



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 14

Agenda Date: December 5, 2024

In Control: City Council A Session

DEPARTMENT: Finance Department

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Annual Contract for Library Custodial Services

SUMMARY:

This ordinance authorizes a contract with 3rd Generation Services, LLC to provide custodial services for the San Antonio Public Library for an estimated annual cost of \$1,840,000, with a total contract value of \$9,200,000 from January 1, 2025, through December 31, 2027, with two additional one-year renewals. Funding for the first year of the contract in the amount of \$1,500,000 is available from the FY 2025 General Fund Adopted Budget and funding for subsequent years is contingent upon City Council approval of the annual budget.

BACKGROUND INFORMATION:

Submitted for City Council consideration and action is a proposal submitted by 3rd Generation Services, LLC to provide custodial services for twenty-seven branch libraries. The services include routine cleaning, non-routine cleaning and as requested special cleaning tasks. Additionally, the vendor will provide on demand services to the Central Library as needed to supplement in house custodial services when necessary. Custodial services must be provided in a manner conducive to maintaining clean, safe, welcoming, and accessible library facilities to maintain an excellent customer experience.

On July 7, 2023, a Request for Competitive Sealed Proposals (RFCSP) was released for Library Custodial Services. Thirteen (13) responses were received on September 15, 2023. Four proposals were deemed non-responsive by the Economic Development Department due to respondents' failure to meet the Small Business Economic Development Advocacy (SBEDA) Program subcontracting requirement. The remaining nine responsive proposals were evaluated. However, the pricing was substantially over budget and the per square foot price associated with the scope of services could not be revised to bring down the cost associated with the services. Based on review and discussion, the RFCSP was subsequently canceled and the scope was revised to request pricing within services levels, not square footage, to support an annual escalation in pricing that could be supported through the annual budget process.

The City issued a subsequent Request for Competitive Sealed Proposals (RFCSP) for “Annual Contract for Custodial Services for the Library” (RFCSP 24-065, 6100018286) on June 17, 2024, with a submission deadline of August 19, 2024. The RFCSP was advertised in the HartBeat, TVSA channel, the City’s Bidding & Contracting Opportunities website, the San Antonio e-Procurement System and an email notification was released to a list of potential respondents. Sixteen proposals were received. Nine firms were deemed non-responsive for failure to meet the Small Business Economic Development Advocacy (SBEDA) Program subcontracting requirements. One firm was deemed non-responsive for submitting a Price Schedule that was not in a manner as set forth in the RFCSP. The remaining six proposals were deemed responsive for evaluation.

The evaluation committee consisted of representatives from the City Manager’s Office, San Antonio Public Library, and the Building and Equipment Services Department. The Finance Department, Procurement Division assisted by ensuring compliance with City procurement policies and procedures. The evaluation of each proposal response was based on a total of 100 points: 25 points allotted for experience, background and qualifications; 35 points allotted for proposed plan; 20 points allotted for respondent’s price schedule; 5 points allotted for the Emerging Small Business Enterprise Prime Contract Program, 5 points allotted for the Small Business Prime Contract Program and 10 points allotted for the Minority/Woman Owned Prime Contract Program. Additional categories of consideration included references and financial qualifications.

The evaluation committee met for an initial evaluation to discuss and score the six responsive proposals on October 10, 2024, and after initial scoring, the committee’s recommendation was to conduct interviews with the top three highest-ranked firms. The evaluation committee convened for interviews and discussion on October 29, 2024. After interviews, the evaluation committee discussed and scored the shortlisted firms based on the aforementioned criteria. Individual scores were submitted, and aggregate scores were presented. After a recommendation for award was agreed upon by the evaluation committee, the pricing scores and SBEDA scores were revealed. 3rd Generation Services, LLC, the highest-ranking firm, was recommended for award by the evaluation committee.

A pre-solicitation briefing was presented to the Audit Committee on March 29, 2023, prior to the solicitation being released. In addition, a post-solicitation briefing was presented to the Audit

Committee on November 12, 2024, with staff's recommendation for Council award.

The initial term of the agreement will begin on January 1, 2025, through December 31, 2027, with two additional, one-year renewals at the City's option which will also be authorized by this ordinance.

ISSUE:

This contract will provide custodial services for twenty-seven branch libraries. The services include routine cleaning, non-routine cleaning and as requested special cleaning tasks. Additionally, the vendor will provide on demand services to the Central Library as needed to supplement in house custodial when necessary. Custodial services must be provided in a manner conducive to maintaining clean, safe, welcoming, and accessible library facilities to maintain an excellent customer experience.

This contract will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program, which requires contracts to be reviewed by a Goal Setting Committee (GSC) to establish a requirement and/or incentive unique to the particular contract in an effort to maximize the amount of small, minority and woman-owned business participation under the contract. The Goal Setting Committee applied the Small Business Enterprise (SBE) Prime Contract Program with five (5) evaluation preference points, the Minority and/or Women-Owned Business Enterprise (M/WBE) Prime Contract Program with ten (10) evaluation preference points, and the Emerging Small Business Enterprise (ESBE) Prime Contract Program with five (5) evaluation preference points, to total twenty (20) evaluation preference points as part of the submittal evaluation criteria. Additionally, the Goal Setting Committee applied a twenty percent (20%) M/WBE Subcontracting Program goal and a seven percent (7%) African American Business Enterprise (AABE) Subcontracting Program goal, and further requires that on this contract the awarded prime contractor become a mentor in the City's Mentor Protégé Program. 3rd Generation Services, LLC was eligible to receive all twenty (20) evaluation preference points, and committed to one-hundred percent (100%) M/WBE prime and subcontractor participation and seven percent (7%) AABE subcontractor participation, and committed to registering as a Mentor in the City's Mentor Protégé Program.

This award is an exception to the Local Preference Program.

The Veteran-Owned Small Business Program does not apply to goods or non-professional services contracts, so no preference was applied to this contract.

This vendor has acknowledged to comply with the Heat Illness Prevention Ordinance, approved on August 31, 2023, through Ordinance #2023-08-31-0585.

ALTERNATIVES:

Should this contract not be approved, the San Antonio Public Library would be without custodial services for library branch locations. As a public serving department, custodial services are essential to excellent service delivery. The City does not have the adequate staff to perform the work. Additionally, the processing of individual procurements will affect the cost of services due to non-contractual pricing.

FISCAL IMPACT:

This ordinance authorizes a contract with 3rd Generation Services, LLC to provide custodial services for the San Antonio Public Library for an estimated annual cost of \$1,840,000.00, with a total contract value of \$9,200,000 from January 1, 2025, through December 31, 2027, with two additional one-year renewals. Funding for the first year of the contract in the amount of \$1,500,000 is available from the FY 2025 General Fund Adopted Budget and funding for subsequent years is contingent upon City Council approval of the annual budget.

RECOMMENDATION:

Staff recommends approval of this ordinance.

This contract was procured by means of a Request for Competitive Sealed Proposals and a Contracts Disclosure Form is required.