



## Legislation Text

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**DATE:** October 6, 2020

**SUBJECT: AMENDMENT NO. 8 TO AGREEMENT WITH NMS MANAGEMENT, INC. FOR JANITORIAL SERVICES**

**RESOLUTION AUTHORIZING AMENDMENT NO. 8 TO AGREEMENT WITH NMS MANAGEMENT, INC. FOR JANITORIAL SERVICES, INCREASING THE MAXIMUM AMOUNT PAYABLE UNDER THE AGREEMENT BY \$62,389 FOR A NEW MAXIMUM AMOUNT OF \$3,360,989 FOR ADDITIONAL AS NEEDED JANITORIAL SERVICES DUE TO COVID-19 REQUIREMENTS AND ADDITIONAL REQUIREMENTS AT THE TENTH AVENUE MARINE TERMINAL. THIS SERVICE HAS BEEN DEEMED AN OPERATIONAL NECESSITY. THE AGREEMENT ALLOWS FOR EARLY TERMINATION BY THE EXECUTIVE DIRECTOR. ALL ADDITIONAL COVID-19 REQUIREMENTS FOR FISCAL YEAR 2021 ARE CURRENTLY UNBUDGETED 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.

This amendment increases the agreement's maximum amount payable by \$62,389 for a new maximum amount of \$3,360,989 for additional as-needed janitorial services in District facilities due to COVID-19 requirements and additional cleaning services at the Tenth Avenue Marine Terminal (TAMT). Amendment No. 8 reduces scheduled janitorial services at the District's Administration Building due to its temporary closing and implementation of teleworking for most staff. Although the District has seen some cost savings for scheduled janitorial services, these savings have not offset the increased cost for COVID-19 disinfection services at facilities still utilized by staff. This amendment also reclassifies all periodic janitorial services, such as carpet cleaning and floor waxing, to as-needed services as an additional cost saving measure during Fiscal Year 2021. The current agreement for janitorial services with NMS Management, Inc. (NMS) expires June 30, 2021.

Staff anticipates that guidance and requirements mandated from Federal, State, and County agencies will continue to evolve during this COVID-19 health crisis, which could require future Board actions. The District is also seeking reimbursement for all COVID-19 related cost through the Federal Emergency Management Agency (FEMA) Public Assistance Grant Program.

Staff requests Board authorization to execute Amendment No. 8 to the agreement with NMS for janitorial services, increasing the total amount by \$62,389 for a new total agreement maximum amount of \$3,360,989.

## **RECOMMENDATION:**

Adopt a Resolution authorizing Amendment No. 8 to the agreement with NMS Management, Inc. for Janitorial Services, increasing the maximum amount payable under the agreement by \$62,389 for a new maximum amount of \$3,360,989.

## **FISCAL IMPACT:**

Funds for Fiscal Year 2021 janitorial services are budgeted in the General Services' Facilities Maintenance-Outside Services budget. All COVID-19 requirements and additional janitorial services for Fiscal Year 2021 are unbudgeted and will be incorporated in department non-personnel expense (NPE) budgets. A Fiscal Year 2021 budget amendment may be presented to the Board of Port Commissioners at a future date to address these additional requirements if NPE appropriation for Fiscal Year 2021 is exceeded. Staff estimates an additional annual cash requirement of approximately \$62,389 for a total of \$512,389 during Fiscal Year 2021. The 5-year total agreement amount is \$3,360,989 after all amendments are incorporated.

## **COMPASS STRATEGIC GOALS:**

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

- A Port that is a safe place to visit, work and play.
- A Port with an innovative and motivated workforce.

## **DISCUSSION:**

Amendment No. 8 is needed to increase the maximum amount payable under the agreement by \$62,389 to account for the increased COVID-19 related disinfection services and new restroom cleaning requirements at TAMT.

The COVID-19 health crisis has increased the requirement for as-needed janitorial services to include the disinfection of touch surfaces in high traffic areas to include doors, elevators, restrooms, offices and common areas in District facilities that are still being used by staff. These areas currently include Harbor Police Headquarters, General Services, Tenth Ave Marine Terminal, and the Administration Building Annex.

Additionally, the District is providing cleaning service for the restroom that was replaced following the demolition of Transit Shed 2 at TAMT as well as increasing the cleaning frequency of the TAMT guard trailer. The new restroom will support longshoreman working at TAMT and this ensures the District complies with all Occupational Safety and Health Administration (OSHA) requirements for toilet accessibility and sanitation.

Although the District has seen some cost savings in scheduled janitorial services due to the closing of the Administration Building to the public and implementation of emergency teleworking for most staff, these savings have not offset the increased cost for COVID-19 disinfection services at District facilities still utilized by staff. Current total cost for both scheduled janitorial and disinfection services is approximately \$55,250 per month. This includes \$32,350 for scheduled janitorial services at all

District buildings and public comfort stations and an additional \$22,900 per month for as-needed disinfection services at Harbor Police Headquarters, General Services, TAMT, and the Administration Building Annex. Amendment No. 8 also reclassifies fixed janitorial services, such as carpet cleaning and floor waxing, to as-needed services. This change increases District flexibility for janitorial services while reducing overall cost.

### Agreement Background

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 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 public restrooms 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 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 8<sup>th</sup> floor. Each requires periodic janitorial services that are met through as-needed Task Authorizations. These amendments have increased the maximum expenditure from \$2,458,640 to \$3,298,600. Amendment No. 8 increases the maximum expenditure from \$3,298,600 to \$3,360,989.

Staff anticipates that guidance and requirements mandated from Federal, State, and County agencies will continue to evolve during this COVID-19 health crisis, which could have implications on this and future Board actions.

The District is seeking reimbursement for eligible COVID-19 costs through the FEMA Public Assistance Grant Program. The District submitted the initial reimbursement request of \$62,784 for all COVID-19 related disinfection services on May 21, 2020 and is currently awaiting grant approval notification from FEMA. Additional COVID-19 related cost reimbursement, to include disinfection services and other costs, will be submitted to FEMA at a future date.

Staff requests Board authorization to execute Amendment No. 8 to the agreement with NMS for Janitorial Services, increasing the total amount by \$62,389 for a new total agreement not-to-exceed amount of \$3,360,989.

### **General Counsel's Comments:**

The Office of the General Counsel has reviewed and approved this agenda and the proposed resolution, as presented, 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.

## **Equal Opportunity Program:**

Not Applicable.

## **PREPARED BY:**

Allen Broughton  
Business Manager, General Services

## **Attachment(s):**

Attachment A:	Agreement No. 62-2016 with NMS Management, Inc.
Attachment B:	Amendment No. 1 to Agreement No. 62-2016
Attachment C:	Amendment No. 2 to Agreement No. 62-2016
Attachment D:	Amendment No. 3 to Agreement No. 62-2016
Attachment E:	Amendment No. 4 to Agreement No. 62-2016
Attachment F:	Amendment No. 5 to Agreement No. 62-2016
Attachment G:	Amendment No. 6 to Agreement No. 62-2016
Attachment H:	Amendment No. 7 to Agreement No. 62-2016
Attachment I:	(Draft) Amendment No. 8 to Agreement No. 62-2016