

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Matthew Fertal
Dept: City Manager
Subject: APPROVE CONTRACT AMENDMENT
WITH MERCHANTS BUILDING MAINTENANCE
FOR CUSTODIAL SERVICES

From: Keith G. Jones
Dept: Public Works
Date: October 14, 2008

OBJECTIVE

For City Council to approve the amendment to the contract with Merchants Building Maintenance for custodial services.

BACKGROUND

In March 2005, City Council approved a contract with Merchants Building Maintenance, LLC, to provide custodial services at the City's jail facility, police substations, and the Housing building. The approved contract was for a period of three (3) years for a total cost of \$126,767. Council also approved the option to extend the contract for two (2) additional years for a total of five (5) years.

DISCUSSION

The three-year contract period with Merchants Building Maintenance has expired. Staff recommends exercising the option to extend the contract period through March 2009. The cost of the contract through March 2009 is \$40,000. Furthermore, should the City choose to do so, a second option to extend the contract through March 2010 is available. Merchants Building Maintenance has provided satisfactory custodial services during the term of the current contract.

FINANCIAL IMPACT

The cost to continue the contract with Merchants Building Maintenance is \$40,000 annually for each of the option years. Funds are available in the adopted budget.

COMMUNITY VISION

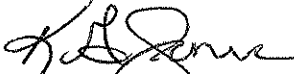
Our vision is to provide an updated, safe and comfortable facility to assist in providing excellent service for a high quality of life, as outlined in the City of Garden Grove's Strategic Plan.

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RECOMMENDATION

It is recommended that City Council:

- Approve the contract amendment with Merchants Building Maintenance for custodial services at a cost of \$40,000 annually for each of the option year extensions.
- Authorize the City Manager and City Clerk to execute the amendments for each of the option year extensions.


KEITH G. JONES
Public Works Director


By: Ron Meislahn
Facilities Manager

Recommended for Approval


Matthew Fertal
City Manager

Attachment: Contract Amendment

CITY OF GARDEN GROVE

AMENDMENT NO. 1

To: Furnish all labor, materials and equipment to provide full custodial maintenance services at the City of Garden Grove Housing Authority and WIA offices located at 11277 Garden Grove Boulevard, first floor only, Garden Grove, CA.

This Amendment No. 1 to furnish all labor, materials and equipment to provide full custodial maintenance services at the City of Garden Grove Housing Authority and WIA offices located at 11277 Garden Grove Boulevard, first floor only is made and entered into this ____ day of _____ 2008, by and between the **CITY OF GARDEN GROVE**, hereinafter referred to as "CITY", and **Merchants Building Maintenance, LLC**, hereinafter referred to as "CONTRACTOR".

WHEREAS, Contractor and CITY entered into Contract No. 05-3191, effective March 22, 2005.

WHEREAS, Contractor and CITY desire to amend the Existing Contract as provided herein.

Now, therefore, it is mutually agreed, by and between the parties as follows:

Section 1.0, Term and Termination, shall be revised as follows:

The CITY hereby extends the performance period from March 21, 2008 to March 20, 2009.

Section 3.1. COMPENSATION - shall be revised as follows:

The contract Price is hereby increased from \$126,767.00 to a new Firm Fixed Price of \$166,767.00. This is an increase of \$40,000.00 to exercise the first option year of the contract.

Except as expressly amended hereby, the Existing Contract remains in full force and effect as originally executed.

IN WITNESS WHEREOF, the parties have caused this Amendment No. 1 to the Existing Contract to be executed by their respective officers duly authorized on the date first written above.

Date: _____

"CITY"
CITY OF GARDEN GROVE

By: _____
City Manager

ATTESTED:

City Clerk

Date: _____

"CONTRACTOR"
Merchants Building Maintenance, LLC

By: Marlo Ferrel

Name: MARLO FERREL

Title: VP GENERAL MANAGER

Date: 4-24-08

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY.

APPROVED AS TO FORM:

Omar Vandoval, Esq.
Garden Grove City Attorney

5-8-08
Date