

Exhibit to Agenda Item #2

Authorize the Chief Executive Officer and General Manager to award a contract to **Pride Industries One, Inc.** to provide Custodial Services for SMUD facilities for a three-year term from September 1, 2022, to August 31, 2025, with two optional one-year extensions for a not-to-exceed amount of \$13 million.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, August 16, 2022, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

SMUD Custodial Services Background

- **Custodial services were maintained by SMUD employees until 2011**
- **Previous outsourced custodial services for SMUD facilities:**
 - 2011 to 2012 – Pride Industries
 - 2012 to 2014 – Able Building Maintenance
 - 2014 to 2018 – Spencer Building Maintenance
 - 2018 to present – Pride Industries

Scope of work

Currently, custodial services are outsourced for the following SMUD facilities:

- Headquarters (HQ), Customer Services Center (CSC), Field Reporting Facility (FRF), Modular Trailers, East Campus - Operations Center (EC-OC), Rancho Seco, Fresh Pond, and Substations
- Day Porter Service
- Night Crews

RFP Evaluation Results

Responsive Proposals Received	Pass / Fail	SEED 10 Points	Technical 70 Points	Price 20 Points	Total Score	Rank	Proposal Amount	SEED Credit	Evaluated Proposal Amount	Annual Amount	Proposed Award
Pride Industries One, Inc.	P	10	70	20	100	1	\$221,572	\$11,071	\$210,500	\$2,526,003	\$13,000,000
Spencer Building Maintenance, Inc.	P	10	66	20	96	2	\$221,430	\$11,071	\$210,358	\$2,524,301	

There were a total of 5 proposals, 3 were determined to be non-responsive

Responsible Bidder

- Pride is a signatory to the Service Employees International Union (SEIU) Collective Bargaining Agreement for the greater Sacramento area
- Established positive relationship with SEIU 1877
- Pride has contractual obligation with SMUD and SEIU to provide sick, vacation, holidays, and medical coverage
- A pathway to employment for people with disabilities

Environmental Impact and Reporting

All supplies and materials met the California Code of Regulations for maximum Volatile Organic Compounds (VOC) levels

- Reporting requirement for proper disposal of empty containers
- Conform to the International Organization for Standardization (ISO) 14001:2015 environmental management standard
- Use life-cycle analysis to promote sustainability