



CITY OF NOVI CITY COUNCIL
NOVEMBER 12, 2024

SUBJECT: Consideration of approval to award the Janitorial Services contract to GDI Integrated Facility Services in the amount of \$255,024 for one (1) year with the option of two (2) one-year renewals.

SUBMITTING DEPARTMENT: Integrated Solutions - Facilities Management

KEY HIGHLIGHTS:

- Terminating current janitorial services agreement with Master Maintenance.
- Signing a new agreement with GDI Integrated Facilities Services for one year.
- Amending the current budget to reflect a \$28,000 increase in service cost. The amendment will appear in the 2nd quarter budget amendment.
- The current year-to-date interest income is higher than expected, and the additional income will be available to cover the additional janitorial costs; this will be reflected in the 2nd quarterly budget amendment.

FINANCIAL IMPACT

	FY 24/25	FY 25/26	Total
EXPENDITURE REQUIRED	\$ 28,000	\$ 255,024	\$ 283,024
BUDGET General Fund, Janitorial Contracts 101-265.10-814.200	\$ 199,674	\$ 255,024	\$ 454,698
APPROPRIATION REQUIRED	\$ 28,000	\$ 0	\$ 0
FUND BALANCE IMPACT	\$ 28,000	\$ 0	\$ 0
A difference of \$28,000 for the remaining fiscal year of January through June 2025.			

BACKGROUND INFORMATION:

The City of Novi contracts for janitorial services at the following locations: City Hall/Civic Center, Public Safety Building, Firearms Training Center, Department of Public Works, Township Hall, and Lakeshore Park Community Building. The current contract was established in March of 2024 with Master Maintenance and was intended for one year of service with the option of two additional renewals. Over the last six months, Facility Management Staff have evaluated the current vendor's performance, received input from building stakeholders, and performed reviews with the vendor. It has been determined that the cleaning needs of the buildings are not being met consistently, and the terms of the agreement are not being fulfilled. High staff turnover, insufficient training, and ineffective supervision have all been consistent issues with Master Maintenance, resulting in daily complaints and service requests for Facilities Staff. Several attempts have been made to correct these concerns through on-site meetings and walkthroughs with the vendor, but there have been no improvements. At this juncture, Facilities Staff and invested parties believe that the current contract is not salvageable and recommend termination of the agreement with Master Maintenance within 30 days due to lack of performance.

GDI Integrated Facility Services was the second highest-ranked bidder when the original Request for Proposal was posted on the Michigan Intergovernmental Trade Network (MITN) website in March 2024. Master Maintenance was ultimately chosen over them due to cost. Over the last two weeks, the facilities staff have repeatedly met with the administration and staff from GDI. The pre-action plan included building walkthroughs, reviewing the scope of work in the contract, and GDI's operational plan for Novi's buildings. After multiple conversations, the team believes that GDI has the capability, personnel, equipment, and experience to carry out this contract. This ability was confirmed through feedback from the Novi Public Library, who hired GDI in June 2024 and have had nothing but positive feedback on their performance.

GDI Integrated Facility Services has agreed to honor their bid from the RFP in March of \$255,024 for one year of cleaning service with the option of two additional one-year renewals. The current agreement with Master Maintenance is \$199,675 for the same term. With six months left (services starting January 1) until the end of the fiscal year in which Facilities Management was budgeted for the cost of Master Maintenance's services, there would be a difference in cost of \$28,000 that is needed to cover the services of GDI. After July 1, 2025, Facilities Management has requested a budget adjustment to cover the cost of GDI's services moving forward.

RECOMMENDED ACTION: Consideration of approval to award the Janitorial Services contract to GDI Integrated Facility Services in the amount of \$255,024 for one (1) year with the option of two (2) one-year renewals.