



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JULY 14, 2026

FROM: GENERAL SERVICES DEPARTMENT WARDS: ALL

SUBJECT: SEVENTH AMENDMENT TO SERVICES AGREEMENT FOR ANNUAL CUSTODIAL SERVICES AT MULTIPLE CITY FACILITIES WITH UNIVERSAL BUILDING MAINTENANCE, LLC. DOING BUSINESS AS ALLIED UNIVERSAL JANITORIAL SERVICES TO EXTEND THE TERM THROUGH SEPTEMBER 30, 2026, AND INCREASE COMPENSATION IN THE AMOUNT OF \$235,043.08, FOR A TOTAL AGREEMENT AMOUNT OF \$6,413,591.74 AND RATIFY EMERGENCY PURCHASE ORDER WITH UNIVERSAL BUILDING MAINTENANCE, LLC IN THE AMOUNT OF \$39,173.85 FOR A TWO-WEEK SERVICE PERIOD FOR RETROACTIVE APPROVAL

ISSUES:

Approve the Seventh Amendment to the Services Agreement for Annual Custodial Services at multiple City facilities with Universal Building Maintenance, LLC. dba Allied Universal Janitorial Services to extend the term through September 30, 2026, and increase compensation in the amount of \$235,043.08, for a total contract amount of \$6,413,591.74 and ratify Emergency Purchase Order with Universal Building Maintenance, LLC in the amount of \$39,173.85 for a two-week service period for retroactive approval.

RECOMMENDATIONS:

That the City Council:

1. Approve the Seventh Amendment to the Services Agreement for Annual Custodial Services at Multiple City Facilities with Universal Building Maintenance, LLC dba Allied Universal Janitorial Services to extend the term through September 30, 2026, and increase compensation in the amount of \$235,043.08;
2. Ratify Emergency Purchase Order with Universal Building Maintenance, LLC in the amount of \$39,173.85 for a two-week service period for retroactive approval; and
3. Authorize the City Manager, or designee, to execute the Seventh Amendment, including making minor and non-substantive changes.

BACKGROUND:

The General Services Department (General Services) is responsible for maintaining City facilities, including providing custodial services for more than 50 City buildings.

Agreement History

On March 19, 2019, the City issued Request for Proposals (RFP) No. 1914 soliciting qualified vendors to provide annual custodial services for various City facilities.

On September 24, 2019, the City Council approved the Agreement for Annual Custodial Services at Multiple City Facilities in the amount of \$1,902,329.75 plus 15% change order authority of \$285,349.46, for a total contract amount of \$2,187,679.21. The initial term was for 33 months plus three optional one-year extensions, all of which have been exercised.

On August 8, 2022, the City Council approved a First Amendment for an additional one-year term through June 30, 2023, in the amount of \$822,622.25, plus 15% change order authority in the amount of \$123,393.34, for a revised total contract amount of \$3,133,694.80.

On June 7, 2023, the City Council approved a Second Amendment for an additional one-year term through June 30, 2024, in the amount of \$809,420.59, plus 15% change order authority in the amount of \$121,413.09, for a revised total contract amount of \$4,064,528.48.

On August 17, 2023, a Third Amendment was executed to expand services and increase compensation by \$44,200, which was within the 15% change order authority previously approved by the City Council on August 8, 2022.

On March 22, 2024, a Fourth Amendment was executed to expand service and increase compensation by \$50,435.05, which was within the 15% change order authority previously approved by the City Council on June 7, 2023.

On July 2, 2024, the City Council approved a Fifth Amendment for an additional one-year term through June 30, 2025, in the amount of \$880,587.32, plus 15% change order authority in the amount of \$132,088.10, for a revised total contract amount of \$5,077,203.90.

On September,16, 2025, the City Council approved a Sixth Amendment for an additional one-year term through June 30, 2026, in the amount of \$917,787.30, plus a 20% change order authority in the amount of \$183,557.46, for a revised total contract amount of \$6,178,548.66.

DISCUSSION:

The General Services Department is requesting a three-month extension with the current service provider, Allied Universal Janitorial Services (Allied), to provide sufficient time to conclude negotiations, bring a staff report to City Council for consideration, execute an agreement, and transition to a new service provider.

Staff negotiated terms with Allied Universal Janitorial Services, and they have agreed to extend the current agreement while maintaining the same rates through September 30, 2026.

General Services has been partnering with City Purchasing since last summer to conduct a competitive procurement process for a new custodial services provider. Following bidding, evaluation of proposals, and two rounds of interviews, a top-rated proposer was identified and has been actively engaged in negotiations with the City. Staff anticipates presenting a new contract to City Council for consideration in July.

General Services is seeking retroactive approval for Emergency Purchase Order for a two-week period in which service will be rendered by the contractor prior to Amendment execution and Council approval.

The custodial services agreement is robust, with more than 50 City facilities receiving service under the current agreement, including various Public Utilities locations, City Hall, Libraries, and Corporation Yard buildings. All of the partner departments have participated in the negotiation process.

Purchasing Overview

The original agreement was approved by City Council in accordance with Purchasing Resolution 24101, Section 508(c) which states “Contracts procured through Formal Procurement for Services or Professional Services, where a Request for Proposals or Request for Qualifications was used to solicit Bids, shall be awarded by the Awarding Entity in accordance with the evaluation criteria set forth in the Request for Proposals or Request for Qualifications.”

The ratification of Emergency Purchase Order with Universal Building Maintenance, LLC in the amount of \$39,173.85 for a two-week service period for retroactive approval is pursuant to Purchasing Resolution 24101, Section 301 “Conditions. An “emergency” shall be deemed to exist under... (c) a breakdown in machinery, facilities or essential services which requires the immediate Procurement of Goods, Services or Construction to protect the public health, welfare, safety, property, or personal/confidential information.”

This Seventh Amendment is pursuant to Purchasing Resolution 24101, Section 1104 “Change Orders”, which states: “Modification to a Purchase Order shall be made only by Change Order. Subject to the availability of funds, Change Orders may be utilized for purposes of... (3) modifying scope of work/services being provided, where the modification is reasonably related to the original scope of work/services... (5) modifying contract completion time or the term of a Contract. Unless otherwise specifically authorized by the Awarding Entity, Change Orders which cumulatively exceed the following will require Awarding Entity approval... (c) 10% of the original contract price for Contracts and/or Purchase Orders previously approved by the Awarding Entity and the total Change Order amount will not exceed \$150,000; (d) A Contract amendment which extends the term of the agreement beyond one year of the original expiration date.”

The Purchasing Manager concurs that the recommended actions comply with Purchasing Resolution 24101.

FISCAL IMPACT:

The fiscal impact of this action for FY2026/27 is \$235,043.08. Sufficient funds are budgeted and available in the following accounts as listed in the table below.

Fund Name	Department-Divisions	Account Number	Amount
General Fund	Marketing & Comm – Riv TV	1405000-450050	\$1,011.99
	General Services - Building Services	2210000-421000	\$21,569.37
	Fire - Operations	3510000-421000	\$2,653.59
	Library - Administration	5130000-421000	\$60,090.87
	Parks & Rec - Parks	5215000-421001	\$3,761.94
	City Hall Occupancy Non-Depart	7222100-421000	\$55,733.10
Grants Programs	Housing & Hmn Svcs – Hulen Pl	2545200-421001	\$5,456.70
Sewer Fund	Public Works – Sewer Plant	4125400-424130	\$17,578.35
Parking Fund	Public Works – Public Parking	4150000-424130	\$5,430.87
Electric Fund	Public Utilities – Admin Mgmt	6000010-421000	\$54,936.76
	Public Utilities – Power & Energy Purch	6120130-421000	\$6,819.54
		Total	\$235,043.08

Prepared by: Frederick Tobar, Administrative Analyst
 Approved by: Lee Withers, General Services Director
 Certified as to availability of funds: Julie Nemes, Interim Finance Director
 Approved by: Edward Enriquez, Acting City Manager/Chief Financial Officer
 Approved as to form: Rebecca McKee-Reimbold, Interim City Attorney

Attachment: Seventh Amendment