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SUBJECT: CITYWIDE PEST CONTROL SERVICES

BID #: SC-0260-22 **OPEN DATE: 2021-08-18**

GENERAL GOVERNMENT AWARDS COMMITTEE

KIND AND BASIS OF CONTRACT: SERVICE CONTRACT- OCTOBER 1, 2021 THRU SEPTEMBER 30, 2022, WITH FOUR (4) ONE (1) YEAR RENEWAL OPTIONS

AGENCY: PUBLIC BUILDINGS

BASIS OF AWARD: ALL OR NONE TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER

NUMBER OF BIDS INVITED: 7 NUMBER RECEIVED: 4 OTHER 0

SUMMARY OF BIDS AND RECOMMENDED ACTIONS:

Recommend approval to utilize the first of four (4) renewal options with OREM Enterprises, LLC dba Pestmaster Services for City-wide Pest Control Services for the Public Building Division. Period of service is October 1, 2022 through September 30, 2023 with three (3) renewal options remaining. Total annual expenditure not to exceed $30,790.00 which includes the addition of two (2) new locations, Southside Senior Center ($104 per year) and Fire Station 74 ($186 per year) resulting in an annual expenditure of $290.00. This also includes an additional $10,000.00 for as needed services and $1,000.00 for future services. Total revised award amount not to exceed $111,654.00.

Additionally, OREM Enterprises, LLC dba Pestmaster Services has requested an 8.3% Consumer Price Index (CPI) price increase based on the period from April 2021 to April 2022. This increase will result in an annual estimated expenditure of $19,500.00.

This award is subject to appropriation by the City in the fiscal year beginning October 1, 2022. No funds have been appropriated to date. The City has no obligation for payment and work hereunder is not authorized unless funds are appropriated for work herein. A written notification will be provided in the event the funds are appropriated.

ATTACHMENTS: Recommendation Memo, Previous Award

ANALYST: _____ **RESPECTFULLY SUBMITTED** _____

OLIVE WALLACE-COHEN

GREGORY PEASE, CHIEF
PROCUREMENT DIVISION

CONCURRENCE BY: Roy Birbal, CFM, Chief, Public Buildings Division

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(ALL AWARD ACTIONS SUBJECT TO LAWFULLY APPROPRIATED FUNDS)
ACTION OF GGAC COMMITTEE ON RECOMMENDATIONS ABOVE

MEMBERS APPROVING _____ MEMBERS DISAPPROVING _____ DATE: _____

_____ _____ OTHER: _____

_____ _____

_____ _____

ACTION OF AWARDING AUTHORITY DATE _____

APPROVED _____ DISAPPROVED _____

OTHER _____

SIGNATURE OF AUTHENTICATION _____

ONE CITY. ONE JACKSONVILLE.

City of Jacksonville, Florida

Lenny Curry, Mayor

Department of Public Works
Public Buildings Division
555 W. 44th Street
Jacksonville, FL 32208
(904) 255-4343
www.coj.net

August 23, 2022

MEMORANDUM

TO: Gregory W. Pease, Chief Procurement Division

THRU: John P. Pappas, P.E., Director

FROM: Roy Birbal, Chief

SUBJECT: SC-0260-22 - Citywide Pest Control Services
OREM Enterprises, LLC dba Pestmaster Services
Recommendation to Renew and Increase Funding

SC-0260-22 for Citywide Pest Control Services is scheduled to expire on September 30, 2022.

The Public Buildings Division recommends approval to utilize the first of four 1-year renewal options, and to increase the funding of award SC-0260-22 with OREM Enterprises, LLC dba Pestmaster Services. The renewal term is from October 1, 2022 through September 30, 2023, with three (3) one 1-year renewal options remaining.

OREM Enterprises, LLC dba Pestmaster Services has requested a CPI based increase of 8.3% on their existing line-item rates. The increase is based on the period from April 2021 to April 2022 and will result in an additional annual expense of $19,500.

Further, we will be adding two new locations to be serviced, Southside Senior Center ($104 per year) and Fire Station 74 ($186 per year). These locations will result in an additional annual expense of $290.

We request to add an additional $10,000 for as needed services.

Finally, we request to add an additional $1,000 for future location services.

The total revised annual expenditure will be $30,790. The revised not to exceed amount will be $111,654. Funding will be encumbered by individual releases against the Purchase Order Agreement.

Your assistance in concurring with this recommendation for the respective award would be appreciated. If you have any questions or concerns regarding this matter, please contact Sheila Kuhl at 904-255-4340.

Attachments: Original Award #1
Award # 2 – As needed services increase
Letter # 1 Requesting Increase
Letter # 2 Requesting Increase
CPI Increase
Location Price List

cc: Steve Schlessinger, Public Works Contracts & Finance Manager
Annette Leslie-Burney, Purchasing Manager
Sheila Kuhl, Contract Administration Coordinator

PESTMASTER® SERVICES

jacksonville.pestmaster.com
904.636.0633
admin@pestmasterfl.com

City of Jacksonville
Public Buildings Division
Attn: Sheila Kuhl, Contract Administration Coordinator
555 West 44th St.
Jacksonville, FL 32208

Dear Ms. Kuhl,

Pursuant to § 10 of the Terms and Conditions Section of Bid # SC-0260-22, Citywide Pest Control Services, Pestmaster Services will be seeking a price increase for the upcoming 2022-2023 fiscal year. As outlined in § 10, we request a price escalation for the percentage of change as listed in the May 11, 2022 Consumer Price Index (CPI).

According to the Bureau of Labor Statistics (https://www.bls.gov/cpi/), the CPI is 8.3% over the past year. Although there is a .2% overall decline since the April 12, 2022 report, our cost of business has continued to climb. Per our main chemical supplier, the price of chemicals has increased by approximately 20% over the past year, the cost of our labor has increased approximately 8.9% (per CPI) and our energy cost (gasoline) has increased approximately 43.6% (per CPI) over the past year and 18.3% from March, 2022 (per CPI). Gasoline is our largest overhead cost. Auto insurance has increased 4.4% in the past year. Vehicle maintenance and repair has increased over the past year 5.3% (per CPI). Price of tires have increased 15.7% Therefore, we request a price increase of $19,500 for all service locations within the pest control contract. Our current annual pricing is $65,824. This would result in an escalation for an annual total of $85,324 in the upcoming fiscal year.

Please let me know if you require a spreadsheet with updated pricing for each location.

As with so many others, our cost of product, gasoline and labor has increased significantly over the past several months, so it costs us significantly more now to complete the work than when we initially submitted our bid. Thank you for considering this request.

Warm regards,
Laura Orem
Vice President

PESTMASTER® SERVICES

jacksonville.pestmaster.com
904.636.0633
admin@pestmasterfl.com

May 12, 2022

City of Jacksonville
Public Buildings Division
Attn: Sheila Kuhl, Contract Administration Coordinator
555 West 44th St.
Jacksonville, FL 32208

Dear Ms. Kuhl,

Pursuant to § 10 of the Terms and Conditions Section of Bid # SC-0260-22, Citywide Pest Control Services, Pestmaster Services is seeking a price increase for the upcoming 2022-2023 fiscal year. As outlined in § 10, we request a price escalation for the percentage of change as listed in the May 11, 2022 Consumer Price Index (CPI).

% Increase	Commodity	Source
8.3	CPI	CPI Report (CPI) – May 11, 2022
8.8	CPI South Atlantic Region	CPI
20.0 Approx.	Pest Control Chemical/Product	Main supplier
8.9	Labor	CPI
43.6 (18.3 from Mar)	Gasoline	CPI
4.4	Auto Insurance	CPI
5.3	Vehicle Maintenance & Repair	CPI
80.5	Fuel Oil	CPI
15.7	Tires	CPI

With the cost of doing business climbing significantly over the past year (and particularly since we bid the City job) we request a price increase of $19,500 for all service locations within the pest control contract. Our current annual pricing is $65,824. This would result in an escalation for an annual total of $85,324 in the upcoming fiscal year.

Economic News Release

Consumer Price Index News Release

Transmission of material in this release is embargoed until
8:30 a.m. (ET) May 11, 2022 USDL-22-0835

Technical information: (202) 691-7000 * cpi_info@bls.gov * www.bls.gov/cpi
Media Contact: (202) 691-5902 * PressOffice@bls.gov

CONSUMER PRICE INDEX - APRIL 2022

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.3 percent in April on a seasonally adjusted basis after rising 1.2 percent in March, the U.S. Bureau of Labor Statistics reported today. Over the last 12 months, the all items index increased 8.3 percent before seasonal adjustment.

Increases in the indexes for shelter, food, airline fares, and new vehicles were the largest contributors to the seasonally adjusted all items increase. The food index rose 0.9 percent over the month as the food at home index rose 1.0 percent. The energy index declined in April after rising in recent months. The index for gasoline fell 6.1 percent over the month, offsetting increases in the indexes for natural gas and electricity.

The index for all items less food and energy rose 0.6 percent in April following a 0.3-percent advance in March. Along with indexes for shelter, airline fares, and new vehicles, the indexes for medical care, recreation, and household furnishings and operations all increased in April. The indexes for apparel, communication, and used cars and trucks all declined over the month.

The all items index increased 8.3 percent for the 12 months ending April, a smaller increase than the 8.5-percent figure for the period ending in March. The all items less food and energy index rose 6.2 percent over the last 12 months. The energy index rose 30.3 percent over the last year, and the food index increased 9.4 percent, the largest 12-month increase since the period ending April 1981.

Table A. Percent changes in CPI for All Urban Consumers (CPI-U): U.S. city average

	Seasonally adjusted changes from preceding month							Un-adjusted 12-mos. ended Apr. 2022
	Oct. 2021	Nov. 2021	Dec. 2021	Jan. 2022	Feb. 2022	Mar. 2022	Apr. 2022	
All items	0.9	0.7	0.6	0.6	0.8	1.2	0.3	8.3
Food	0.9	0.8	0.5	0.9	1.0	1.0	0.9	9.4
Food at home	0.9	0.9	0.4	1.0	1.4	1.5	1.0	10.8
Food away from home(1)	0.8	0.6	0.6	0.7	0.4	0.3	0.6	7.2
Energy	3.7	2.4	0.9	0.9	3.5	11.0	-2.7	30.3
Energy commodities	4.7	4.2	1.3	-0.6	6.7	18.1	-5.4	44.7
Gasoline (all types)	4.6	4.5	1.3	-0.8	6.6	18.3	-6.1	43.6
Fuel oil(1)	12.3	3.5	-2.4	9.5	7.7	22.3	2.7	80.5
Energy services	2.4	0.2	0.3	2.9	-0.4	1.8	1.3	13.7
Electricity	1.4	0.2	0.5	4.2	-1.1	2.2	0.7	11.0
Utility (piped) gas service	5.9	0.3	-0.3	-0.5	1.5	0.6	3.1	22.7
All items less food and energy	0.6	0.5	0.6	0.6	0.5	0.3	0.6	6.2
Commodities less food and energy commodities	1.1	0.9	1.2	1.0	0.4	-0.4	0.2	9.7
New vehicles	1.3	1.2	1.2	0.0	0.3	0.2	1.1	13.2
Used cars and trucks	2.5	2.4	3.3	1.5	-0.2	-3.8	-0.4	22.7
Apparel	0.6	0.7	1.1	1.1	0.7	0.6	-0.8	5.4
Medical care commodities(1)	0.6	0.1	0.0	0.9	0.3	0.2	0.1	2.1
Services less energy services	0.4	0.4	0.3	0.4	0.5	0.6	0.7	4.9
Shelter	0.5	0.5	0.4	0.3	0.5	0.5	0.5	5.1
Transportation services	0.2	0.7	0.0	1.0	1.4	2.0	3.1	8.5
Medical care services	0.4	0.3	0.3	0.6	0.1	0.6	0.5	3.5

Footnotes

(1) Not seasonally adjusted.

SUBJECT: CITYWIDE PEST CONTROL SERVICES

BID #: SC-0260-22 **OPEN DATE: 2021-08-18**

GENERAL GOVERNMENT AWARDS COMMITTEE

KIND AND BASIS OF CONTRACT: SERVICE CONTRACT- OCTOBER 1, 2021 THRU SEPTEMBER 30, 2022, WITH FOUR (4) ONE (1) YEAR RENEWAL OPTIONS

AGENCY: PUBLIC BUILDINGS

BASIS OF AWARD: ALL OR NONE TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER

NUMBER OF BIDS INVITED: 7 NUMBER RECEIVED: 4 OTHER 0

SUMMARY OF BIDS AND RECOMMENDED ACTIONS:
Recommend approval to increase award with OREM Enterprises, LLC dba Pestmaster Services. Award to be increased by $15,000.00 for as needed services. Total revised award amount not-to-exceed $80,864.00.

This award to be encumbered by various accounts and encumbered by individual Purchase Order releases, dependent on appropriate account and fiscal year.

ATTACHMENTS: Recommendation Memo, Previous Award

ANALYST: _____ BRYAN MATUS **RESPECTFULLY SUBMITTED** _____ GREGORY PEASE, CHIEF PROCUREMENT DIVISION

CONCURRENCE BY: Roy Birbal, CFM, Chief, Public Buildings Division

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(ALL AWARD ACTIONS SUBJECT TO LAWFULLY APPROPRIATED FUNDS)
ACTION OF GGAC COMMITTEE ON RECOMMENDATIONS ABOVE

MEMBERS APPROVING 3 MEMBERS DISAPPROVING 0 DATE: 10/28/2021

_____ _____ OTHER: _____

_____ _____

_____ _____

ACTION OF AWARDING AUTHORITY DATE 11-1-21

APPROVED ✓ DISAPPROVED _____

OTHER _____

SIGNATURE OF AUTHENTICATION _____

Brian Hughes
Chief Administrative Officer
For: Mayor Lenny Curry
Under Authority of:
Executive Order No: 2019-02

SUBJECT: CITYWIDE PEST CONTROL SERVICES

BID #: SC-0260-22 **OPEN DATE:** 2021-08-18

GENERAL GOVERNMENT AWARDS COMMITTEE

KIND AND BASIS OF CONTRACT: SERVICE CONTRACT- OCTOBER 1, 2021 THRU SEPTEMBER 30, 2022, WITH FOUR (4) ONE (1) YEAR RENEWAL OPTIONS

AGENCY: PUBLIC BUILDINGS

BASIS OF AWARD: ALL OR NONE TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER

NUMBER OF BIDS INVITED: (7) **NUMBER RECEIVED:** (4) **OTHER** (0)

SUMMARY OF BIDS AND RECOMMENDED ACTIONS:
Recommend approval of award to OREM Enterprises, LLC dba Pestmaster Services, as the lowest responsive, responsible bidder in the annual expenditure amount of $65,864.00. Period of Service will be from October 1, 2021, through September 30, 2022, with four (4) one (1) year renewal options.

This award to be encumbered by various accounts and encumbered by individual Purchase Order releases, dependent on appropriate account and fiscal year.

Attachments: Recommendation Memo, Bid Tabulation, Terms and Conditions, Specifications

ANALYST: Marilyn Laidler
MARILYN LAIDLER

RESPECTFULLY SUBMITTED
GREGORY PEASE, CHIEF
PROCUREMENT DIVISION

CONCURRENCE BY: Roy Birbal, CFM, Chief, Public Buildings Division

(ALL AWARD ACTIONS SUBJECT TO LAWFULLY APPROPRIATED FUNDS)
ACTION OF GGAC COMMITTEE ON RECOMMENDATIONS ABOVE

MEMBERS APPROVING 3 MEMBERS DISAPPROVING 0 DATE: 9/2/2021

Teresa R. Eihan _____ OTHER: _____
Michael Reed _____
Jim A. Lo _____

ACTION OF AWARDING AUTHORITY DATE 9-3-21

APPROVED ✓ DISAPPROVED _____

OTHER _____

SIGNATURE OF AUTHENTICATION _____

Brian Hughes
Chief Administrative Officer
For: Mayor Lenny Curry
Under Authority of:
Executive Order No: 2019-02