



Metro

Metropolitan Transportation Authority

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**OPERATIONS COMMITTEE
JANUARY 17, 2008**

SUBJECT: PEST CONTROL SERVICES, CONTRACT NO. PS08064105

ACTION: AWARD A FIVE-YEAR CONTRACT

RECOMMENDATION

Authorize the Chief Executive Officer to award a five-year firm fixed price contract, Contract No. PS08064105, to Terminix International (Terminix) for vehicle and facilities pest control services in the amount of \$1,435,000, effective March 7, 2008.

RATIONALE

Currently, there are 3,100 bus, rail and non-revenue vehicles along with 209 facilities that require pest control services. In order to accomplish these objectives, outside pest control companies are contracted to provide these services.

Effective pest control is required to ensure a sanitary, healthful, and safe environment for our customers and employees while traveling on our buses, rail cars and occupying our facilities.

General Services is responsible for the facility pest, rodent, and bird control. Facility Services is responsible for the vehicle pest control. In the interest of operational efficiency, General Services and Facility Services staff developed a facilities and vehicle performance-based scope of work. This scope of work proved successful when it was utilized in securing bids and awarding the current pest control services contract.

The total not to exceed amount for the existing Terminix five year contract is \$1,569,997. The scope of work was increased to include clean up of bird droppings along with requiring the contractor to provide all equipment necessary to successfully perform the contracted scope of work.

FINANCIAL IMPACT

The funding of \$96,000 for four months of this service is included in the FY08 budget, in cost center number 3341, Facilities Service Department, includes 34% in various bus and rail operating projects, account 50399, Service Other Services.

The remaining 66% for this service is included in the FY08 budget, in cost center number 0641, Non-Departmental-Building Services, various bus and rail operating projects, account 50599, Utility Others. Since this is a multi-year contract, the cost center managers and Chief Administrative Services Officer will be accountable for budgeting the cost in future years. In FY07, \$329,009 was expended on pest control services.

ALTERNATIVES CONSIDERED

One alternative is to have in-house staff provide these services; however, this is not an acceptable alternative. The required chemicals to terminate unwanted insects on equipment require state certification to handle. As such, in-house staff is not legally authorized to purchase or apply required pesticide chemicals.

Another alternative considered was to eliminate or reduce the level of service. This alternative was also not acceptable because any interruption of service could result in infestations of pests, rodents and birds, which could interfere with service and lead to a health violation on vehicles or at facilities.

ATTACHMENT

Procurement Summary

Prepared by: Brian Soto, Deputy Executive Officer, General Services
Brady Branstetter, Director Facility Services
Ken Takahashi, Senior Contract Administrator



Lonnie Mitchell
Chief Administrative Services Officer



Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

PEST CONTROL SERVICES

1.	Contract Number: PS08064105		
2.	Recommended Vendor: Terminix International		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$1,435,000	Recommended Price: \$1,435,000	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Unit Rate		
5.	Procurement Dates:		
	A. Issued: 08.13.07		
	B. Advertised: 08.10.07		
	C. Pre-proposal Conference: 08.21.07		
	D. Proposals Due: 10.02.07		
	E. Pre-Qualification Completed: 11.29.07		
	F. Conflict of Interest Form Submitted to Ethics: 12.05.07		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: Voluntary DALP 5%	Date Small Business Evaluation Completed: 07.09.07	
	B. Small Business Commitment: None		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 14	Bids/Proposals Picked up: 14	Bids/Proposals Received: 3
8.	Evaluation Information:		
	A. <u>Bidders/Proposers Names:</u> Orkin Pestmaster Terminix International	<u>Bid/Proposal Amount:</u> \$2,518,025 \$1,579,461 \$1,435,000	<u>Best and Final Offer Amount:</u> N/A
	B. Evaluation Methodology: Most Advantageous, Details are in Attachment A-1.C		
9.	Protest Information:		
	A. Protest Period End Date: January 22, 2008		
	B. Protest Receipt Date: TBD		
	C. Disposition of Protest Date: TBD		
10.	Contract Administrator: Kenneth Takahashi	Telephone Number: 213.922.1047	
11.	Project Manager: Phyllis Meng David Daniels	Telephone Number: 213.922.2375 213.922.5785	

**BOARD REPORT ATTACHMENT A-1
PROCUREMENT HISTORY**

PEST CONTROL SERVICES

A. Background on Contractor

Terminix International (Terminix) was organized in 1927 and earned the first U.S. patent for a termite control procedure. In 1986, Terminix joined the ServiceMaster Company. ServiceMaster Company and its Quality Service Network have systemwide revenues in excess of \$7.7 billion. Terminix operates in 45 states and 14 countries worldwide with over 850 service locations that service 1.5 million customers.

Terminix has extensive experience with clients that include Staples Center, Home Depot Center, and the Inglewood School District.

Terminix is currently performing pest control services for Metro and their performance has been satisfactory.

B. Procurement Background

Request for Proposals (RFP) No. PS08064105 was released on August 13, 2007 and advertised on August 10, 2007. A pre-proposal conference was held on August 21, 2007 and three proposals were received on October 2, 2007.

The Diversity and Economic Opportunity (DEOD) recommended a voluntary 5% Disadvantaged Business Enterprise Anticipated Levels of Participation (DALP) for this competitive procurement.

C. Evaluation of Proposals

The procurement is in compliance with Procurement policies and procedures. The evaluation criteria consisted of the Degree of skill and experience (25%), Understanding of the work and approach (25%) and Cost (50%).

D. Cost/Price Analysis Explanation of Variances

The recommended price has been determined to be fair and reasonable based upon adequate price competition and price analysis.

**BOARD REPORT ATTACHMENT A-2
LIST OF SUBCONTRACTORS**

PEST CONTROL SERVICES

PRIME CONTRACTOR – Terminix International

Subcontractor(s): None

Total Commitment: None