



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: May 11, 2015
Board Meeting Date: July 7, 2015
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Jean S. Fraser, Chief, Health System
Susan Ehrlich, MD, MPP, Chief Executive Officer, San Mateo Medical Center

Subject: Agreement with Customized Performance, Inc. for janitorial services

RECOMMENDATION:

Adopt a resolution authorizing an agreement with Customized Performance, Inc. for janitorial services for the San Mateo Medical Center's outpatient clinics, for the term of July 1, 2015 through June 30, 2018, in an amount not to exceed \$775,000.

BACKGROUND:

In November 2013, San Mateo Medical Center (SMMC) completed a Request for Proposals (RFP) for janitorial services for its outpatient clinics. In April 2014, SMMC executed an agreement with one of the proposers.

DISCUSSION:

Shortly after the agreement was executed, SMMC's clinics began to experience performance issues with the vendor selected in the RFP. Since repeated attempts to resolve these issues with the vendor have failed, the vendor's agreement is being terminated early.

The new agreement will include services covered in the current agreement, which includes the following facilities: Daly City Clinic (DCC), South San Francisco Clinic (SSF), and Sequoia Teen Wellness Center. In addition, the new agreement will also include the Fair Oaks Health Center (FOHC) and the recently opened Shasta Clinic.

Until now, Fair Oaks Health Center has paid for its cleaning services – performed by Customized Performance, Inc., (Customized) - through its building lease. The lessor recently requested that SMMC execute a separate agreement with Customized for cleaning services. Based on Customized's strong service record at Fair Oaks Health Center, SMMC's immediate need for quality cleaning services, the fact that an RFP was

conducted for the kind of services in 2014, and the fact that Customized's rates are significantly lower than the selected vendor from 2014 despite Customized's agreement to provide the same scope of work, SMMC now wishes to consolidate its entire outpatient cleaning services under one agreement with Customized. In addition, Behavioral Health and Recovery Services (BHRS) and Family Health Services (FHS) are also requesting that Customized clean the space they occupy in the Daly City Clinic, the South San Francisco Clinic, and the newly-opened Shasta Clinic.

Given that the scope and term of the agreement with Customized are slightly different than what was originally listed in the RFP in 2014, as well as the fact that Customized did not respond to the 2014 RFP, SMMC is requesting that your Board waive the RFP requirement for these consolidated services based on the reasons outline above.

The resolution contains the County's standard provisions allowing amendment of the County's fiscal obligations by a maximum of \$25,000 (in aggregate).

The agreement and resolution have been reviewed and approved by County Counsel as to form.

Approval of this agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing access to care in clean, sanitary outpatient clinics. It is anticipated that clinics will be cleaned 100% of the time on a daily basis in adherence with contract guidelines, which are in accordance with Joint Commission and Infection Control Standards.

PERFORMANCE MEASURE:

Measure	FY 2014-15 Estimate	FY 2015-16 Projected
Percentage of time clinics will be cleaned on a daily basis in adherence with contract guidelines, which are in accordance with Joint Commission and Infection Control Standards	90%	100%

FISCAL IMPACT:

The term of the agreement is July 1, 2015 through June 30, 2018, in an amount not to exceed \$775,000. Funds in the amount of \$178,472 will be included in the SMMC FY 2015-16 Recommended Budget. Funds in the amount of \$60,480 will be included in the BHRS FY 2015-16 Recommended Budget. Funds in the amount of \$12,372 will be included in the FHS FY 2015-16 Recommended Budget.

The terms of this agreement are different from the previous agreement. On a per square foot basis, this agreement reflects a 46% reduction in the cost compared to the previous agreement.

Expenses at SMMC are covered by fees for services or third-party payors whenever possible. The portion of expenses for services provided to the medically indigent or to

those covered by programs that do not meet the full costs of care is covered by the County's General Fund contribution to SMMC, and are within the existing annual appropriation.