



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Simpson, Brown, Helgeson, Manning and Mital
FROM: Todd Simmons, Electric T&D Operations Manager
DATE: 10/21/2013
SUBJECT: Willamette Valley Rehabilitation Services, Inc. Janitorial Contract
OBJECTIVE: Approval of Contract

Issue

EWEB requires janitorial services for the Headquarters buildings and the Roosevelt Operations Center. In addition to typical janitorial services this contract also includes consumables used in the cleaning of the buildings and the restocking of consumables used by employees. (Paper towels, toilet paper, etc).

Background

This is a Qualified Rehabilitation Facility (QRF) contract negotiated by EWEB with Willamette Valley Rehabilitation Center (WVRC) and approved by the Oregon Department of Administrative Services. EWEB has contracted for these services with WVRC for the past five years and staff is satisfied with the results of their work.

Discussion

EWEB is required by Oregon law to procure any product or service that is found on the QRF available products and services list from a qualified nonprofit agency for disabled individuals. The only reason a public agency might not procure these products or services from a QRF would be as follows:

1. The public agency is unaware of or chooses to ignore the law. In this case, the public agency's contract would be awarded outside of its legal authority to do so, exposing the agency to potential legal challenges.
2. All QRFs in the vicinity of the public agency that have been deemed suitable for the desired services (e.g., janitorial), are unable to meet the contract requirements (e.g. the contract requirements are greater than their capabilities).
3. All QRFs in the vicinity of the public agency that have been deemed suitable for the desired services (e.g., janitorial) have chosen not to negotiate a contract because of some limitation

on their part (e.g., do not have individuals or crews available to do the work, cannot expand their services to incorporate the work needed, etc.)

If the conditions under 2 and 3 above existed, the public agency would be released from the requirements of the law.

It should also be noted that this law does not require the QRF contract to be the lowest possible cost to the public agency, as that cost might compare to the same services provided by a private contractor – this is a legally mandated, special program. However, staff is able and has negotiated the costs for this and previous QRF contracts to be sure we paying a competitive and fair rate. The purpose of the “Products of Disabled Individuals” law is to further the policy of this state to encourage and assist disabled individuals to achieve maximum personal independence through useful and productive gainful employment by assuring an expanded and constant market for sheltered workshop and activity center products and services, thereby enhancing their dignity and capacity for self-support and minimizing their dependence on welfare and the need for costly institutionalization.

Oregon Legislative Assembly further requires that there be close cooperation between the Oregon Department of Administrative Services (DAS), public contracting agencies, and the QRF. DAS, on behalf of public contracting agencies and qualified nonprofit agencies for disabled individuals, is authorized to enter into such contractual agreements, cooperative working relationships or other arrangements as may be determined to be necessary for the effective coordination and efficient realization of the objectives of the law and any other law requiring procurement of products or services from disabled individuals.

Contracts with QRFs are exempt from public bidding requirements in accordance with ORS 279A.025(4) and ORS 279C.335(1)(a). EWEB, as a public agency, is subject to the QRF law (ORS 279.835-855) and DAS rules (OAR 125-055-0005 – 125-055-0045) Staff is fulfilling these legal requirements by contracting with WVRC, a QRF, for our janitorial services. The pricing submitted by the QRF and the contract terms have been reviewed and approved by EWEB and DAS.

Requested Board Action

Management requests Board approval to award this contract to Willamette Valley Rehabilitation Center as outlined in this backgrounder and the EWEB Board Agenda Item Action Request.

EWEB BOARD AGENDA ITEM ACTION REQUEST
For Contract Awards, Renewals, and Increases generally over \$1 million

The Board is being asked to approve a new contract with **Willamette Valley Rehabilitation Center, Inc.** for **janitorial services at EWEB Headquarters and Roosevelt Operations Center complexes.**

Backgrounder ("See backgrounder information") Yes

Board Meeting Date: November 5, 2013

Project Name/Contract#: Janitorial Services at HQ & ROC / SC#2358

Primary Contact: Todd Simmons Ext. 7373

Secondary Contact: Roger Gray Ext. 7130

Purchasing Contact: Cheryl Golbek Ext. 7389

Action Requested:

- Contract Award
- Contract Renewal
- Contract Increase
- Other

Contract Amount:

Original Contract Amount: \$1,840,000

Additional \$ Previously Approved: \$ N/A

Invoices over last approval: \$ N/A

Percentage over last approval: 0%

Amount this Request: \$1,840,000

Resulting Cumulative Total: **\$1,840,000**

Funding Source:

- Budget
- Reserves
- New Revenue
- Bonding
- Other

Contracting Method:

Method of Solicitation: Direct Negotiation/QRF

If applicable, basis for exemption: QRF - EWEB Rule 6-0110 (2) and ORS 279.850

Term of Agreement: November 6, 2013 through November 7, 2014

Option to Renew? Yes, annual renewal for up to 5 years total

Approval for purchases "as needed" for the life of the contract Yes

Form of Contract:

- Single Purchase
- Services
- Personal Services
- Construction
- IGA
- Price Agreement
- Other

NARRATIVE:

The Board is being asked to approve a new contract with **Willamette Valley Rehabilitation Center, Inc. (WVRC)** for **janitorial services at EWEB Headquarters (HQ) and Roosevelt Operations Center (ROC) complexes.**

EWEB has a need for janitorial services at its EWEB Headquarters and Roosevelt Operations Center complexes, which includes WVRC supplying consumable products (i.e. paper towels, toilet paper, etc.) on an as needed basis. This contract, if approved, will be with a Qualified Rehabilitation Facility (QRF) in accordance to Oregon laws. The Oregon Department of Administrative Services (DAS) has reviewed this contract and has approved the services and pricing.

Staff has negotiated a contract with WVRC. WVRC is our current provider and staff has been pleased with the services they have been providing. Staff estimates the cost of these services and consumable products will be \$368,000 per year (\$181,000 for HQ; \$163,000 for ROC; \$24,000 for consumables), the total five-year contract amount is estimated to be approximately \$1,840,000, which could be affected (+/-) depending on the cost of consumables and addition or deletion of janitorial services, if needed.

ACTION REQUESTED:

Management requests Board approve a new contract with **Willamette Valley Rehabilitation Center, Inc.** for **janitorial services at EWEB Headquarters and Roosevelt Operations Center complexes.** Funds for these services were budgeted for 2013 and will be budgeted annually.

SIGNATURES:

Project Coordinator: _____

Manager: _____

Purchasing Manager: _____

General Manager: _____

Board Approval Date: _____

Secretary/Assistant Secretary verification: _____