



AGENDA REPORT

Meeting Date: June 22, 2010

Item Number: G-11

To: Honorable Mayor & City Council

From: Fred Simonson, Maintenance Operations Manager
Terry Wagner, Facilities Maintenance Manager

Subject: APPROVAL OF AMENDMENT NO. 1 TO AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND ABLE BUILDING MAINTENANCE CO. FOR CUSTODIAL MAINTENANCE SERVICES; AND

APPROVAL OF A BLANKET PURCHASE ORDER IN THE NOT-TO-EXCEED AMOUNT OF \$351,000 TO ABLE BUILDING MAINTENANCE CO. FOR CUSTODIAL MAINTENANCE SERVICES FOR UP TO THREE MONTHS

Attachments: 1. Amendment No. 1

RECOMMENDATION

It is recommended that the City Council approve an "Amendment No. 1 To an Agreement between the City of Beverly Hills and Able Building Maintenance Co. for custodial maintenance services", and approve a blanket purchase order in the not-to-exceed amount of \$351,000 for up to three months of custodial services.

INTRODUCTION

Able Building Maintenance Co. (Able) has provided custodial maintenance services to the City since June of 2005. The agreement between the City and Able is set to expire on June 30, 2010, and there are no further extensions to the agreement. Bid documents have been prepared, and the contract for custodial maintenance services is now out to bid, and the bid opening is scheduled for June 22, 2010 at 2:00 pm.

Due to the fact that the current agreement with Able will expire before it is determined if Able will continue as the provider of the custodial maintenance services, or if another contractor succeeds in winning the contract, it is necessary to enter into a month to month agreement with Able to maintain essential custodial services in the interim.

DISCUSSION

Able has performed satisfactorily over the past five years, and has worked with staff to find savings in contracted services over the last few years in recognition of the City's budget constraints. Able has agreed to continue its service on a limited month to month basis until a new agreement is in place. Bids will have been received prior to the interim service so Able will receive no preferential treatment in its bid.

Going without the janitorial service would be very disruptive to City operations and would impact our tenant agreements.

FISCAL IMPACT

Monthly custodial service cost has been determined to be \$117,000 per month. This rate includes the most recent COLA for Able staff of 4.6%. These funds will be available upon approval of the FY 2010/2011 budget under Fund 8, Program 0805901, Account 73040-Maintenance & Repair-Buildings.



Scott Miller
Finance Approval



David Gustavson
Approved By

Attachment 1

Amendment No. 1

AMENDMENT NO. 1 TO AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
ABLE BUILDING MAINTENANCE CO. FOR CUSTODIAL MAINTENANCE SERVICES

This Amendment No. 1 is to that certain Agreement between the City of Beverly Hills, a municipal corporation, hereinafter called "City" and Able Building Maintenance Co., hereinafter called "Contractor," dated May 9, 2005, and identified as Contract No. 108-05, for custodial maintenance services.

R E C I T A L S

A. City entered into the Agreement with Contractor to provide custodial maintenance services.

B. City desires to amend the Agreement to extend its term and provide for the services to continue on a month to month basis after June 30, 2010.

NOW, THEREFORE, the parties agree as follows:

Section 1. Section 3 of the Form of Contract entitled "PERFORMANCE PERIOD" shall be amended to read as follows:

"3. PERFORMANCE PERIOD. Contractor shall commence Work after execution of the Contract, as provided in the Notice to Proceed. The term of the Contract shall continue on a month to month basis from July 1, 2010, unless terminated by City as provided in Section 4o of the General Specifications, page 10 of the Contract."

Section 2. Paragraph o of Section 4 of the Contract Documents shall be amended to read as follows:

"o. Termination of Work.

(1) For Cause. Upon written notice to Contractor, City may terminate the Work or any part thereof immediately for cause, without any prior notification to Contractor.

(2) Without Cause. City may terminate the Work or any part thereof upon thirty (30) days prior notice to Contractor.

(3) Payment. Upon termination of the Contract in whole or in part, City shall pay Contractor, for all Work satisfactorily completed prior to the date of termination."

Section 3. Except as specifically amended herein, the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day of _____, 201____, at Beverly Hills, California.

CITY OF BEVERLY HILLS
A Municipal Corporation

JIMMY DELSHAD
Mayor of the City of
Beverly Hills, California

ATTEST:

_____(SEAL)
BYRON POPE
City Clerk

CONTRACTOR: ABLE BUILDING
MAINTENANCE

RICH MULKERRINS
President

SCOTT SHEPHERD
Chief Financial Officer

APPROVED AS TO FORM:

LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY KOLIN
City Manager

DAVID GUSTAVSON
Director of Public Works & Transportation

KARL KIRKMAN
Risk Manager