



Board Report

File #: 2023-0481, File Type: Contract

Agenda Number: 35.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE SEPTEMBER 21, 2023

SUBJECT: PEST AND BIRD CONTROL SERVICES

ACTION: APPROVE CONTRACT AWARD

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. AWARD a firm fixed unit rate Contract No. OP485050008370 to CDS Services Inc., the lowest responsive and responsible bidder, to provide pest and bird control services throughout Metro's facilities, rail cars, and non-revenue vehicles in the not-to-exceed (NTE) amount of \$2,988,462 for the three-year base, and \$2,090,150 for the one, two-year option, for a total combined NTE amount of \$5,078,612, effective November 1, 2023, subject to the resolution of any properly submitted protest; and
- B. EXECUTE individual contract modifications within the Board approved contract modification authority.

ISSUE

The existing contract for pest and bird control services expires on December 31, 2023. Since services under the existing contract have expanded to include additional locations within Metro's system expansion projects, and due to the current market conditions with the unanticipated increases in material costs and labor rates, there is insufficient contract authority remaining. To avoid a lapse in service and continue providing safe, quality, regularly scheduled, and as-needed pest and bird control services systemwide, a new contract award is required effective November 1, 2023.

BACKGROUND

On October 26, 2017, the Metro Board of Directors awarded a firm fixed unit rate Contract No. OP852420003367 to Pestmaster Services Inc., to provide regularly scheduled and as-needed pest and bird control services throughout Metro's facilities, rail cars, and non-revenue vehicles, excluding buses, which are covered under a separate maintenance contract.

Under the existing contract, the contractor is required to provide pest and bird control services for 227 locations and 475 rail cars. With the opening of the Metro K Line (Crenshaw/LAX) and Regional

Connector, services were expanded to include an additional 26 locations and 32 rail cars, for an updated total of 253 locations and 507 rail cars systemwide.

DISCUSSION

Under the new contract recommended for award, the contractor is required to provide regularly scheduled and as-needed pest and bird control services throughout Metro's facilities and rail cars. Services include treatment of pest infestations, pest and bird waste clean-up, installation of pest and bird deterrent applications, animal trapping, and dead animal removal.

CDS Services Inc. is a Metro certified Small Business Enterprise (SBE) Prime and a Disabled Veteran Business Enterprise (DVBE).

This contract is critical to Metro's operations, to mitigate pest and bird infestations and ensure the provision of safe and clean facilities and vehicles for Metro employees and patrons. While the new contract service frequencies and pricing schedule have been restructured to ensure efficient and site-specific quality service delivery, the contract's NTE amount reflects cost savings when compared to the existing contract amount and the Independent Cost Estimate. Therefore, it is deemed fair and reasonable.

DETERMINATION OF SAFETY IMPACT

The approval of this item will ensure meeting Metro maintenance standards by providing the necessary regularly scheduled and as-needed pest and bird control services with prompt response time to deliver safe, quality, on-time, and reliable services.

FINANCIAL IMPACT

For this new contract recommended for award, funding in the amount of \$665,000 for the remainder of FY24 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 includes operating eligible sales tax funding including Propositions A/C, Measures R/M, and Transportation Development Act. These fund sources are eligible for bus and rail operations.

EQUITY PLATFORM

Regularly scheduled and as-needed pest and bird control services contribute to improving bus and rail stations' cleanliness and providing a safe environment for Metro's patrons. Bus and rail station cleanliness was identified as one of the top areas of concern in the 2020 Customer Experience

Survey conducted to develop the Metro Customer Experience Plan 2022 and the FY23 Metro Budget, as well as assist with funds allocation for the FY23 budget.

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

As part of this solicitation, two (2) Systemwide Metro Connect Industry Forum Outreach events were conducted on March 27, 2023, and April 17, 2023, with the participation of over 40 attendees representing small and medium size firms within the Equity Focus Communities. The outreach events were advertised to existing businesses registered with Metro's Diversity and Economic Opportunity Department (DEOD). During the outreach

events, staff provided an overview detailing the new enhanced Medium Size Business Enterprise (MSZ) and SBE Programs' policy for competitively negotiated procurements.

The Diversity and Economic Opportunity Department (DEOD) applied the MSZ-I Program and established a 10% SBE goal and a 3% DVBE goal. CDS Services Inc. is a Metro certified SBE Prime and a DVBE firm, making a 30% SBE and 20% DVBE commitment.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This Board action supports Strategic Goal 5: Provide responsive, accountable, and trustworthy governance within the Metro organization. Performing ongoing scheduled and as-needed pest and bird control services will ensure a safe and clean environment for our patrons as well as enhance the overall experience of customers.

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.

With the completion of a financial-based insourcing/outsourcing study based on a quantitative and qualitative assessment, Staff has analyzed insourcing/outsourcing options for pest and bird control services among other services. Based on the findings, pest and bird control services were not recommended for insourcing as it would require Metro to obtain specialty licenses to purchase pesticides, the hiring and training of licensed personnel to apply pesticides, along with the purchase of additional equipment, vehicles, and supplies to support bird and pest control service delivery.

NEXT STEPS

Upon approval by the Board, staff will execute Contract No. OP485050008370 with CDS Services Inc., to provide pest and bird control services throughout Metro facilities and rail vehicles systemwide, effective November 1, 2023.

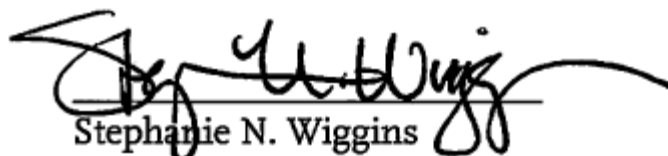
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Lena Babayan, Executive Officer, Operations Administration (Interim), (213) 922-6765
 Ruben Cardenas, Senior Manager, Facilities Contracted Maintenance Services, (213) 922-6761
 Shahrzad Amiri, Deputy Chief Operations Officer, Shared Mobility, (213) 922-3061
 Debra Avila, Deputy Chief Vendor/Contract Management Officer (213) 418-3051

Reviewed by: Conan Cheung, Chief Operations Officer, Transit Operations, (213) 418-3034


Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

PEST AND BIRD CONTROL SERVICES / OP485050008370

1.	Contract Number: OP485050008370	
2.	Recommended Vendor: CDS Services Inc.	
3.	Type of Procurement (check one) : <input checked="" type="checkbox"/> IFB <input type="checkbox"/> RFIQ <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: May 5, 2023	
	B. Advertised/Publicized: May 5, 2023	
	C. Pre-Bid Conference: May 11, 2023	
	D. Bids Due: June 12, 2023	
	E. Pre-Qualification Completed: June 16, 2023	
	F. Conflict of Interest Forms Submitted to Ethics: June 12, 2023	
	G. Protest Period End Date: September 26, 2023	
5.	Solicitations Picked up/Downloaded: 18	Bids Received: 3
6.	Contract Administrator: Shannon Thoene	Telephone Number: (213) 922-2790
7.	Project Manager: Ruben Cardenas	Telephone Number: (213) 922- 5932

A. Procurement Background

This Board Action is to approve the award of Contract No. OP485050008370 issued in support of pest and bird control services throughout Metro facilities, rail cars, non-revenue vehicles and service vehicles (excluding buses and bus stops). Pest and bird control services include, but are not limited to, treatment of pest infestations, pest and bird waste clean-up, installation of pest and bird deterrent measures and systems, animal trapping, and live and dead animal removal. Board approval of contract awards are subject to resolution of any properly submitted protest.

Prior to the release of the solicitation, two virtual Metro Connect Industry Forum events were conducted for this procurement on March 27, 2023, and April 17, 2023. During the outreach events, staff provided an overview detailing the new enhanced Medium Size Business Enterprise (MSZ) and SBE Programs' policy.

On May 5, 2023, Invitation for Bids (IFB) No. OP48505 was issued as a competitive sealed bid procurement in accordance with Metro's Acquisition Policy and the contract type is firm fixed unit rate. This IFB was issued under the Medium Sized Business Enterprise I Program (MSZ-I Program) which requires that bidders must be MSZ-I firms, Metro Certified Small Business Enterprises (SBE), Disadvantaged Business Enterprises (DBE), or Disabled Veterans Business Enterprises (DVBE) to be eligible to participate in this solicitation. Bidders were also required to meet or exceed the recommended SBE goal of 10% and a DVBE goal of 3%. Further, the solicitation was subject to the Local Small Business Enterprise (LSBE) Preference

Program which gives eligible LSBE bidders a 5% percent preference as a bid price reduction.

Three amendments were issued during the solicitation phase of this IFB:

- Amendment No. 1, issued on May 12, 2023, added the Living Wage/Service Contract Worker Retention Policy Information Sheets as Exhibit 12.
- Amendment No. 2, issued on May 30, 2023, corrected the minimum limits of coverage for the required General Liability Insurance per occurrence.
- Amendment No. 3, issued on June 9, 2023, revised Exhibit 6 – Supplemental List of Current Projects to update information requested to demonstrate bidders' depth of experience in providing the service.

A virtual pre-bid conference was held on May 11, 2023, with five firms in attendance.

Eighteen firms downloaded the IFB and were included on Metro's planholders' list. Seventeen questions were received, and responses were released prior to the bid due date.

A total of three bids were received by the due date of June 12, 2023, and are listed below in alphabetical order:

1. CDS Services Inc.
2. Pestmaster Services, LP
3. Stafford Environmental Services, Inc.

B. Evaluation of bids

The procurement was conducted in accordance with and complies with Metro's Acquisition Policy for a competitive sealed bid.

On June 12, 2023, the bids received were forwarded to the Pre-Qualification Office to determine eligibility to MSZ-I program requirements. Pestmaster Services LP was determined to be non-responsive and was excluded from further evaluation. The following firms were deemed responsive to the MSZ-I requirement:

1. CDS Services Inc.
2. Stafford Environmental Services, Inc.

The recommended firm, CDS Services Inc. (CDS Services), was the apparent lowest bidder, and its bid was further evaluated to determine responsiveness to the solicitation requirements. Areas of responsiveness include meeting the minimum qualifications requirements, such as years of experience providing pest and bird control services, possession of required licenses to perform the required services and having California certified pest control technicians. CDS Services was

determined to be qualified to perform the required services based on the IFB requirements.

C. Price Analysis

The award amount has been determined to be fair and reasonable based on adequate competition, price analysis, technical analysis, and the independent cost estimate (ICE). The award amount is \$3,730,059, or 42%, lower than the ICE primarily due to the difference in the method of calculation for pest control services for rail cars. The bidder provided a fully burdened monthly rate per location regardless of the number of rail cars, while the ICE assumed a firm fixed unit rate per rail car, per location. Metro’s staff validated the rates, and the bidder confirmed the accuracy of the rates.

	Bidder Name	Bid Amount	Metro ICE	Award Amount
1.	CDS Services Inc.	\$5,078,612	\$8,808,671	\$5,078,612
2.	Stafford Environmental Services, Inc.	\$7,170,326		

D. Background on Recommended Contractor

The recommended firm, CDS Services Inc., established in 2013, is located in Murrieta, California. It specializes in developing custom Integrated Pest Management (IPM) and Bird Management Plans. IPM is a specialized pest control program that is an effective and environmentally responsible approach to pest management services. CDS Services has accounts in Los Angeles, Orlando, New York, Fresno, Rocky Mountain Veterans Affairs Medical Centers, and military bases.

CDS Services is a Metro-Certified Small Business Enterprise (SBE) and Disabled Veteran Business Enterprise (DVBE).

DEOD SUMMARY

PEST AND BIRD CONTROL SERVICES / OP485050008370

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 10% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goal for this solicitation. CDS Services Inc., an SBE and DVBE prime contractor, exceeded the goal by making a 30% SBE and 20% DVBE commitment.

Small Business Goal	10% SBE 3% DVBE	Small Business Commitment	30% SBE 20% DVBE
----------------------------	----------------------------	----------------------------------	-----------------------------

	SBE Subcontractor	% Committed
1.	CDS Services Inc. (SBE Prime)	30%
	Total SBE Commitment	30%

	DVBE Subcontractor	% Committed
1.	CDS Services Inc. (DVBE Prime)	20%
	Total DVBE Commitment	20%

B. Medium Size Business Enterprise Program I (MSZ-I)

The Pre-Qualification Department determined that CDS is an MSZ-I.

C. Local Small Business Preference Program (LSBE)

CDS is a non-LSBE prime and did not subcontract at least 30% of its contract value with eligible LSBE firms. CDS did not receive the LSBE Preference.

D. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is applicable to this contract. Metro staff will monitor and enforce the policy guidelines to ensure that applicable workers are paid at minimum, the current Living Wage rate of \$24.52 per hour (\$18.57 base + \$5.95 health benefits), including yearly increases. The increase may be up to 3% of the total wage, annually. In addition, contractors will be responsible for submitting the required reports for the Living Wage and Service Contract Worker Retention Policy and other related documentation to staff to determine overall compliance with the policy.

E. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

F. Project Labor Agreement/Construction Careers Policy

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