

**Date:** April 26, 2017

**To:** Board of Directors

**From:** Neil McFarlane *Neil McFarlane*

**Subject:** RESOLUTION 17-04-27 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH ENVIRONMENTAL BUSINESS SOLUTIONS, INC. FOR BUS SHELTER CLEANING SERVICES FOR THE SOUTHEAST REGION

**1. Purpose of Item**

The purpose of this item is to request that the TriMet Board of Directors (Board) authorize the General Manager to execute a contract with Environmental Business Solutions, Inc. (EBS) for Bus Shelter Cleaning Services for the Southeast (SE) Region (Services).

**2. Type of Agenda Item**

- Initial Contract
- Contract Modification
- Other \_\_\_\_\_

**3. Reason for Board Action**

Board approval is required for goods and services contracts obligating TriMet to pay in excess of \$500,000.

**4. Type of Action**

- Resolution
- Ordinance 1<sup>st</sup> Reading
- Ordinance 2<sup>nd</sup> Reading
- Other \_\_\_\_\_

**5. Background**

TriMet has approximately 1000 bus shelters that require cleaning at least once per week. High ridership locations are cleaned more often, with some needing to be cleaned on a daily basis. TriMet uses contracted services for cleaning all bus stops that have shelters or other amenities. The cleaning services are divided into three regions:

1. West Region (west of the Willamette River);
2. Northeast Region (NE) (east of the Willamette River and north of Burnside to the Oregon border); and
3. Southeast Region (SE) (east of the Willamette River and south of Burnside).

The current contracts were the result of three (3) separate Request for Proposals (RFP), one for each region. The current contract for the SE Region expires on June 30, 2017.

At its October 26, 2016, meeting, the Board authorized TriMet to award three contracts to 2C Building Services LLC, Snug's Pro Wash, Inc., and G&L Janitorial LLC for the three regions.

Following Board authorization, staff met separately with the three vendors to review expectations, mobilization plans, basic next steps, and to answer any questions the vendors had with regards to the start up of their respective contracts. 2C Building Services, the vendor who was awarded the SE Region contract needed to acquire resources, equipment, and hire additional staff to mobilize for the start of the contract, which was set to begin July 1, 2017. Staff from Procurement and Contracts and Facilities Management held monthly and then bi-monthly progress meetings with 2C Building Services LLC, to answer questions, provide information, and assist with the preparation for commencement of work. After several meetings without any progress from 2C Building Services LLC regarding mobilization plans and documentation, TriMet was notified by 2C Building Services LLC that they wanted to withdraw their bid because they felt that the pricing that they submitted was too low.

## **6. Procurement Process**

As a result of 2C Building Services LLC withdrawing their bid, and all remaining bids resulting from the original solicitation being over 90 days old, a new solicitation needed to be conducted for the SE Region bus shelter cleaning services. TriMet issued an Invitation to Bid (ITB) on February 16, 2017. TriMet received eleven (11) bids, with six (6) submitted from certified firms. 2C Building Services LLC was again the lowest responsive bidder.

Given the recent history, Procurement and Contracts staff requested information from 2C Building Services LLC as a matter of a responsibility determination to make sure that, if awarded, they would be able to perform the Services and adhere to the requirements of the ITB. Normally, vendors are given three business days to provide information when requested, but 2C Building Services was given two weeks to gather the necessary information and provide it to TriMet. Following the initial request for information, Procurement and Contracts staff followed up with 2C Building Services several times over the phone and via email to make sure they understood what information was being requested and why. The request for information was sent on March 17<sup>th</sup> with a due date of March 31<sup>st</sup>. 2C Building Services LLC submitted their response on March 31<sup>st</sup>, but failed to provide the specific information requested. The other information that was submitted was insufficient and did not comply with the requirement of the ITB. 2C Building Services LLC was found not responsible and their bid was rejected.

The second lowest responsive bid was submitted by EBS. The same information that was requested of 2C Building Services LLC was requested of EBS, and they were able to provide the information immediately. Below is a summary of the bids that were received in response to the ITB:

<hr/> <hr/> <b>5-Year Bid Total</b> <hr/> <hr/>	
2C Building Services LLC	\$988,597.60

5-Year Bid Total	
Environmental Business Solutions, Inc.	\$1,064,787.40
Pro Fleet NW, Inc.	\$1,066,622.00
Rapid Response Bio Clean, LLC	\$1,082,710.00
Columbia Pressure Washing, LLC	\$1,134,146.00
Rudmar, Inc. dba ProClean	\$1,257,525.00
Recology Portland, Inc.	\$1,344,187.00
Fleetwash, Inc.	\$1,513,954.40
Ortiz & Associates, Inc.	\$1,691,820.00
UBM Enterprise, Inc.	\$2,049,447.00
America Cleaning Solutions, Inc.	\$5,093,600.00

The proposed contract with EBS will have a base term of one-year, with four one-year options, for a maximum five-year term. Contract pricing is based on per service rates. No rate increases are allowed during the base term of the contract; any rate increases during the renewal terms (option years) will be subject to TriMet approval, and will be tied to the CPI All-Urban Workers, for the Portland-Salem area. The base term estimated contract amount is:

***Environmental Business Solutions, Inc.***

- Initial one-year base term – \$212,957.48
- 5-year contract total – \$1,064,787.40

The final total contract amount will be based on the agency's actual usage, which will vary annually according to the frequency of shelter cleanings and the number of shelters serviced.

The total price of the contract of \$1,064,787.40 compares favorably to TriMet's independent cost estimate (ICE) for this procurement of \$1,101,595 for a 5-year contract term. The ICE was based on TriMet's current contract pricing, including escalation.

**7. Diversity**

Environmental Business Solutions, Inc. is a certified Emerging Small Business. Their workforce is 45.5% minority and 18.2% female. The total employee count of the company is 11. Environmental Business Solutions, Inc. will perform the SE Region bus shelter cleaning services via the use of their own employees; they will not use subcontractors.

**8. Financial/Budget Impact**

Bus shelter cleaning costs are budgeted as an element of the FY2017 Facilities Management department's operating budget. The contract amounts are within budget.

**9. Impact if Not Approved**

Should the Board choose to not approve this contract, it could direct Facilities Management to provide shelter cleaning services utilizing TriMet staff. TriMet, however, is not currently staffed and/or equipped to perform these functions, and doing so would mean that TriMet would have to find additional funds to hire enough staff and equipment to perform the functions as solicited, which would be at a greater cost than the proposed contracts.

**RESOLUTION 17-04-27**

**RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH ENVIRONMENTAL BUSINESS SOLUTIONS, INC. FOR BUS SHELTER CLEANING SERVICES FOR THE SOUTHEAST REGION**

**WHEREAS**, TriMet has authority under ORS 267.200 to enter into a contract with Environmental Business Solutions, Inc. for bus shelter cleaning services (Contract); and

**WHEREAS**, the total amount of the Contract shall exceed \$500,000; and

**WHEREAS**, the TriMet Board of Directors (Board), by Resolution dated November 25, 2009, adopted a Statement of Policies requiring the Board to approve goods and services contracts obligating TriMet to pay in excess of \$500,000;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Contract shall be in conformance with applicable laws.
2. That the General Manager or his designee is authorized to execute the Contract.

Dated: April 26, 2017

\_\_\_\_\_  
Presiding Officer

Attest:

\_\_\_\_\_  
Recording Secretary

Approved as to Legal Sufficiency:

  
\_\_\_\_\_  
Legal Department