



## Board Report

File #: 2023-0060, File Type: Contract

Agenda Number: 28.

### OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE MARCH 16, 2023

**SUBJECT: POWER SWEEPING SERVICES FOR ALL METRO FACILITIES**

**ACTION: APPROVE CONTRACT MODIFICATION**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute Modification No. 14 to Contract No. OP962800003367 with Nationwide Environmental Services, a Division of Joe's Sweeping Services, Inc., to provide power sweeping services for Metro's transit facilities in the amount of \$1,902,420, increasing the contract three-year base authority from \$6,841,346 to \$8,743,766 and extending the period of performance from June 01, 2023, through May 31, 2024.

#### **ISSUE**

The existing power sweeping services contract three-year base term expires on May 31, 2023. While staff has been proactive in issuing two (2) new solicitations to replace the existing contract prior to its expiration, the first solicitation was canceled due to a lack of responsive and responsible bidders, and no bids were received in response to the second solicitation.

To ensure service continuity for delivering safe, quality, regularly scheduled and as-needed power sweeping services systemwide, the approval of Modification No. 14 is required to increase contract authority by \$1,902,420 and extend the period of performance through May 31, 2024. This action will also allow staff the time to reconcile the prior solicitation documents and prepare a systemwide cost effective solicitation package to be issued for competitive bidding with opportunities for small business participation.

#### **BACKGROUND**

On April 26, 2018, the Metro Board of Directors approved a three-year base, firm fixed unit rate Contract No. OP962800003367 with Nationwide Environmental Services, Inc., to provide power sweeping services for Metro transit facilities, effective June 1, 2018. Since then, the contractor has been providing satisfactory services. While services were adjusted during the COVID-19 pandemic and with sufficient authority remaining, staff has been able to extend the existing contract through May 2023.

Staff is continuously evaluating service levels and exploring opportunities to increase competition while expanding small business participation. In preparation for a new power sweeping services

contract solicitation, two (2) outreach events were conducted on June 10 and November 10, 2021, respectively. Staff provided an overview of the upcoming procurement where Metro's service area has been split into two (2) geographical regions to attract bids from small businesses as primes.

On November 18, 2021, the new SBE prime set-aside solicitation was issued for the North and South regions representing Metro's service area. On December 22, 2021, two (2) bids were received, one (1) per region, however, they were deemed non-responsive and responsible, for not meeting Metro's SBE prime set-aside requirements, and the solicitation was cancelled on March 17, 2022. A follow up market survey was conducted to obtain feedback from the vendors on the planholders list including the bidder.

Based on the input received from the market survey, staff re-evaluated Metro's service area and restructured the scope of services splitting Metro's service area into three (3) geographical regions, to further enhance competition and small business participation. Two (2) additional outreach events were conducted on June 21 and June 22, 2022, respectively where staff provided an overview of the upcoming procurement for the newly restructured three (3) regional contracts. On September 9, 2022, a second SBE prime set-aside solicitation was issued for the three (3) regional contracts representing Metro's service area with a bid due date of October 10, 2022. Since no bids were received, staff followed up with another market survey where valuable information was provided regarding the current state of power sweeping services in the private sector.

Based on the feedback received from the market survey, staff learned that following the COVID-19 pandemic, the west coast power sweeping services private sector has experienced major changes where larger firms have acquired the smaller businesses, yet even the very few larger firms left are facing significant challenges with the long lead times for vehicle acquisition and other resources to meet the demand. As business practices continue to evolve and while Nationwide Environmental Services, Inc., owns the required number of environmentally compliant fleet of Compressed Natural Gas (CNG) sweepers, the approval of Modification No. 14 will ensure service continuity and allow the time to issue a new solicitation for competitive bidding with opportunities for small business participation. Staff is recommending increasing the existing contract authority by \$1,902,420 and extending the period of performance through May 31, 2024. This action is necessary to allow staff the time to reconcile the prior solicitation documents and prepare a systemwide cost effective solicitation package to be issued for competitive bidding with opportunities for small business participation.

## **DISCUSSION**

Under the existing contract, the contractor is required to provide regularly scheduled and as-needed power sweeping services systemwide throughout Metro's 110 bus and rail parking lots and structures as well as 41 Caltrans owned Park & Ride (P&R) lots. Lack of cleanliness and maintenance at Metro bus and rail facilities creates an unsafe and inaccessible environment, causing delays for patrons requiring the use of parking lots and structures throughout Metro facilities and Caltrans owned P&R lots to complete their trip. The contractor has been providing satisfactory services to ensure providing safe, clean and accessible parking facilities.

In an effort to explore available options to provide quality and cost-effective power sweeping services, staff conducted a study with an in-depth feasibility review and cost-benefit analysis of possible

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alternatives. Based on the evaluation conducted, the findings of the data analysis recommended to continue contracting out the power sweeping services, until such time the market has settled and issues associated with resources and long lead times for equipment along with inflated pricing are resolved.

### **DETERMINATION OF SAFETY IMPACT**

The approval of this item will ensure service continuity to provide on-going power sweeping services, improve Metro bus and rail facilities' overall appearance and cleanliness, and continue providing safe, quality, on-time, and reliable services system-wide.

### **FINANCIAL IMPACT**

For this contract, funding of \$350,045 for the remainder of FY23 is allocated under cost center 8370 - Facilities Contracted Maintenance Services, account 50308, Service Contract Maintenance, under various projects.

Since this is a multi-year contract, the cost center manager, Deputy Chief Operations Officer, Shared Mobility will be accountable for budgeting the cost in future years.

### **Impact to Budget**

The current source of funds for this action are Fares, Proposition A/C, Measure R/M, and the Transportation Development Act. Use of these funding sources currently maximizes funding allocations given approved funding provisions and guidelines.

### **EQUITY PLATFORM**

Providing regularly scheduled and as-needed power sweeping services is critical for Metro's patrons. It ensures that Metro bus and rail facilities overall appearance and cleanliness are well maintained, especially for those with disabilities, older adults and others, while providing a safe, quality, accessible, and reliable environment to all of our patrons at parking lots and structures throughout Metro facilities and Caltrans owned P&R lots.

Metro customers, including those with Limited English Proficiency (LEP) can report cleanliness and maintenance issues through the Customer Relations numbers posted throughout the rail and bus system. Customers have the option of communicating with Metro through nine (9) different languages using translation service. Metro also ensures translated signage is posted for those reporting cleanliness and maintenance issues on the Metro system.

Under the existing contract, Nationwide Environmental Services Inc., made a commitment of 7.02% for SBE and 3.01% for DVBE. To-date, the current participation is 9.53% for SBE and 3.24% for DVBE, exceeding the commitment by 2.51% and 0.23%, respectively.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This board action supports Strategic Goal 5: Provide responsive, accountable, and trustworthy governance within the Metro organization. Performing on-going frequency and as-needed power sweeping will ensure providing safe environment to our patrons, accessibility, and service reliability, and enhancing customers' overall experience.

### **ALTERNATIVES CONSIDERED**

The Board may elect not to approve this recommendation. This option is not recommended as it would result in a gap in service impacting Metro's system safety, cleanliness, operations and customer experience.

### **NEXT STEPS**

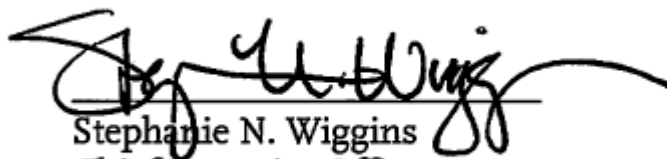
Upon approval by the Board, staff will execute Modification No. 14 to Contract No. OP962800003367 with Nationwide Environmental Services, to continue to provide power sweeping services throughout Metro bus and rail facilities and 41 Caltrans owned P&R lots.

### **ATTACHMENTS**

- Attachment A - Procurement Summary
- Attachment B - Contract Modification/Change Order Log
- Attachment C - DEOD Summary

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Stephanie N. Wiggins  
Chief Executive Officer

## PROCUREMENT SUMMARY

## POWER SWEEPING SERVICES/OP962800003367

1.	<b>Contract Number:</b> OP962800003367		
2.	<b>Contractor:</b> Nationwide Environmental Services		
3.	<b>Mod. Work Description:</b> Increase contract authority and extend period of performance		
4.	<b>Contract Work Description:</b> Provide power sweeping services at all Metro transit facilities including bus divisions, terminals, busways, railroad trackways, layover areas, rail divisions and train/bus stations park-and-ride		
5.	<b>The following data is current as of:</b> 2/7/23		
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>
	<b>Contract Awarded:</b>	4/26/18	<b>Contract Award Amount:</b> \$ 5,314,860
	<b>Notice to Proceed (NTP):</b>	N/A	<b>Total of Modification Approved:</b> \$ 1,526,486
	<b>Original Complete Date:</b>	8/31/22	<b>Pending Modification (including this action):</b> \$ 1,902,420
	<b>Current Est. Complete Date:</b>	5/31/24	<b>Current Contract Value (with this action):</b> \$ 8,743,766
7.	<b>Contract Administrator:</b> Aielyn Dumaua		<b>Telephone Number:</b> (213) 922-7320
8.	<b>Project Manager:</b> Maral Minasian		<b>Telephone Number:</b> (213) 922-6762

**A. Procurement Background**

This Board Action is to approve Modification No. 14 to Contract No. OP962800003367 with Nationwide Environmental Services, a Division of Joe's Sweeping, Inc. (Nationwide) to continue to provide power sweeping services at all Metro transit facilities including bus divisions, terminals, busways, railroad trackways, layover areas, rail divisions, and train/bus stations park-and-ride.

This contract modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a firm-fixed unit rate.

In April 2018, the Metro Board awarded a three-year contract to Nationwide to provide power sweeping services.

Refer to Attachment B – Contract Modification/Change Order Log.

**B. Cost/Price Analysis**

The recommended price has been determined to be fair and reasonable based on price analysis and technical analysis. The fully burdened rates for the extended term are lower than current market rates for similar services. Therefore, the recommended increase in contract authority is in the best interest of Metro.

<b>Proposed Amount</b>	<b>Metro ICE</b>	<b>Award Amount</b>
\$1,902,420	\$1,902,420	\$1,902,420

**CONTRACT MODIFICATION/CHANGE ORDER LOG**  
**POWER SWEEPING SERVICES/OP962800003367**

<b>Mod. No.</b>	<b>Description</b>	<b>Date</b>	<b>Amount</b>
1.	Increase contract authority and revise the Statement of Work and Schedule of Quantities and Prices to add Division 16 – LAX/Crenshaw Line Yard as a service location	3/28/19	\$ 52,000
2	Revise the Schedule of Quantities and Prices to adjust service frequency due to COVID-19	5/20/20	\$ 0
3	Revise the Statement of Work and Schedule of Quantities and Prices to update service locations	6/24/20	\$ 0
4	Revise the Statement of Work to update the submittal and reporting requirements	7/13/20	\$ 0
5	Revise the Schedule of Quantities and Prices to modify the frequency of service at various Caltrans Park and Ride Lots	10/16/20	\$ 0
6	Extend the period of performance by seven months	10/19/20	\$ 0
7	Extend the period of performance by three months	3/24/21	\$ 0
8	Revise the Statement of Work to remove Location 62 – Rail Communication from the List of Service Locations and adjust the Schedule of Quantities and Prices	5/31/21	\$ 0
9	Increase contract authority, revise agreed-upon fully burdened rates, and extend the period of performance by two months	11/15/21	\$ 250,000
10	Increase contract authority, revise agreed-upon fully burdened rates, and extend the period of performance by six months	4/30/22	\$ 229,486
11	Increase contract authority, revise agreed-upon fully burdened rates, and extend the period of performance by seven months	8/31/22	\$ 995,000
12	Add two K Line (Crenshaw/LAX) locations and corresponding service frequency	11/2/22	\$ 0
13	Extend the period of performance by two months	1/16/23	\$ 0
14	Increase contract authority, revise agreed-upon fully burdened rates, and extend the period of performance by twelve months	<b>Pending</b>	<b>\$ 1,902,420</b>
	<b>Modification Total:</b>		<b>\$ 3,428,906</b>
	<b>Original Contract:</b>	<b>4/26/18</b>	<b>\$ 5,314,860</b>
	<b>Total Contract Value:</b>		<b>\$ 8,743,766</b>

DEOD SUMMARY

POWER SWEEPING SERVICES OP962800003367

**A. Small Business Participation**

Nationwide Environmental Services div. of Joe’s Sweeping, Inc. (NES) made a 7.02% Small Business Enterprise (SBE) and a 3.01% Disabled Veterans Business Enterprise (DVBE) commitment. Based on payments, the project is 100% complete and the current SBE participation is 9.53% and the DVBE participation is 3.24%, exceeding the commitments by 2.51% and 0.23%, respectively.

<b>Small Business Commitment</b>	<b>SBE 7.02% DVBE 3.01%</b>	<b>Small Business Participation</b>	<b>SBE 9.53% DVBE 3.24%</b>
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	<b>SBE Subcontractors</b>	<b>% Committed</b>	<b>Current Participation<sup>1</sup></b>
1.	Islas Tires, Inc.	6.60%	8.29%
2.	Rose Equipment Repairs, Inc.	0.42%	1.24%
	<b>Total</b>	<b>7.02%</b>	<b>9.53%</b>

	<b>DVBE Subcontractors</b>	<b>% Committed</b>	<b>Current Participation<sup>1</sup></b>
1.	Hunter Tires, Inc.	3.01%	3.24%
	<b>Total</b>	<b>3.01%</b>	<b>3.24%</b>

<sup>1</sup>Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

**B. Living Wage and Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

**C. Prevailing Wage Applicability**

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors’ compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

**D. Project Labor Agreement/Construction Careers Policy**

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of \$2.5 million.