal was established for this agreement. NMS is a registered SBE.

PREPARED BY:

Paige Scott
Assistant Director, General Services

Attachment(s):
Attachment A: (Draft) Amendment No. 9 to Agreement No. 62-2016