IGE NARRATIVE

Requirement:

The Little Rock Regional Office (350) has a requirement for a performance-based contract for janitorial services. The contractor shall provide full janitorial services for approximately 45,000 square feet of office space to include refuse collection, light dusting, cleaning of restrooms, carpet vacuuming, and other elements of work as defined on the Performance Work Statement (PWS). The Regional Office will need the services under the contract on a long term and recurring basis.

Assumptions:

The contractor will provide two employees per day for eight (8) hours a day and supplies needed to perform the services. The contract employees will be paid in accordance with the Department of Labor (DOL) wage determination for the area and pursuant to Executive Order 14026, Minimum Wages for Contractor Workers. The applicable DOL Wage Determination is 2015-5117 and the occupational code used to calculate the labor rate is 111150, Janitor. The hourly rate for the labor category in the wage determination is $11.36. Since this rate is below the $15 per hour required by the Executive Order, an hourly rate of $15.00 plus $4.60 per hour for fringe benefits was used to calculate the labor rate. The estimate also uses a flat rate of $20.00 per day for supplies. The estimate also assumes 3.3% overhead for insurance costs and a 10% general and administrative as well as a 10% profit rate.

Market Research:

* Task Order VA101V-17-F-0228 for the Little Rock RO was awarded in October 2017 to a SDVOSB concern with base and total options amount of $537,897.24.
* Task Order 36C10E20F0111 for the Montgomery RO was awarded in April 2020 to a SDVOSB concern with a base and total options amount of $1.36M.
* Task Order 36C10E20F0007 for the Jackson RO was awarded in October 2020 to a SDVOSB concern with a base and total options amount of $1.39M.

Analysis:

* Task Order VA101V-17-F-0228 was awarded for $2.66 per square foot per year at 45,000 square feet, or $119,700.00.
* Task Order 36C10E20F0111 was awarded for $2.72 per square foot per year at 52,242 square feet, or $142,098.00.
* Task Order 36C10E20F0007 was awarded for $3.18 per square foot per year at 86,000 square feet or $273,186.96
* The average price per square foot is $2.85 or $128,250 per year for 45,000 square feet at Little Rock RO (350).
* The CPI for the Services sector in the South Region per the Bureau of Labor Statistics is 3.0 yielding the following five year cost estimate:

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| Base Period | $128,250.00 |
| Option 1 | $132,097.50 |
| Option 2 | $136,060.44 |
| Option 3 | $140,142.24 |
| Option 4 | $144,345.50 |
| Grand Total | $680,895.68 |