



County of Los Angeles
INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue
Los Angeles, California 90063

MICHAEL OWH
Interim Director

Speed. Reliability. Value.

Telephone: (323) 267-2101
FAX: (323) 264-7135

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

35 March 19, 2024

JEFF LEVINSON
INTERIM EXECUTIVE OFFICER

March 6, 2024

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**REQUEST FOR APPROVAL TO AWARD AND EXECUTE FOURTEEN
CUSTODIAL SERVICES CONTRACTS
(ALL DISTRICTS – 3 VOTES)**

SUBJECT

The Internal Services Department (ISD) is requesting approval to award and execute fourteen custodial contracts to provide custodial services at various County facilities.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and instruct the Chair to sign the attached 14 contracts (Attachments 1-14) with the 7 firms listed on Attachment 15 to provide custodial services effective April 1, 2024, for an initial term of 3 years, with 3 one-year renewal options and 6 month-to-month extensions for a total cost of \$18,684,404 (Region 1), \$13,500,586 (Region 2), \$19,106,706 (Region 3), \$10,396,968 (Region 4), \$12,314,343 (Region 5), \$8,185,371 (Region 6), \$8,953,832 (Region 7), \$14,404,387 (Region 8), \$8,791,179 (Region 9), \$12,336,528 (Region 10), \$965,394 (Region 11), \$1,895,214 (Region 12), \$1,473,909 (Region 13), and \$2,385,999 (Region 14) for the initial term. The aggregate total for Regions 1-14 is \$133,394,819 for the initial 3 year term.
2. ISD, or their designee, to exercise the renewal options and month-to-month extensions in accordance with the attached contracts; and upon review and approval as to form by County Counsel, add and delete facilities, approve necessary changes to scope of services (e.g., shift or number of custodian

changes), contract sum, payments, or any term or condition included under these contracts; and execute applicable contract amendments should the original contracting entities merge, be acquired, or otherwise have a change of entity.

3. Authorize the Director of ISD or their designee to increase the contract amount up to an additional 10% to allow for any possible Cost of Living Adjustments (COLA) in accordance with County policy and terms of the contract.
4. Make a finding, as required by Los Angeles County Code section 2.121.420,1 that contracting for the provision of custodial services, as described herein, can be performed more economically by an independent contractor.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

On September 12, 2017, July 30, 2019, and December 17, 2019, the Board of Supervisors (Board) approved ISD's current custodial services. The services for Regions 1 through 14 are currently being provided under 12 contracts with Lee's Maintenance Services, Inc. (Lee's), Servicon Systems, Inc. (Servicon), and Pride Industries One, Inc. (Pride). The current contract terms will expire on March 31, 2024, and August 15, 2024. Approval of the recommended actions will allow ISD to continue providing custodial services to 22 client departments at 278 facilities located throughout the County of Los Angeles, without interruption. A complete listing of the County facilities by Supervisorial District is attached (Attachment 16).

ISD continues to provide custodial services at County facilities and to County departments. The recommended contracts augment ISD's Facilities Operations Services (OPS) by providing custodial services at County facilities.

Approval of recommendation number one and four will allow ISD to award custodial services contracts and meet the immediate and continued need for such services and find that the contracts are cost effective.

Approval of recommendation number two will allow ISD to effectively manage the contracts through their terms.

Approval of recommendation number three will allow ISD to approve Cost of Living Adjustments (COLA) in accordance with County policy and terms of the contract, if requested by the Contractors.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendations support the County Strategic Plan: Strategy III, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability by maximizing the effectiveness of the County's processes, structure, and operations to support timely delivery of customer oriented and efficient public service by providing custodial services Countywide.

FISCAL IMPACT/FINANCING

The annual costs for the recommended contracts are identified in Attachment 17.

Sufficient appropriation for the recommended contracts is included in ISD's Fiscal Year 2023-24 Adopted Budget and funding will be requested in future years to address the option years and COLA increases. Expenditures will be offset through billings to County departments.

ISD conducted Prop A cost analyses to ensure the contracts are cost effective, summaries of which are attached (Attachment 18). Based on the Prop A cost analyses, the proposed contracts will provide a cost savings ranging from 15.21% percent to 49.55% percent to the County during the first contract year, from 12.85% percent to 49.23% percent the second contract year, and from 9.79% percent to 47.98% percent the third contract year. Pursuant to Board Policy 5.030 (Low-Cost Labor Resource Program), departments are required to consider low-cost County resource options in lieu of, or as supplements to any future contracts, which include outreach to various departments with low-cost labor programs that could potentially provide similar services. To this end, ISD took into consideration other low-cost resource options as required by the Policy and found that the low-cost labor resource providers/programs do not provide custodial services. As such, it has been determined that services can be more economically performed by the recommended contractors.

Pursuant to the Fiscal Manual, ISD has provided its cost analyses to the Auditor-Controller that demonstrates that the contracts are cost effective. The Auditor-Controller reviewed and approved ISD's cost analyses to determine that the contracts are cost effective and that services can be performed more economically by contractors.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The recommended contracts have been approved as to form by County Counsel and contains all required Board policy provisions, including those pertaining to consideration of qualified County employees targeted for layoff as well as qualified START/GROW participants for employment openings, compliance with the Jury Duty Ordinance, Safely Surrender Baby Law, Child Support Program, and Zero Tolerance Human Trafficking.

There is no impact to current County employees, as no County employees will be displaced as a result of the recommended contracts. The proposed contracts are subject to the Living Wage Program (County Code Chapter 2.201). The contractors will pay an hourly rate of no less than \$18.86 per hour from January 1, 2024, to December 31, 2024, and will pay the applicable Living Wage rate effective January 1, 2025, and thereafter.

The contract rates are fixed for the initial three-year term. The contracts allow for a COLA increase during the option years, if requested and approved, and if the option years are exercised by the County. The COLA language in the contracts complies with your Board's directive on COLA's for Living Wage contracts.

CONTRACTING PROCESS

ISD redistributed County facilities under the current contracts into smaller groups thereby increasing the number of regions included in the solicitation in order to provide greater opportunities for County Preference Program vendors, Community Business Enterprises (CBEs) and increase competition. Additionally, ISD added new facilities that were requested by County departments.

On December 15, 2022, ISD released a Request for Proposals (RFP) for Custodial Services, for Regions 1-14 and posted the solicitation and contracting opportunity announcement on the County's "Doing Business with Us" web site (Attachment 19). Notice of the RFPs was sent by electronic mail to over 10,000 vendors registered with the County. The contracting opportunity was also advertised in the geographical locations where the services will be performed in following publications: Daily Journal, La Opinión (Ethnic), East Los Angeles Tribune (Hyperlocal), Watts Times (Hyperlocal), Our Weekly (Ethnic and Hyperlocal).

To increase opportunities for County Preference Programs (Local Small Business Enterprise (LSBE), Disabled Veteran Business Enterprises (DVBE), or Social Enterprise (SE) and the CBE programs, ISD regularly hosts outreach efforts such as vendor events

with the Office of Small Business and other County departments to advertise contracting opportunities, during which this solicitation was advertised. ISD had representatives from 24 firms attended the Proposer's Conference and job walks held on January 5, 2023.

As a result of the competitive RFP, 102 proposals were received by the June 7, 2023, due date. All proposals were reviewed for compliance with the minimum requirements, as set forth in the RFP. There were 98 of the 102 proposals that were determined to be in compliance with the minimum requirements and 4 of the proposals were disqualified. One proposer who submitted four proposals for Regions 7, 9, 11 and 12 was disqualified because it did not demonstrate that the its firm met the minimum mandatory qualifications set forth in the subject RFP. As such, the firm's proposals were not evaluated. All remaining 98 proposals were evaluated as indicated below:

Region 1 - Seven proposals
Region 2 - Eight proposals
Region 3 - Seven proposals
Region 4 - Eight proposals
Region 5 - Six proposals
Region 6 - Nine proposals
Region 7 - Seven-proposals
Region 8 - Seven proposals
Region 9 - Eight proposals
Region 10 - Nine proposals
Region 11 - Six proposals
Region 12 - Seven proposals
Region 13 - Three proposals
Region 14 - Six proposals

The Evaluation Committee comprised of subject matter experts evaluated the proposals in accordance with the evaluation criteria in the RFP. Following the evaluations, two proposers withdrew their proposals. At the completion of the evaluation process 7 firms were determined to be the highest-ranked proposal, and therefore recommended for contract award for Regions identified on attachment 15. In accordance with Section 1 (Introduction) and Section 8.1 (Selection Process) of the RFP, Proposers were awarded a maximum total of two Regions.

All of the non-selected proposers were provided an opportunity for a debrief. One proposer requested a debrief which was conducted by ISD on January 25, 2024. ISD did not receive any protests.

Each Supervisor
March 6, 2024
Page 6

A summary of the CBE Firm Organization Information for the recommended vendors is attached (Attachment 20). On final analysis, selection was made without regards to gender, race, creed, color or national origin. None of the proposers are certified CBEs.

The recommended awards of eight contracts are to certified Social Enterprises Businesses who are certified for the County of Los Angeles.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of these contracts will allow the County to continue to provide custodial services at 278 of the County's facilities. The award of the recommended contracts will not negatively impact staff as the requested contracts will augment, and not replace County workforce.

CONCLUSION

Upon approval by the Board, it is requested that the Executive Officer, Board of Supervisors, return one stamped copy of the approved Board Letter and two signed copies of each of the approved contracts to the Director of ISD.

Respectfully submitted,



MICHAEL OWH
Interim Director

SH:MO:LG:CC:nv

Attachments

c: Executive Office, Board of Supervisors
Chief Executive Office
County Counsel

ATTACHMENT I

ATTACHMENT II