DATE: January 15, 2019

TO: City Council

FROM: Ashley Golden
Development Services Director

SUBJECT: Amendments to Jan-Pro Cleaning Systems - Central Coast Agreement.

CONTACT: Ashley Golden, Development Services Director
Ashley.Golden@oxnard.org, (805) 385-7882

RECOMMENDATION:

That City Council approve and authorize the Mayor to execute the:
1. Fourth Amendment to the Trade Services Agreement No. A-7846 with Jan-Pro Cleaning Systems—Central Coast to increase the amount from $466,833 not to exceed $468,982 (an increase of $2,149) to incorporate the living wage policy change effective July 1, 2018, and
2. Fifth Amendment to the Trade Services Agreement No. A-7846 with Jan-Pro Cleaning Systems—Central Coast to extend the expiration date to March 1, 2019, and to increase the amount from $468,982 not to exceed $502,996 (an increase of $34,014).

BACKGROUND

The Fourth Amendment to the Trade Services Agreement proposes to increase the monthly fee for janitorial services at the Oxnard Transit Center (OTC), 201 East Fourth Street, to $13,598.03 per month from the current monthly fee of $13,203.00. The not-to-exceed amount for the Amendment is $468,982. The Fifth Amendment proposes to extend the current Agreement until March 1, 2019, at the rate proposed in the Fourth Amendment for an additional two and a half months in an amount not to exceed $502,996. The City advertised for new janitorial services in November but rejected the bids in December due to the cost. Staff will revise the scope of work and re-advertise for custodial services. The City has an urgent need for uninterrupted custodial services while the City advertises again for bids for a new vendor.

City Council awarded the trade services agreement to Jan-Pro Cleaning Systems-Central Coast on December 8, 2015, for $12,622.26 per month. The agreement has the option of two one-year
extensions. The previous Amendments extended the contract for two additional years, and increased the monthly fee to reflect annual increases (2016-2017) in the living wage and related costs for the vendor.

The OTC operates 365 days per year, from 6:00 a.m. to 10:00 p.m. as the City’s central bus and train terminal. The City has received unsolicited comments from the public that the OTC facility is very clean and reflects positively on the City’s image since the OTC is a point of entry into the City.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the four strategic plans adopted by City Council on May 17, 2016.

FINANCIAL IMPACT

The cost of the two Amendments increases the total amount by $36,163, which includes living wage increases and the two and a half additional months of service. The not-to-exceed amount of the Agreement is $502,996. There is sufficient budget in FY18-19 to cover the cost of the Fourth and Fifth Amendments from TDA Fund-Oxnard Transportation Center Professional Contract (Account 213-3110-803.82-09).

*Prepared by Cynthia Daniels, Project Manager.*

ATTACHMENTS:

A. Fourth Amendment for Living Wage Only

B. Fifth Amendment Time Extension
Agreement No. A-7846

FOURTH AMENDMENT TO AGREEMENT FOR TRADE SERVICES
(INCLUDES LIVING WAGE REQUIREMENTS EFFECTIVE JULY 1, 2018)

This Fourth Amendment ("Fourth Amendment") to the Trade Services Agreement ("Agreement") is made and entered into in the County of Ventura, State of California, this 1st day of July, 2018, by and between the City of Oxnard, a municipal corporation ("City"), and JORANDA MARKETING INC. dba Jan-Pro Cleaning Systems Central Coast ("Vendor"). This Fourth Amendment amends the Agreement entered into on December 8, 2015, by City and Vendor. The Agreement previously has been amended on November 10, 2016, by a First Amendment, on July 3, 2017, by a Second Amendment, and on February 5, 2018, by a Third Amendment.

City and Vendor agree as follows:

1. The not to exceed amount per month in Section 4 of the Agreement is hereby amended to "not to exceed $13,598.03 per month for the Services performed during the term of this Agreement between July 1, 2018, and December 15, 2018, and to not exceed a total amount of $468,982."

2. The following is attached hereto and incorporated herein by this reference into the Agreement: LIVING WAGE POLICY Exhibit 1 CITY OF OXNARD LIVING WAGE REQUIREMENTS EFFECTIVE JULY 1, 2018 Exhibit.

3. As so amended, the Agreement remains in full force and effect.

[Signatures on next page]
IN WITNESS WHEREOF, the parties hereto have executed the Amendment on the date first written above.

CITY OF OXNARD

Tim Flynn, Mayor
Alexander Nguyen, City Manager
Lisa Boerner, Purchasing Manager

ATTEST:
Michelle Ascencio, City Clerk

JAN-PRO CLEANING SYSTEMS CENTRAL COAST

Greg Ibsen, President

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

1 The City Council must authorize and the Mayor must sign the amendment if the original contract and all amendments collectively total over $175,000 annually. The City Manager may authorize and sign the amendment if the original contract and all amendments collectively total over $100,000 but up to $175,000 annually. The Purchasing Manager may authorize and sign the amendment if the original contract and all amendments collectively total up to $100,000 annually. A Buyer may authorize and sign the amendment if the original contract and all amendments collectively total up to $25,000 annually.

2 The City requires the following for any contract:
   • For a corporation, the signatures of the Board President, CEO or Vice President and of the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
   • For an LLC, the signatures of at least two managers of the LLC; or
   • For a partnership, the signature of a partner. If the partnership is a limited partnership, the signer must be a general partner.

If the company has a different structure, or if the above-listed persons are not the appropriate signers, please submit to the City Attorney legally-binding documentation stating who can sign and bind your company.

FOURTH AMENDMENT TO TRADE SERVICES AGREEMENT (V-08/20/18)
Exhibit 1

Living Wage Policy

Pursuant to the Living Wage Policy adopted July 9, 2002 by the City Council and effective October 1, 2002, the City Manager and City Attorney are directed to include the following language in all standard trade services contracts and all unique trade services contracts governed by the Living Wage Policy.

A. Vendor shall compensate any employee of Vendor who provides services under this Agreement in accordance with the Living Wage Policy, attached hereto and incorporated herein by reference as the Living Wage Policy Exhibit. While this Agreement is in effect, Vendor shall pay such employee no less than $15.67 per hour for each hour that such employee provides services under this Agreement. In addition, while this Agreement is in effect, Vendor shall provide to such employee no less than 96 hours of paid leave per calendar year.

B. Vendor agrees to post, at a location readily accessible to those employees providing services to the City, a copy of the Living Wage Policy adopted by City Council on July 9, 2002 and effective October 1, 2002.

C. If Vendor fails to compensate such employee pursuant to the Living Wage Policy, the City Manager or designee shall terminate this Agreement on written notice to Vendor, effective immediately.

D. In addition, if Vendor fails to comply with the Living Wage Policy in any manner, Vendor shall pay to City a fine of $500 and shall pay to any employee providing services under this Agreement a penalty of three times the amount or value of the compensation owed to such employee under the Living Wage Policy. Vendor shall pay such fine and penalty within 15 days after the City Manager or designee provides written notice to Vendor of the amount owed.
CITY OF OXNARD LIVING WAGE REQUIREMENTS
EFFECTIVE JULY 1, 2018

1. a. Vendor shall compensate any employee of Vendor who provides services under this Agreement in accordance with the Living Wage Policy, attached hereto and incorporated herein by reference as Exhibit 1. While this Agreement is in effect, Vendor shall pay such employee no less than $15.67 per hour for each hour that such employee provides services under this Agreement. This hourly rate shall be adjusted on July 1, 2019, and each July 1 thereafter, according to the percentage change in the Consumer Price Index, all items, prepared by the Bureau of Labor Statistics for the Los Angeles area relating to all urban consumers (CPI-U), index base 1967 = 100, comparing May of the previous year to May of the current year. In addition, while this Agreement is in effect, Vendor shall provide to such employee no less than 96 hours of paid leave per calendar year.

b. Vendor agrees to post, at a location readily accessible to those employees providing services to the City, a copy of the Living Wage Policy adopted by the Oxnard City Council on July 9, 2002 and effective October 1, 2002.

c. If Vendor fails to compensate such employee pursuant to the Living Wage Policy, the City Manager or designee shall terminate this Agreement on written notice to Vendor, effective immediately.

d. In addition, if Vendor fails to comply with the Living Wage Policy in any manner, Vendor shall pay to City a fine of $500 and shall pay to any employee providing services under this Agreement a penalty of three times the amount or value of the compensation owed to such employee under the Living Wage Policy. Vendor shall pay such fine and penalty within 15 days after the City Manager or designee provides written notice to Vendor of the amount owed.

The foregoing requirements are restated on page 5 of the Agreement for Trade Services.
FIFTH AMENDMENT TO AGREEMENT FOR TRADE SERVICES
(INCLUDES LIVING WAGE REQUIREMENTS EFFECTIVE JULY 1, 2018)

This Fifth Amendment (“Fifth Amendment”) to the Trade Services Agreement (“Agreement”) is made and entered into in the County of Ventura, State of California, this 1st day of December, 2018, by and between the City of Oxnard, a municipal corporation (“City”), and JORANDA MARKETING INC. dba Jan-Pro Cleaning Systems Central Coast (“Vendor”). This Fifth Amendment amends the Agreement entered into on December 8, 2015, by City and Vendor. The Agreement previously has been amended on November 10, 2016, by a First Amendment, on July 3, 2017, by a Second Amendment, and on February 5, 2018, by a Third Amendment.

City and Vendor agree as follows:

1. The end date in Section 3 of the Agreement is hereby amended to “shall end on March 1, 2019.”

2. The not to exceed amount per month in Section 4 of the Agreement is hereby amended to “not to exceed $13,598.03 per month for the Services performed during the term of this Agreement between December 15, 2018, and March 1, 2019, and to not exceed a total amount of $502,996."

3. As so amended, the Agreement remains in full force and effect.

[Signatures on next page]
IN WITNESS WHEREOF, the parties hereto have executed the Amendment on the date first written above.

**CITY OF OXNARD**

- Tim Flynn, Mayor
- Alexander Nguyen, City Manager
- Lisa Boerner, Purchasing Manager
- __________, Buyer

**JAN-PRO CLEANING SYSTEMS CENTRAL COAST**

- Greg Ibsen, President

**ATTEST:**

- Michelle Ascencion, City Clerk (only if Mayor signs)

**APPROVED AS TO FORM:**

- Stephen M. Fischer, City Attorney (always required)

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   - For a corporation, the signatures of the Board President, CEO or Vice President and of the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
   - For an LLC, the signatures of at least two managers of the LLC; or
   - For a partnership, the signature of a partner. If the partnership is a limited partnership, the signer must be a general partner.

If the company has a different structure, or if the above-listed persons are not the appropriate signers, please submit to the City Attorney legally-binding documentation stating who can sign and bind your company.