



Legislation Text

File #: 22-0580, Version: 1

MOTION TO APPROVE THE FIFTH AMENDMENT TO THE CONTRACTUAL SERVICES AGREEMENT WITH SAFEGUARD SERVICES, INC., INCREASING THE COST OF JANITORIAL SERVICES BY APPROXIMATELY 9% ON AVERAGE, IN THE AMOUNT NOT TO EXCEED \$1,568,042.46 EFFECTIVE AUGUST 4, 2022 THROUGH JUNE 30, 2023.

SUMMARY EXPLANATION AND BACKGROUND:

1. On July 20, 2017, the City entered into a Contractual Service Agreement with Safeguard Services, Inc. for an initial (3) year period, commencing July 1, 2017 and expiring June 30, 2020.
2. The purpose of this solicitation was to provide janitorial services to charter schools and early development centers throughout the city.
3. On December 19, 2017, the City entered into the First Amendment of the Original Agreement to add a contingency amount of \$24,500.
4. On August 7, 2019, the City entered into the Second Amendment of the Original Agreement to waive the payment and performance bonds.
5. On December 4, 2019, the City Commission approved the Third Amendment of the Original Agreement which renewed the agreement for a three (3) year renewal term commencing July 1, 2020 and ending June 30, 2023.
6. On November 3, 2020, Florida voters approved Florida Amendment 2, which amended Florida's constitution to gradually increase the state's minimum wage from \$8.56 an hour to \$15 an hour by the year 2026, according to the following schedule:

Effective Date	Minimum Wage	Increase \$	Increase %
Jan. 01, 2021	\$ 8.65	\$0.09	1.05%
Sep. 30, 2021	\$10.00	\$1.35	15.61%
Sep. 30, 2022	\$11.00	\$1.00	10.00%
Sep. 30, 2023	\$12.00	\$1.00	9.09%
Sep. 30, 2024	\$13.00	\$1.00	8.33%
Sep. 30, 2025	\$14.00	\$1.00	7.69%
Sep. 30, 2026	\$15.00	\$1.00	7.14%

7. On August 4, 2021, the City Commission approved the Fourth Amendment of the Original Agreement to increase the total contract amount to an annual amount not to exceed \$1,440,594, which includes an owner's contingency in the amount of \$24,500. The increase included the additional \$136,850 related to the minimum wage changes along with an additional \$89,300 for weekly electrostatic spraying that was previously being performed under an emergency order due to

the Covid-19 pandemic, while also removing the Village and Bright Beginnings EDCs.

8. On April 21, 2022, Safeguard Services, Inc. sent a letter to the City requesting an increase in the contract amount by 9% due to increasing labor costs attributed to the passage of Florida Amendment 2, which will increase the minimum wage by 10% effective September 30, 2022.

9. On May 18, 2022, the City Commission approved the Fifth Amendment of the Original Agreement which granted the requested contract amount increase of 9% to a total annual amount not to exceed \$1,568,042.46. An executed amended agreement was not available to present to the Commission at the time.

10. Request Commission to approve the Fifth Amendment to the Contractual Services Agreement with Safeguard Services, Inc., increasing the cost of janitorial services by approximately 9% on average, in the amount not to exceed \$1,568,042.46 effective August 4, 2022 through June 30, 2023.

FINANCIAL IMPACT DETAIL:

a) Initial Cost: Total annual cost for the charter schools and early development centers is \$1,568,042.46

b) Amount budgeted for this item in Account No: Funds are currently budgeted for this project in the Other Services Maintenance accounts (534950):

East Elementary	170-569-5051-534950-7900-350-0000-00550
West Elementary	170-569-5051-534950-7900-350-0000-00551
Central Elementary	170-569-5051-534950-7900-350-0000-00552
West Middle	171-569-5052-534950-7900-350-0000-00553
Central Middle	171-569-5052-534950-7900-350-0000-00554
Academic Village	172-569-5053-534950-7900-350-0000-
FSU Elementary	173-569-5061-534950-7900-350-0000-
West EDC	001-569-5002-534950-0000-000-0000-00208
Central EDC	001-569-5002-534950-0000-000-00000-00209

c) Source of funding for difference, if not fully budgeted: Not applicable.

d) 5 year projection of the operational cost of the project: Not Applicable.

e) Detail of additional staff requirements: Not Applicable.