

**MILWAUKEE COUNTY
INTER-OFFICE COMMUNICATION**

Date: October 31, 2022

To: Marcelia Nicholson, Chairwoman, Milwaukee County Board of Supervisors

From: Stuart Carron, Director, Facilities Management Division, Department of Administrative Services

Subject: From the Director, Facilities Management Division, Department of Administrative Services, Requesting Authorization to Execute a Service Contract Exceeding \$300,000 for Countywide Janitorial Services.

File Type: Action Report

REQUEST

The Director of Facilities Management respectfully requests authorization to execute a Service Contract with UG2, LLC for Countywide Janitorial Services.

POLICY

Milwaukee County Code of Ordinances Chapter 32 defines the procedure for acquisition of goods and services by competitive bidding.

Per Wisconsin Statutes, 2013 Act 14 and 2015 Act 55, full County Board review is required for Service Contracts exceeding \$300,000, and for any multi-year budget contract.

BACKGROUND

Currently, Milwaukee County's janitorial services are provided by a combination of County staff and contracted services. In 2016, the County issued [RFP #98160028: Milwaukee County Janitorial Services](#). The RFP had a goal of identifying service providers capable of providing world-class service at the most competitive prices and at the highest consistent quality to the County.

Milwaukee County awarded the janitorial Service Contract to ABM Industry Groups, LLC and entered a contract on May 1, 2017. The term of the contract was May 1, 2017 – December 31, 2017, with four additional 1-year terms. The contract terminated on December 31, 2021. Due to the impacts of COVID-19, release of a new RFP for

services was delayed. The County is presently engaged with ABM on a month-to-month basis until such time as the new RFP is awarded.

The total compensation under the 2017 contract was approximately \$2.5M per year, prior to any expansions. The base contract applied to the Courthouse Complex, the Vel R Phillips Youth and Family Service Center, the Medical Examiner's Office, and the Marcia P. Cogg's Human Services Center. Since issuance, the program has been expanded to the following sites and was modified as follows:

- MCDOT Day Porter Addition, added in 2017.
- Airport Carpet Amendment, added in 2018.
- Milwaukee Mitchell International Airport, Hard Surfaces, added in 2018.
- Cogg's Addendum, added in 2019.
- Sheriff's Training Academy, added in 2019.
- Timmerman Airfield, added in 2019.
- MCDOT North Shop, added in 2020.
- MCDOT South Shop, added in 2020.
- Mitchell Park Domes, added in 2020.

With these expansions, the current annual value of the contract is approximately \$. By all measures, including COVID response requirements, this service provision has been a success. However, with this contract reaching the end of its term, plans to bid a new contract were made.

In March of this year, DAS-Procurement, in partnership with DAS-Facilities, MCDOT, and Parks Departments, developed and launched an RFP for a new janitorial service contract. The objectives of the RFP were as follows:

1. To identify Suppliers capable of providing world-class service at the most competitive prices and at the highest consistent quality to Milwaukee County.
2. To establish and work within a performance-based framework and develop a long-term, continuous service partnership between the winning Offeror and the County.
3. To support Milwaukee County's vision to make the Milwaukee the healthiest county in Wisconsin by achieving racial equity.
4. To support Milwaukee County's green cleaning efforts through the winning Offeror's cleaning duties and supply purchases.
5. To allow other County facilities/departments to request quotes from an awarded Vendor if they wish to participate in the Janitorial Services program in the future.

Milwaukee County intends to award a three (3) year contract to the winning Offeror, with two (2) optional one (1) year renewals at the County's option based upon quality of service delivered.

EVALUATION OF PROPOSALS

The Milwaukee County's Department of Administrative Services, Procurement Division, through an Evaluation Committee comprised of subject matter experts from multiple janitorial services user Departments, reviewed and evaluated all proposal submissions received for this solicitation.

The Evaluation Committee used the following evaluation factors:

1. Background Information (100 points)
2. Management Information (200 points)
3. Start-up and Staffing (200 points)
4. Quality Assurance / Ability to Succeed (150 points)
5. References (50 points)
6. Cost Proposal (300 points)

Other factors were evaluated on a pass/fail basis. A total of 14 Offerors responded to the RFP. 10 Offerors passed preliminary evaluation, and four were eliminated at this stage, prior to scoring. 9 Offerors were ultimately scored, with the 10th Offeror eliminated following clarifying questions.

The evaluation committee individually evaluated the technical proposals and met to perform consensus scoring. During the virtual meetings, the Evaluation Committee determined that Clarifying Questions were identified. Clarifying Questions were provided to Offerors on September 27, 2022, and answers were returned by September 29, 2022.

The County considered both multiple awards and a single award under this RFP, basing the decision on a combination of technical scores and pricing. In the opinion of the Evaluation Committee, the added complication and expense of multiple awards more than outweighed the comparably small cost savings of under 2% in a contract valued at nearly \$5mm per year.

Of the remaining Offerors, three bid on all blocks and buildings, and four bid on only the Airport block. Offerors who bid only on the Airport block were universally higher in cost than those who bid on all buildings. In combination with the cost necessary to oversee and manage multiple awardees, this higher cost led to the determination by the Evaluation Committee that a separate award for the Airport was not in the best interests of the County. Based on this data, the three remaining Offerors were considered the short-list and compared to one another to come to a final decision.

CONCLUSION OF RFP

The Evaluation Committee, using the factors in the RFP, found the proposal from UG2, LLC superior from a technical standpoint. UG2's proposal, as evaluated, more than offsets its slightly higher Cost Proposal. UG2 provided a universally sound Proposal at a reasonable cost, and its bid on all County facilities represented a benefit to the County through the reduction of staff time needed to oversee multiple awardees that more than offset the potential cost savings of multiple awards. Of the three Offerors short-listed, UG2's technical scores outstripped competitors', and its cost proposal was comparable to the second and third place Offerors. Based on the reasoning provided above, the Evaluation Committee has determined that UG2, LLC's proposal represents the best value to Milwaukee County and wishes to award the Countywide Janitorial Services Contract to UG2.

ALIGNMENT TO STRATEGIC PLAN

Per Chapter 42 of Milwaukee County Code of Ordinances, "It is the county's policy to require opportunities for participation of disadvantaged business enterprise (DBE), minority-owned business enterprises (MBE), woman-owned business enterprises (WBE), airport concession disadvantaged business enterprise (ACDBE), and small business enterprise (SBE), to be known as Milwaukee County target enterprises (MCTE), in identified Milwaukee County contracting." To ensure that Disadvantaged Business Enterprise (DBE) and Targeted Business Enterprise (TBE) firms are afforded a level playing field in participating on all Milwaukee County procurement contracts, the Community Business Development Partners (CBDP) division of DAS develops goals, monitors contract payments, and enforces Milwaukee County ordinances. For this contract, CBDP reviewed the scope of work and local market conditions and established a TBE participation goal of 12.75%.

CBDP reviewed all proposals and found that UG2, LLC exceeded this goal by proposing participation by certified TBE partners 2 Sisters (12.75%) and Intercity (10%) over the full term of the contract, for a total participation of 22.75% of the total contact value.

This participation by two MBE contractors new to Milwaukee County aligns with the County Vision and Strategic Focus Area of 'Create Intentional Inclusion' by increasing the number of county contracts awarded to minority and women-owned businesses.

FISCAL EFFECT

The costs of the new proposed Service Contract are shown below.

DEPARTMENT	2023 (YEAR-1) COST	SUBSEQUENT YEARS (2024-2027) COST
DAS-FACILITIES	\$1,675,370	\$3,554,466
MCDOT-AIRPORT & FLEET	\$3,070,386	\$6,504,893
PARKS	\$31,450	\$66,725
SHERIFF	\$660,830	\$1,402,017
TOTALS	\$5,438,037	\$11,528,101

Each department has sufficient funds in their approved 2023 operating budget to cover the proposed cost of janitorial services. In fact, it is anticipated that the contract will produce operating cost savings relative to budget in year-1 (2023), due to the fact that the service will be transitioning and ramping up starting in January.

TERMS

The base term of the new 3-year contract is anticipated to begin in January 2023 and end December 2025. The contract shall provide for an additional two 1-year extensions at the County's option. This report intends to address the full 5-year potential term of the contract and has provided financial information accordingly.

Over the 5-year term of the contract, the total contract value is projected to be **\$29,454,162**. The total value of TBE participation is projected to be \$6,700,822.

VIRTUAL MEETING INVITES

L. Anthony MacLellan, Contracts Manager, Procurement Division, Department of Administrative Services

Regina Flores, Procurement Director, Procurement Division, Department of Administrative Services

Lamont Robinson, Director, Community Business Development Partners, Department of Administrative Services

Stuart Carron, Director, Facilities Management Division, Department of Administrative Services

Aaron Hertzberg, Director, Department of Administrative Services

REPAIRED BY

Stuart Carron, Director, Facilities Management Division, Department of Administrative Services

APPROVED BY

Stuart Carron

Stuart Carron, Director,
Department of Administrative Services, Facilities Management Division

ATTACHMENTS

Resolution
Fiscal Note

Cc: David Crowley, Milwaukee County Executive
Sup. Liz Sumner, Chair, Finance Committee
Sup. Sheldon A. Wasserman, Chair, Parks, Energy and Environment Committee
Mary Jo Myers, Chief of Staff, Office of the County Executive
Kelly Bablitch, Chief of Staff, County Board
Aaron Hertzberg, Director, Department of Administrative Services
Steven Cady, Research and Policy Director, Office of the Comptroller
Janelle M. Jensen, Manager, Legislative Services, Office of the County Clerk