



AGENDA STAFF REPORT

ASR Control 24-000701

MEETING DATE: 11/05/24
LEGAL ENTITY TAKING ACTION: Board of Supervisors
BOARD OF SUPERVISORS DISTRICT(S): 5
SUBMITTING AGENCY/DEPARTMENT: John Wayne Airport (Pending)
DEPARTMENT CONTACT PERSON(S): Charlene Reynolds (949) 252-5183
 Richard Steele (949) 252-5264

SUBJECT: Approve Amendment One to Increase and Renew Contract for Custodial Services

| | | |
|-------------------------------------|--|---|
| CEO CONCUR Pending Review | COUNTY COUNSEL REVIEW Approved Agreement to Form | CLERK OF THE BOARD Discussion 3 Votes Board Majority |
|-------------------------------------|--|---|

Budgeted: Yes **Current Year Cost:** \$2,196,249 **Annual Cost:** FY 2025-26
 \$7,773,747
 FY 2026-27 \$5,950,598

Staffing Impact: No **# of Positions:** **Sole Source:** No
Current Fiscal Year Revenue: N/A
Funding Source: Other: 100% (Fund 280) **County Audit in last 3 years:** No
Levine Act Review Completed: Yes
Prior Board Action: 2/8/2022 #8

RECOMMENDED ACTION(S):

Authorize the County Procurement Officer or Deputized designee to execute Amendment Number One to the Contract with Flagship Aviation Services, LLC for custodial services to increase the contract amount by \$266,178 for a revised cumulative total amount not to exceed \$21,562,597, effective June 1, 2024, through March 31, 2025, and renew the contract for two additional years, effective April 1, 2025, through March 31, 2027, for a not-to-exceed amount of \$15,654,415.

SUMMARY:

Approval of Amendment One with Flagship Aviation Services, LLC will continue to provide custodial maintenance services for John Wayne Airport's entire Thomas F. Riley Terminal and outlying buildings.

BACKGROUND INFORMATION:

Custodial services at John Wayne Airport (JWA) are performed 24 hours a day, seven days a week, 365 days a year. Areas covered by these services encompass public and County spaces, including the Thomas

F. Riley Terminal Building, exterior walkways, the Eddie Martin Administrative Office Building, the JWA Maintenance Building, and parking structure lobbies and stairways.

On February 8, 2022, the Board of Supervisors (Board) authorized JWA to execute Contract MA-280-22010744 for Janitorial Services with Flagship Airport Services Inc., effective April 1, 2022, through March 31, 2025, with the option to renew for two years. The Contract includes all labor, equipment, and materials, including restroom paper supplies and other cleaning products required for on-site janitorial services at JWA.

On December 31, 2023, as a result of a merger, the County consented to the assignment of the Contract from Flagship Airport Services, Inc. to Flagship Aviation Services, LLC (Flagship).

On May 1, 2024, Flagship, along with all of the other unionized custodial service provider companies in Orange County, completed negotiations for a new five-year labor agreement with Service Employees International Union (SEIU) Local 1877 covering the period from May 1, 2021, to April 30, 2026. This agreement provides for an increase in wages for each year of the five-year agreement, resulting in an annual cost increase of four percent for the period covered by this Contract.

JWA seeks Board approval to execute Amendment Number One to increase the Contract amount by \$266,178 for the term of June 1, 2024, through March 31, 2025, and renew the Contract for two additional years for a not-to-exceed amount of \$15,654,415. This cost increase is primarily attributable to mandated increases in wages, vacation accrual rates, and employee medical benefits pursuant to the SEIU agreement covering large facilities for Los Angeles and Orange counties. A smaller portion of the increase is due to upgrades and increases in the cost and consumption rates of disposable and consumable custodial products. Additional services were added to incorporate Flagship providing disposal of garbage and recycling from the Terminal Sterile Area to the garbage and recycling bins in the Loading Dock (Restricted Area) of the terminal to comply with Title 49 CFR 1542.103(a)(6) - Airport Security - Security of the Sterile Area. JWA has researched and verified the proposed cost increases against the union agreements and determined that the labor cost increases are consistent with the costs in the union agreement and that the material cost increases are fair and reasonable.

This Contract includes subcontractors. See Attachment B for information regarding subcontractors and the Contract Summary Form.

Flagship's performance has been confirmed as satisfactory. JWA has verified that there are no concerns that must be addressed regarding Flagship's ownership/name, litigation status, or conflicts with county interests. Furthermore, Flagship has provided JWA with above-standard service in maintaining facility cleanliness and has been highly responsive and consistent in rapidly resolving all of JWA's concerns during the current Contract period.

The Orange County Preference Policy was not applicable to this contract award.

Performance Metrics

JWA uses a Computerized Maintenance Management System to track Flagship's activities and service results. There are 402 different Preventative Maintenance (PM) items that are assigned to Flagship at various frequencies (daily, monthly, quarterly, semi-annually and annually) throughout the contract term. These PM tasks encompass specialty cleaning of various surfaces as well as routine cleaning and maintenance. The following chart summarizes Flagship's performance of these metrics:

| Performance Metrics | | | |
|-------------------------------------|---|--|-------------------|
| Tasks | Assigned (01/01/2023 – 12/31/2023) | Completed (01/01/2023 – 12/31/2023) | Percentage |
| Janitorial Daily PM | 365 | 365 | 100 |
| Janitorial Monthly PM | 12 | 12 | 100 |
| Janitorial Quarterly PM | 4 | 4 | 100 |
| Carpet Cleaning Monthly PM | 12 | 12 | 100 |
| Marble Maintenance Quarterly PM | 4 | 4 | 100 |
| High Glass Clean Semi- Annual PM | 2 | 2 | 100 |
| Clean Vents HVAC Semi- Annual | 2 | 2 | 100 |
| High Cleaning Annual PM | 1 | 1 | 100 |

Prior to Contract expiration, JWA will be soliciting a new contract for Custodial Services as this Amendment will conclude the fifth year of this contract.

Compliance with CEQA: The proposed project was previously determined to be Categorical Exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 (Class 1) of the CEQA Guidelines, on February 8, 2024, when it was originally approved because it involves approval of a contract for the operation, maintenance and repair of existing public facilities involving negligible or no expansion of existing use. The proposed project is still consistent with this determination.

FINANCIAL IMPACT:

Appropriations for this Contract are included in Fund 280, Airport Operating Fund, FY 2024-25 Budget and will be included in the budgeting process for future years.

The Contract includes provisions allowing the department to terminate the Contract, reduce the level of services, and/or renegotiate the levels of services to be provided as necessary.

STAFFING IMPACT:

N/A

ATTACHMENT(S):

Attachment A - Amendment Number One to Contract MA-280-22010744 with Flagship Aviation Services, LLC

Attachment B - Contract Summary Form

Attachment C - Title 49 CFR 1542.103(a)(6) - Airport Security - Security of the Sterile Area



**AMENDMENT NUMBER ONE
FOR
CUSTODIAL SERVICES**

This Amendment is made and entered into as of the date fully executed by and between the County of Orange, a political subdivision of the State of California, through its department John Wayne Airport (“County” or “JWA”) and Flagship Aviation Services, LLC., (“Contractor”), with County and Contractor sometimes individually referred to as “Party” or collectively referred to as “Parties”.

RECITALS

WHEREAS, the Parties entered into Contract MA-280-22010744 for Custodial Services, effective April, 1, 2022 through March 31, 2025, in the Total Contract Amount Not-to-Exceed of \$21,296,419.56 (the “Contract”); and,

WHEREAS, as a result of a merger, the County consented to the assignment of the Contract from Flagship Airport Services, Inc. to Contractor, effective December 31, 2023; and,

WHEREAS, the Parties now desire to amend the Contract to increase the current Contract amount by \$266,177.26, effective June 1, 2024, through March 31, 2025, for a new current Total Contract Amount Not to Exceed \$21,562,596.82; update the Parties’ notice information; and renew the Contract for two (2) additional years, effective April 1, 2025 through March 31, 2027, for a renewed Total Contract Amount Not to Exceed \$15,654,414.74; and,

NOW, THEREFORE, the Parties agree as follows:

AMENDMENT TO CONTRACT ARTICLES

1. Section 36 of the Contract’s Additional Terms and Conditions shall be amended to read in its entirety as follows:
 - 36. Notices:** Any and all notices, requests demands and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing with a copy provided to the assigned Deputy Purchasing Agent (DPA), except through the course of the parties’ project managers’ routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon deliver on the actual day of receipt or no greater than four (4) calendar days after being mailed by US certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address stated herein or such other address as the parties hereto may designate by written notice from time to time in the manner aforesaid.



Contractor: Flagship Aviation Services LLC
Attn: James M. Mikacich/Project Manager
405 S Kimball Avenue,
Southlake TX 76092
Phone: (408) 975-7521
Email: JMM@flagshipinc.com

County's Project Manager: JWA/Operations
Attn: Susan Tran/Project Manager
18601 Airport Way#41
Santa Ana, CA 92707
Phone: (949) 252-5285
Email: STran@ocair.com

cc: JWA/Procurement
Attn: Gina Lozares, County DPA
3160 Airway Avenue
Costa Mesa, CA 92626
Phone: (949) 252-5175
Email: glozares@ocair.com

2. Attachment B: Compensation and Pricing shall be replaced in its entirety as attached hereto and shall be effective June 1, 2024, through March 31, 2025.
3. Commencing April 1, 2025, Section 2 of the Contract's Additional Terms and Conditions shall be amended to read in its entirety as follows:
 2. **Term of Contract:** Contract shall be renewed effective April 1, 2025, and shall continue for two (2) years from that date, unless otherwise terminated as provided herein.
4. Commencing April 1, 2025, Section 3 of the Contract's Additional Terms and Conditions shall be amended to read in its entirety as follows:
 3. **Renewal Term:** Reserved.
5. Commencing April 1, 2025, Attachment B: Renewal Compensation and Pricing shall be replaced in its entirety as attached hereto.
6. All other terms and conditions of the Contract except as amended herein shall remain unchanged and with full force and effect.



**ATTACHMENT B
COMPENSATION AND PRICING FROM JUNE 1, 2024 THROUGH MARCH 31, 2025**

- A. **Compensation:** This is a fixed fee/usage Contract between the County and Contractor for Custodial Services as set forth in Attachment A, Scope of Work.

The Contractor agrees to accept the specified compensation as set forth in this Contract as full payment for performing all services and furnishing all staffing and materials required, for any reasonably unforeseen difficulties which may arise or be encountered in the execution of the services until acceptance, for risks connected with the services, and for performance by the Contractor of all its duties and obligations hereunder. The Contractor shall only be compensated as set forth herein for work performed in accordance with the Scope of Work. **The County shall have no obligation to pay any sum in excess of the fixed rates specified herein unless authorized by amendment in accordance with Articles C and P of the County Contract Terms and Conditions.**

- B. **Fees and Charges:** County will pay the following fees in accordance with the provisions of this Contract. Payment shall be as follows:

1. Estimated Cost and Fees

| Line Item | Description | Estimated Monthly Total | Estimated Annual Total |
|-----------|---|-------------------------|------------------------|
| 1 | Task 1, Full Service Custodial | \$503,814.29 | \$6,045,771.51 |
| 2 | Task 2, Facility Porters | \$16,111.18 | \$193,334.17 |
| 3 | Task 3.2, Carpet Deep Cleaning | \$17,573.97 | \$210,887.66 |
| 4 | Task 3.3, Tile Flooring Deep Cleaning | \$20,675.95 | \$248,111.39 |
| 5 | Task 3.4, Window Washing | \$4,429.10 | \$53,149.20 |
| 6 | Task 3.5, High Cleaning | \$5,701.43 | \$68,417.11 |
| 7 | Task 3.6, Power Washing | \$5,753.99 | \$69,047.85 |
| 8 | Task 4, Sharps & Liquids Disposal | \$2,657.49 | \$31,889.89 |
| 9 | Technology Annual Maintenance Fee | \$7,671.41 | \$92,056.92 |
| 10 | Subtotals | \$584,388.81 | \$7,012,665.70 |
| 11 | Task 5, Additional Work | \$27,726.80 | \$332,721.60 |
| 12 | One-Time Technology Purchase and Installation | | \$58,789.44 |

Year 1 Contract Amount Not to Exceed: \$7,137,999.48

Year 2 Contract Amount Not to Exceed: \$7,079,210.04



Year 3 Contract Amount Not to Exceed: \$7,345,387.30
Total Contract Amount Not to Exceed: \$21,562,596.82

2. Additional Work (Task 5):

a. Additional Work such as on-demand/as-needed cleaning or any related services not listed in the Contract must be approved by County’s Project Manager or designee in accordance with Attachment A, Section F, Additional Work (Task 5).

b. **The total (NTE) amount authorized for Additional Work is \$332,721.60 annually.**

Expense Markups: Percentage markups on Additional Work is authorized against this Contract at the rates specified below.

- Contractor markup on Subcontractors: 5%
- Contractor markup on direct expenses (materials, supplies and equipment): 5%.

c. Labor Rate: Contractor will use the Loaded Labor Rates below for Additional Work (Task 5) costs. Loaded rates include labor, benefits, profit and overhead.

Regular Time

| Position/Titles | Raw Hourly Rate | Hourly Employee Benefits | Total Hourly Employee Compensation | Company Overhead and Profit | Total Hourly |
|-----------------------------------|-----------------|--------------------------|------------------------------------|-----------------------------|--------------|
| Site Manager | \$39.78 | \$27.07 | \$66.85 | \$ 3.34 | \$70.19 |
| HR & QC Mgr. | \$34.48 | \$24.36 | \$58.84 | \$ 2.94 | \$61.78 |
| Safety Officer | \$31.83 | \$23.01 | \$54.84 | \$ 2.74 | \$57.58 |
| Supervisor, Sr. | \$34.48 | \$24.36 | \$58.84 | \$ 2.94 | \$61.78 |
| Supervisor | \$22.07 | \$18.03 | \$40.10 | \$2.00 | \$42.10 |
| Lead | \$17.70 | \$16.79 | \$34.49 | \$1.72 | \$36.21 |
| Custodian | \$16.97 | \$16.42 | \$33.39 | \$1.67 | \$35.06 |
| Custodian Restroom Responsibility | \$17.16 | \$16.51 | \$33.67 | \$1.68 | \$35.35 |
| Utility/Floor Crew | \$17.70 | \$16.79 | \$34.49 | \$1.72 | \$36.21 |
| Window Washer | \$17.70 | \$16.79 | \$34.49 | \$1.72 | \$36.21 |
| Pressure Washer | \$17.70 | \$16.79 | \$34.49 | \$1.72 | \$36.21 |

Overtime

| Position/Titles | Raw Hourly Rate | Hourly Employee Benefits | Total Hourly Employee Compensation | Company Overhead and Profit | Total Hourly |
|-----------------|-----------------|--------------------------|------------------------------------|-----------------------------|--------------|
| Site Manager | \$59.67 | \$37.21 | \$96.89 | \$5.01 | \$101.90 |
| HR & QC Mgr. | \$51.72 | \$33.15 | \$84.87 | \$4.41 | \$89.29 |
| Safety Officer | \$ 47.74 | \$31.13 | \$78.86 | \$4.11 | \$82.98 |



| | | | | | |
|-----------------------------------|---------|---------|---------|--------|---------|
| Supervisor, Sr. | \$51.72 | \$33.15 | \$84.87 | \$4.41 | \$89.29 |
| Supervisor | \$33.10 | \$23.66 | \$56.76 | \$3.01 | \$59.77 |
| Lead | \$26.55 | \$21.30 | \$47.85 | \$2.59 | \$50.44 |
| Custodian | \$25.46 | \$20.74 | \$46.20 | \$2.50 | \$48.71 |
| Custodian Restroom Responsibility | \$25.74 | \$20.89 | \$46.62 | \$2.53 | \$49.15 |
| Utility/Floor Crew | \$26.55 | \$21.30 | \$47.85 | \$2.59 | \$50.44 |
| Window Washer | \$26.55 | \$21.30 | \$47.85 | \$2.59 | \$50.44 |
| Pressure Washer | \$26.55 | \$21.30 | \$47.85 | \$2.59 | \$50.44 |

Holiday

| Position/Titles | Raw Hourly Rate | Hourly Employee Benefits | Total Hourly Employee Compensation | Company Overhead and Profit | Total Hourly |
|-----------------------------------|-----------------|--------------------------|------------------------------------|-----------------------------|--------------|
| Site Manager | \$59.67 | \$37.21 | \$96.89 | \$5.01 | \$101.90 |
| HR & QC Mgr. | \$51.72 | \$33.15 | \$84.87 | \$4.41 | \$89.29 |
| Safety Officer | \$47.74 | \$31.13 | \$78.86 | \$4.11 | \$82.98 |
| Supervisor, Sr. | \$51.72 | \$33.15 | \$84.87 | \$4.41 | \$89.29 |
| Supervisor | \$33.10 | \$23.66 | \$56.76 | \$3.01 | \$59.77 |
| Lead | \$26.55 | \$21.30 | \$47.85 | \$2.59 | \$50.44 |
| Custodian | \$25.46 | \$20.74 | \$46.20 | \$2.50 | \$48.71 |
| Custodian Restroom Responsibility | \$25.74 | \$20.89 | \$46.62 | \$2.53 | \$49.15 |
| Utility/Floor Crew | \$26.55 | \$21.30 | \$47.85 | \$2.59 | \$50.44 |
| Window Washer | \$26.55 | \$21.30 | \$47.85 | \$2.59 | \$50.44 |
| Pressure Washer | \$26.55 | \$21.30 | \$47.85 | \$2.59 | \$50.44 |

d. Conditions and Clarifications:

- JWA reserves the right to negotiate Task 5 Additional Work, based on the rates specified above and by mutual agreement with the Contractor.
- Additional Work labor rates for time and material Task Orders shall be charged on the basis of actual time spent on each job, not on a portal-to-portal basis, and shall be computed to the nearest one quarter (1/4) hour.
- For lump sum Task Orders, invoices shall be accompanied by approved quote(s).
- For time and material Task Orders, expense (parts, material, etc.) costs incurred under Task 5 must have supporting documentation of sufficient detail acceptable to the County to be eligible for reimbursement under the Contract. The County will not be responsible for payment of any cost not accurately itemized.
- JWA reserves the ability to start and/or stop Tasks 2 through 4, in whole or in part, at any time during the life of the contract, subject to the following:



- i. Contractor must be given a minimum of (forty-five) 45 calendar days written notice on JWA letterhead to commence or stop any combination of Tasks 2, 3, and 4, in whole or in part.
- ii. Task 2, 3, and 4 services must be approved for a minimum of six (6) months from commencement, or to the end of the contract, whichever is sooner.
- iii. Contractor will only be paid for Task 2, 3, and 4 services for the actual months authorized by JWA.

C. **Price Increase/Decreases:** Overhead and Profit percentages must remain unchanged for the life of the contract. Loaded Labor rates may only be adjusted once per year on April 1 for the term of the contract. Annual adjustments to labor and benefits will be limited to:

- i. Union Rates: Documented and supported adjustments supported by updated, official prevailing wage rate determinations.
- ii. Non-Union Rates: The Consumer Price Index for all urban consumers as issued by the Bureau of Labor Statistics of the U.S. Department of Labor in the Los Angeles-Long Beach-Anaheim area ("CPI"), reported each September (as measured by the increase in the CPI from September of the previous year to August of the present year).

The County requires documented proof of cost increases on Contracts prior to any price adjustment. A minimum of 30-days advance notice in writing is required to secure such adjustment. No retroactive price adjustments will be considered. All price decreases will automatically be extended to the County of Orange. The County may enforce, negotiate, or cancel escalating price Contracts or take any other action it deems appropriate, as it sees fit. The net dollar amount of profit will remain firm during the period of the Contract. Increases to overhead, profit and mark ups will not be allowed.

- D. **Firm Discount and Pricing Structure:** Contractor guarantees that prices quoted are equal to or less than prices quoted to any other local, State or Federal government entity for services of equal or lesser scope. Contractor agrees that no price increases shall be passed along to the County during the term of this Contract not otherwise specified and provided for within this Contract.
- E. **Contractor's Expense:** The Contractor will be responsible for all costs related to photo copying, telephone communications and fax communications, and parking while on County sites during the performance of work and services under this Contract.
- F. **Final Payment:** Final payment shall be issued based on the completion of the work as described in this Contract and County Project Manager accepts all the work and JWA issued badges are returned to Badging Office.
- G. **Payment Terms – Payment in Arrears:** Invoices are to be submitted in arrears to the user agency/department to the ship-to address, unless otherwise directed in this Contract. Vendor shall reference Contract number on invoice. Payment will be net 30 days after receipt of an invoice in a format acceptable to the County of Orange and verified and approved by the agency/department and subject to routine processing requirements. The responsibility for providing an acceptable invoice rests with the Contractor.



Billing shall cover services and/or goods not previously invoiced. The Contractor shall reimburse the County of Orange for any monies paid to the Contractor for goods or services not provided or when goods or services do not meet the Contract requirements.

Payments made by the County shall not preclude the right of the County from thereafter disputing any items or services involved or billed under this Contract and shall not be construed as acceptance of any part of the goods or services.

H. **Taxpayer ID Number:** The Contractor shall include its taxpayer ID number on all invoices submitted to the County for payment to ensure compliance with IRS requirements and to expedite payment processing.

I. **Payment – Invoicing Instructions:** The Contractor will provide an invoice on the Contractor’s letterhead for goods delivered and/or services rendered. In the case of goods, the Contractor will leave an invoice with each delivery. Each invoice will have a number and will include the following information:

- A. Contractor’s name and address
- B. Contractor’s remittance address, if different from 1 above
- C. Contractor’s Federal Taxpayer ID Number
- D. Name of County Agency/Department
- E. Delivery/service address
- F. Master Agreement (MA) or Purchase Order (PO) number
- G. Agency/Department’s Account Number
- H. Date of invoice and invoice number
- I. Product/service description, quantity, and prices
- J. Order Date/Service Date(s)
- K. Sales tax, if applicable
- L. Freight/delivery charges, if applicable
- M. Total

Invoices and support documentation are to be forwarded to **(not both):**

Mailed to John Wayne Airport
 Attention: Accounts Payable
 3160 Airway Avenue Costa Mesa, CA 92626

OR

Emailed to AccountsPayable@ocair.com

Contractor has the option of receiving payment directly to their bank account via an Electronic Fund Transfer (EFT) process in lieu of a check payment. Payment made via EFT will also receive Electronic Remittance Advice with the payment details via email. An email address will need to be provided to the County via and EFT Authorization Form. To request a form, please contact the DPA.



**ATTACHMENT B
RENEWAL COMPENSATION AND PRICING EFFECTIVE APRIL 1, 2025**

- A. **Compensation:** This is a fixed fee/ usage Contract between the County and Contractor for Custodial Services as set forth in Attachment A, Scope of Work.

The Contractor agrees to accept the specified compensation as set forth in this Contract as full payment for performing all services and furnishing all staffing and materials required, for any reasonably unforeseen difficulties which may arise or be encountered in the execution of the services until acceptance, for risks connected with the services, and for performance by the Contractor of all its duties and obligations hereunder. The Contractor shall only be compensated as set forth herein for work performed in accordance with the Scope of Work. **The County shall have no obligation to pay any sum in excess of the fixed rates specified herein unless authorized by amendment in accordance with Articles C and P of the County Contract Terms and Conditions.**

- B. **Fees and Charges:** County will pay the following fees in accordance with the provisions of this Contract. Payment shall be as follows:

1. Estimated Cost and Fees (Year 4)

| Line Item | Description | Estimated Monthly Total | Estimated Annual Total |
|-----------|---------------------------------------|-------------------------|------------------------|
| 1 | Task 1, Full Service Custodial | \$518,928.72 | \$6,227,144.66 |
| 2 | Task 2, Facility Porters | \$16,594.52 | \$199,134.19 |
| 3 | Task 3.2, Carpet Deep Cleaning | \$18,101.19 | \$217,214.29 |
| 4 | Task 3.3, Tile Flooring Deep Cleaning | \$21,296.23 | \$255,554.73 |
| 5 | Task 3.4, Window Washing | \$4,561.97 | \$54,743.68 |
| 6 | Task 3.5, High Cleaning | \$5,872.47 | \$70,469.62 |
| 7 | Task 3.6, Power Washing | \$5,926.61 | \$71,119.28 |
| 8 | Task 4, Sharps & Liquids Disposal | \$2,737.22 | \$32,846.59 |
| 9 | Technology Annual Maintenance Fee | \$7,671.41 | \$92,056.92 |
| 10 | Subtotals | \$601,690.33 | \$7,220,283.96 |
| 11 | Task 5, Additional Work | \$41,666.66 | \$500,000 |



Estimated Cost and Fees (Year 5)

| Line Item | Description | Estimated Monthly Total | Estimated Annual Total |
|-----------|---------------------------------------|-------------------------|------------------------|
| 1 | Task 1, Full Service Custodial | \$ 534,496.58 | \$ 6,413,959.00 |
| 2 | Task 2, Facility Porters | \$17,092.35 | \$205,108.22 |
| 3 | Task 3.2, Carpet Deep Cleaning | \$18,644.23 | \$223,730.72 |
| 4 | Task 3.3, Tile Flooring Deep Cleaning | \$21,935.11 | \$263,221.37 |
| 5 | Task 3.4, Window Washing | \$4,698.83 | \$56,385.99 |
| 6 | Task 3.5, High Cleaning | \$6,048.64 | \$72,583.71 |
| 7 | Task 3.6, Power Washing | \$6,104.41 | \$73,252.86 |
| 8 | Task 4, Sharps & Liquids Disposal | \$2,819.33 | \$33,831.99 |
| 9 | Technology Annual Maintenance Fee | \$7,671.41 | \$92,056.92 |
| 10 | Subtotals | \$ 619,510.90 | \$7,434,130.78 |
| 11 | Task 5, Additional Work | \$41,666.66 | \$ 500,000 |

Year 4 Contract Amount Not to Exceed: \$7,720,283.96

Year 5 Contract Amount Not to Exceed: \$7,934,130.78

Total Contract Amount Not to Exceed: \$ 15,654,414.74

2. Additional Work (Task 5):

a. Additional Work such as on-demand/as-needed cleaning or any related services not listed in the Contract must be approved by County’s Project Manager or designee in accordance with Attachment A, Section F, Additional Work (Task 5).

b. **The total (NTE) amount authorized for Additional Work is \$500,000.00 annually.**

Expense Markups: Percentage markups on Additional Work is authorized against this Contract at the rates specified below.

- Contractor markup on Subcontractors: 5%
- Contractor markup on direct expenses (materials, supplies and equipment): 5%.

c. Labor Rate: Contractor will use the Loaded Labor Rates below for Additional Work (Task 5) costs. Loaded rates include labor, benefits, profit and overhead.



Year 4 Regular Time

| Position/Titles | Raw Hourly Rate | Hourly Employee Benefits | Total Hourly Employee Compensation | Company Overhead and Profit | Total Hourly |
|-----------------------------------|------------------------|---------------------------------|---|------------------------------------|---------------------|
| Site Manager | \$42.09 | \$28.39 | \$70.48 | \$3.52 | \$74.01 |
| HR & QC Mgr. | \$36.06 | \$25.31 | \$61.37 | \$3.07 | \$64.44 |
| Safety Officer | \$36.06 | \$25.31 | \$61.37 | \$3.07 | \$64.44 |
| Supervisor, Sr. | \$35.66 | \$25.11 | \$60.78 | \$3.04 | \$63.81 |
| Supervisor | \$34.66 | \$24.60 | \$59.27 | \$2.96 | \$62.23 |
| Lead | \$21.50 | \$18.89 | \$40.39 | \$2.02 | \$42.41 |
| Custodian | \$20.00 | \$18.13 | \$38.13 | \$1.91 | \$40.03 |
| Custodian Restroom Responsibility | \$20.00 | \$18.13 | \$38.13 | \$1.91 | \$40.03 |
| Utility/Floor Crew | \$21.00 | \$18.64 | \$39.64 | \$1.98 | \$41.62 |
| Window Washer | \$21.00 | \$18.64 | \$39.64 | \$1.98 | \$41.62 |
| Pressure Washer | \$21.00 | \$18.64 | \$39.64 | \$1.98 | \$41.62 |

Year 4 Overtime

| Position/Titles | Raw Hourly Rate | Hourly Employee Benefits | Total Hourly Employee Compensation | Company Overhead and Profit | Total Hourly |
|-----------------------------------|------------------------|---------------------------------|---|------------------------------------|---------------------|
| Site Manager | \$63.14 | \$39.12 | \$ 102.26 | \$5.29 | \$107.55 |
| HR & QC Mgr. | \$54.09 | \$34.51 | \$ 88.60 | \$4.60 | \$93.20 |
| Safety Officer | \$54.09 | \$34.51 | \$ 88.60 | \$4.60 | \$93.20 |
| Supervisor, Sr. | \$53.50 | \$34.21 | \$ 87.70 | \$4.56 | \$92.26 |
| Supervisor | \$52.00 | \$33.44 | \$ 85.44 | \$4.44 | \$89.88 |
| Lead | \$32.25 | \$24.37 | \$56.62 | \$3.03 | \$59.65 |
| Custodian | \$30.00 | \$23.23 | \$53.23 | \$2.86 | \$56.09 |
| Custodian Restroom Responsibility | \$30.00 | \$23.23 | \$53.23 | \$2.86 | \$56.09 |
| Utility/Floor Crew | \$31.50 | \$23.99 | \$55.49 | \$2.97 | \$58.46 |
| Window Washer | \$31.50 | \$23.99 | \$55.49 | \$2.97 | \$58.46 |
| Pressure Washer | \$31.50 | \$23.99 | \$ 55.49 | \$2.97 | \$58.46 |



Year 4 Holiday

| Position/Titles | Raw Hourly Rate | Hourly Employee Benefits | Total Hourly Employee Compensation | Company Overhead and Profit | Total Hourly |
|-----------------------------------|------------------------|---------------------------------|---|------------------------------------|---------------------|
| Site Manager | \$63.14 | \$39.12 | \$102.26 | \$5.29 | \$107.55 |
| HR & QC Mgr. | \$54.09 | \$34.51 | \$88.60 | \$4.60 | \$93.20 |
| Safety Officer | \$54.09 | \$34.51 | \$88.60 | \$4.60 | \$93.20 |
| Supervisor, Sr. | \$53.50 | \$34.21 | \$87.70 | \$4.56 | \$92.26 |
| Supervisor | \$52.00 | \$33.44 | \$85.44 | \$4.44 | \$89.88 |
| Lead | \$32.25 | \$24.37 | \$56.62 | \$3.03 | \$59.65 |
| Custodian | \$30.00 | \$23.23 | \$53.23 | \$2.86 | \$56.09 |
| Custodian Restroom Responsibility | \$30.00 | \$23.23 | \$53.23 | \$2.86 | \$56.09 |
| Utility/Floor Crew | \$31.50 | \$23.99 | \$55.49 | \$2.97 | \$58.46 |
| Window Washer | \$31.50 | \$23.99 | \$55.49 | \$2.97 | \$58.46 |
| Pressure Washer | \$31.50 | \$23.99 | \$55.49 | \$2.97 | \$58.46 |

Year 5 Regular Time

| Position/Titles | Raw Hourly Rate | Hourly Employee Benefits | Total Hourly Employee Compensation | Company Overhead and Profit | Total Hourly |
|-----------------------------------|------------------------|---------------------------------|---|------------------------------------|---------------------|
| Site Manager | \$43.35 | \$29.32 | \$72.68 | \$3.63 | \$76.31 |
| HR & QC Mgr. | \$36.06 | \$25.60 | \$61.66 | \$3.08 | \$64.74 |
| Safety Officer | \$36.06 | \$25.60 | \$61.66 | \$3.08 | \$64.74 |
| Supervisor, Sr. | \$35.70 | \$25.42 | \$61.12 | \$3.06 | \$64.18 |
| Supervisor | \$35.70 | \$25.42 | \$61.12 | \$3.06 | \$64.18 |
| Lead | \$21.50 | \$19.29 | \$40.79 | \$2.04 | \$42.83 |
| Custodian | \$20.50 | \$18.78 | \$39.28 | \$1.96 | \$41.24 |
| Custodian Restroom Responsibility | \$20.50 | \$18.78 | \$39.28 | \$1.96 | \$41.24 |
| Utility/Floor Crew | \$21.50 | \$19.29 | \$40.79 | \$2.04 | \$42.83 |
| Window Washer | \$21.50 | \$19.29 | \$40.79 | \$2.04 | \$42.83 |
| Pressure Washer | \$21.50 | \$19.29 | \$40.79 | \$2.04 | \$42.83 |



Year 5 Overtime

| Position/Titles | Raw Hourly Rate | Hourly Employee Benefits | Total Hourly Employee Compensation | Company Overhead and Profit | Total Hourly |
|-----------------------------------|------------------------|---------------------------------|---|------------------------------------|---------------------|
| Site Manager | \$65.03 | \$40.38 | \$105.41 | \$5.45 | \$110.86 |
| HR & QC Mgr. | \$54.09 | \$34.80 | \$88.88 | \$ 4.62 | \$93.51 |
| Safety Officer | \$54.09 | \$34.80 | \$88.88 | \$4.62 | \$93.51 |
| Supervisor, Sr. | \$53.56 | \$34.52 | \$88.08 | \$4.58 | \$92.66 |
| Supervisor | \$53.56 | \$34.52 | \$88.08 | \$4.58 | \$92.66 |
| Lead | \$32.25 | \$24.77 | \$57.02 | \$3.06 | \$60.08 |
| Custodian | \$30.75 | \$24.01 | \$54.76 | \$2.95 | \$57.70 |
| Custodian Restroom Responsibility | \$30.75 | \$24.01 | \$54.76 | \$2.95 | \$57.70 |
| Utility/Floor Crew | \$32.25 | \$24.77 | \$57.02 | \$3.06 | \$60.08 |
| Window Washer | \$32.25 | \$24.77 | \$57.02 | \$3.06 | \$60.08 |
| Pressure Washer | \$32.25 | \$24.77 | \$57.02 | \$3.06 | \$60.08 |

Year 5 Holiday

| Position and Titles | Raw Hourly Rate | Hourly Employee Benefits | Total Hourly Employee Compensation | Total Employee Overhead & Profit | Total Hourly |
|-----------------------------------|------------------------|---------------------------------|---|---|---------------------|
| Site Manager | \$65.03 | \$40.38 | \$105.41 | \$5.45 | \$110.86 |
| HR & QC Mgr. | \$54.09 | \$34.80 | \$88.88 | \$4.62 | \$93.51 |
| Safety Officer | \$54.09 | \$34.80 | \$88.88 | \$4.62 | \$93.51 |
| Supervisor, Sr. | \$53.56 | \$34.52 | \$88.08 | \$4.58 | \$92.66 |
| Supervisor | \$53.56 | \$34.52 | \$88.08 | \$4.58 | \$92.66 |
| Lead | \$32.25 | \$24.77 | \$57.02 | \$3.06 | \$60.08 |
| Custodian | \$30.75 | \$24.01 | \$54.76 | \$2.95 | \$57.70 |
| Custodian Restroom Responsibility | \$30.5 | \$24.01 | \$54.76 | \$2.95 | \$57.70 |
| Utility/Floor Crew | \$32.25 | \$24.77 | \$57.02 | \$3.06 | \$60.08 |
| Window Washer | \$32.25 | \$24.77 | \$57.02 | \$3.06 | \$60.08 |
| Pressure Washer | \$32.25 | \$24.77 | \$57.02 | \$3.06 | \$60.08 |



d. Conditions and Clarifications:

- JWA reserves the right to negotiate Task 5 Additional Work, based on the rates specified above and by mutual agreement with the Contractor.
- Additional Work labor rates for time and material Task Orders shall be charged on the basis of actual time spent on each job, not on a portal-to-portal basis, and shall be computed to the nearest one quarter (1/4) hour.
- For lump sum Task Orders, invoices shall be accompanied by approved quote(s).
- For time and material Task Orders, expense (parts, material, etc.) costs incurred under Task 5 must have supporting documentation of sufficient detail acceptable to the County to be eligible for reimbursement under the Contract. The County will not be responsible for payment of any cost not accurately itemized.

JWA reserves the ability to start and/or stop Tasks 2 through 4, in whole or in part, at any time during the life of the contract, subject to the following:

- i. Contractor must be given a minimum of (forty-five) 45 calendar days written notice on JWA letterhead to commence or stop any combination of Tasks 2, 3, and 4, in whole or in part.
 - ii. Task 2, 3, and 4 services must be approved for a minimum of six (6) months from commencement, or to the end of the contract, whichever is sooner.
 - iii. Contractor will only be paid for Task 2, 3, and 4 services for the actual months authorized by JWA.
- C. **Price Increase/Decreases:** No price increases will be permitted during the first term of the Contract. The County requires documented proof of cost increases on Contracts prior to any price adjustment. A minimum of 30-days advance notice in writing is required to secure such adjustment. No retroactive price adjustments will be considered. All price decreases will automatically be extended to the County of Orange. The County may enforce, negotiate, or cancel escalating price Contracts or take any other action it deems appropriate, as it sees fit. The net dollar amount of profit will remain firm during the period of the Contract. Adjustments increasing the Contractor's profit will not be allowed.
- D. **Firm Discount and Pricing Structure:** Contractor guarantees that prices quoted are equal to or less than prices quoted to any other local, State or Federal government entity for services of equal or lesser scope. Contractor agrees that no price increases shall be passed along to the County during the term of this Contract not otherwise specified and provided for within this Contract.
- E. **Contractor's Expense:** The Contractor will be responsible for all costs related to photo copying, telephone communications and fax communications, and parking while on County sites during the performance of work and services under this Contract.
- F. **Final Payment:** Final payment shall be issued based on the completion of the work as described in this Contract and County Project Manager accepts all the work and JWA issued badges are returned to Badging Office.
- G. **Payment Terms – Payment in Arrears:** Invoices are to be submitted in arrears to the user agency/department to the ship-to address, unless otherwise directed in this Contract. Vendor shall



reference Contract number on invoice. Payment will be net 30 days after receipt of an invoice in a format acceptable to the County of Orange and verified and approved by the agency/department and subject to routine processing requirements. The responsibility for providing an acceptable invoice rests with the Contractor.

Billing shall cover services and/or goods not previously invoiced. The Contractor shall reimburse the County of Orange for any monies paid to the Contractor for goods or services not provided or when goods or services do not meet the Contract requirements.

Payments made by the County shall not preclude the right of the County from thereafter disputing any items or services involved or billed under this Contract and shall not be construed as acceptance of any part of the goods or services.

H. **Taxpayer ID Number:** The Contractor shall include its taxpayer ID number on all invoices submitted to the County for payment to ensure compliance with IRS requirements and to expedite payment processing.

I. **Payment – Invoicing Instructions:** The Contractor will provide an invoice on the Contractor's letterhead for goods delivered and/or services rendered. In the case of goods, the Contractor will leave an invoice with each delivery. Each invoice will have a number and will include the following information:

- A. Contractor's name and address
- B. Contractor's remittance address, if different from 1 above
- C. Contractor's Federal Taxpayer ID Number
- D. Name of County Agency/Department
- E. Delivery/service address
- F. Master Agreement (MA) or Purchase Order (PO) number
- G. Agency/Department's Account Number
- H. Date of invoice and invoice number
- I. Product/service description, quantity, and prices
- J. Order Date/Service Date(s)
- K. Sales tax, if applicable
- L. Freight/delivery charges, if applicable
- M. Total

Invoices and support documentation are to be forwarded to **(not both):**

Mailed to John Wayne Airport
Attention: Accounts Payable
3160 Airway Avenue Costa Mesa, CA 92626
OR
Emailed to AccountsPayable@ocair.com

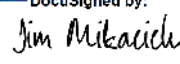
Contractor has the option of receiving payment directly to their bank account via an Electronic Fund Transfer (EFT) process in lieu of a check payment. Payment made via EFT will also receive Electronic Remittance Advice with the payment details via email. An email address will need to be provided to the County via and EFT Authorization Form. To request a form, please contact the DPA.




Signature Page

IN WITNESS WHEREOF, the Parties hereto have executed this Contract on the date following their respective signatures.

FLAGSHIP AVIATION SERVICES LLC*

| | | | |
|--|------------|---------------------|-----------|
| DocuSigned by:  <small>3620805B466D4E6...</small> | im ikacich | NVP, Aviation Sales | 9/24/2024 |
| Signature | Name | Title | Date |

| | | | |
|--|----------------|-------|-----------|
| Signed by:  <small>D28CA954CCDE4A8...</small> | Chris Podlasek | o | 9/26/2024 |
| Signature | Name | Title | Date |

COUNTY OF ORANGE, A political subdivision of the State of California
COUNTY AUTHORIZED SIGNATURE:

| | | | |
|-----------|------|-------|------|
| | | | |
| Signature | Name | Title | Date |

APPROVED AS TO FORM:

County Counsel

| | |
|--|-----------|
| DocuSigned by:  <small>26F9D76C829A49E...</small> Deputy | _____ |
| By | _____ |
| Date | 9/26/2024 |

* If the contracting party is a corporation, (2) two signatures are required: one (1) signature by the Chairman of the Board, the President, or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer. The signature of one person alone is sufficient to bind a corporation, as long as he or she holds corporate offices in each of the two categories described above. For County purposes, proof of such dual office holding will be satisfied by having the individual sign the instrument twice, each time indicating his or her office that qualifies under the above-described provision. In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution demonstrating the legal authority of the signature to bind the corporation.

Contract Summary Form

OC Expediter Requisition #: 1677547 & 1652966

Flagship Aviation Services, LLC

SUMMARY OF SIGNIFICANT CHANGES

1. Costs: increase of \$266,177.26 cost increase for the remaining Year 3 contract, due to wage and benefits. Page 56.
2. Term: renew the contract for two additional years, effective April 1, 2025, through March 31, 2027, in the not-to-exceed amount of \$15,654,415.

SUBCONTRACTORS

This contract, due to the nature of the services, will require the addition of subcontractors. In order to add subcontractor(s) to the contract, the provider/contractor must seek express consent from the department. Should the addition of a subcontractor impact the scope of work and/or contract amount, the department will bring the item back to the Board of Supervisors for approval. In the past South Shore Building Services, subcontractor(s) have been used for this contract.

This contract includes the following subcontractors or pass through to other providers.

| Subcontractor Name | Service(s) | Amount |
|--|------------|---------|
| South Shore Building Services, Inc. 4208 E. La Palma Avenue, Anaheim, CA 92807 | Windows | Unknown |

Please include information regarding contract expenses in this section.

CONTRACT OPERATING EXPENSES

Revised Year 3 contract not-to-exceed amount: \$7,345,387.30

2 Year Renewal Cost Breakdown:

- Year 4 contract not-to-exceed amount: \$7,720,283.96, including \$500,000 for Additional Work.
- Year 5 contract not-to-exceed amount: \$7,934,130.78, including \$500,000 for Additional Work.

This content is from the eCFR and is authoritative but unofficial.

Title 49 –Transportation

Subtitle B –Other Regulations Relating to Transportation

Chapter XII –Transportation Security Administration, Department of Homeland Security

Subchapter C –Civil Aviation Security

Part 1542 –Airport Security

Subpart B –Airport Security Program

Authority: 49 U.S.C. 114, 5103, 40113, 44901-44905, 44907, 44913-44914, 44916-44917, 44935-44936, 44942, 46105.

Source: 67 FR 8355, Feb. 22, 2002, unless otherwise noted.

§ 1542.103 Content.

- (a) **Complete program.** Except as otherwise approved by TSA, each airport operator regularly serving operations of an aircraft operator or foreign air carrier described in § 1544.101(a)(1) or § 1546.101(a) of this chapter, must include in its security program the following:
- (1) The name, means of contact, duties, and training requirements of the ASC required under § 1542.3.
 - (2) [Reserved]
 - (3) A description of the secured areas, including—
 - (i) A description and map detailing boundaries and pertinent features;
 - (ii) Each activity or entity on, or adjacent to, a secured area that affects security;
 - (iii) Measures used to perform the access control functions required under § 1542.201(b)(1);
 - (iv) Procedures to control movement within the secured area, including identification media required under § 1542.201(b)(3); and
 - (v) A description of the notification signs required under § 1542.201(b)(6).
 - (4) A description of the AOA, including—
 - (i) A description and map detailing boundaries, and pertinent features;
 - (ii) Each activity or entity on, or adjacent to, an AOA that affects security;
 - (iii) Measures used to perform the access control functions required under § 1542.203(b)(1);
 - (iv) Measures to control movement within the AOA, including identification media as appropriate; and
 - (v) A description of the notification signs required under § 1542.203(b)(4).
 - (5) A description of the SIDA's, including—
 - (i) A description and map detailing boundaries and pertinent features; and
 - (ii) Each activity or entity on, or adjacent to, a SIDA.
 - (6) A description of the sterile areas, including—

- (i) A diagram with dimensions detailing boundaries and pertinent features;
 - (ii) Access controls to be used when the passenger-screening checkpoint is non-operational and the entity responsible for that access control; and
 - (iii) Measures used to control access as specified in § 1542.207.
- (7) Procedures used to comply with § 1542.209 regarding fingerprint-based criminal history records checks.
- (8) A description of the personnel identification systems as described in § 1542.211.
- (9) Escort procedures in accordance with § 1542.211(e).
- (10) Challenge procedures in accordance with § 1542.211(d).
- (11) Training programs required under §§ 1542.213 and 1542.217(c)(2), if applicable.
- (12) A description of law enforcement support used to comply with § 1542.215(a).
- (13) A system for maintaining the records described in § 1542.221.
- (14) The procedures and a description of facilities and equipment used to support TSA inspection of individuals and property, and aircraft operator or foreign air carrier screening functions of parts 1544 and 1546 of this chapter.
- (15) A contingency plan required under § 1542.301.
- (16) Procedures for the distribution, storage, and disposal of security programs, Security Directives, Information Circulars, implementing instructions, and, as appropriate, classified information.
- (17) Procedures for posting of public advisories as specified in § 1542.305.
- (18) Incident management procedures used to comply with § 1542.307.
- (19) Alternate security procedures, if any, that the airport operator intends to use in the event of natural disasters, and other emergency or unusual conditions.
- (20) Each exclusive area agreement as specified in § 1542.111.
- (21) Each airport tenant security program as specified in § 1542.113.
- (b) **Supporting program.** Except as otherwise approved by TSA, each airport regularly serving operations of an aircraft operator or foreign air carrier described in § 1544.101(a)(2) or (f), or § 1546.101(b) or (c) of this chapter, must include in its security program a description of the following:
 - (1) Name, means of contact, duties, and training requirements of the ASC, as required under § 1542.3.
 - (2) A description of the law enforcement support used to comply with § 1542.215(a).
 - (3) Training program for law enforcement personnel required under § 1542.217(c)(2), if applicable.
 - (4) A system for maintaining the records described in § 1542.221.
 - (5) The contingency plan required under § 1542.301.
 - (6) Procedures for the distribution, storage, and disposal of security programs, Security Directives, Information Circulars, implementing instructions, and, as appropriate, classified information.
 - (7) Procedures for public advisories as specified in § 1542.305.

- (8) Incident management procedures used to comply with § 1542.307.
- (c) **Partial program.** Except as otherwise approved by TSA, each airport regularly serving operations of an aircraft operator or foreign air carrier described in § 1544.101(b) or § 1546.101(d) of this chapter, must include in its security program a description of the following:
 - (1) Name, means of contact, duties, and training requirements of the ASC as required under § 1542.3.
 - (2) A description of the law enforcement support used to comply with § 1542.215(b).
 - (3) Training program for law enforcement personnel required under § 1542.217(c)(2), if applicable.
 - (4) A system for maintaining the records described in § 1542.221.
 - (5) Procedures for the distribution, storage, and disposal of security programs, Security Directives, Information Circulars, implementing instructions, and, as appropriate, classified information.
 - (6) Procedures for public advisories as specified in § 1542.305.
 - (7) Incident management procedures used to comply with § 1542.307.
- (d) **Use of appendices.** The airport operator may comply with paragraphs (a), (b), and (c) of this section by including in its security program, as an appendix, any document that contains the information required by paragraphs (a), (b), and (c) of this section. The appendix must be referenced in the corresponding section(s) of the security program.