



Agenda Item Details

Meeting	Jun 17, 2017 - Strategic Planning Meeting: Rockford Public School District No. 205	
Category	3. *Bid Recommendation - Custodial	
Subject	A. IFB 17-43 - Custodial Services	
Access	Public	
Type	Action (Consent)	BOARD APPROVED
Preferred Date	Jun 17, 2017	JUN 17 2017
Absolute Date	Jun 17, 2017	
Fiscal Impact	Yes	
Dollar Amount	7,004,634.00	Rockford Public Schools
Budgeted	Yes	
Budget Source	20-610-2542-53320-0000-0000	
Recommended Action	Administration recommends the Board of Education award this Invitation for Bid 17-43 Custodial Services to Aramark in the amount of \$7,004,634 for fiscal year 2018.	

Public Content

SUBMITTED BY:

Rickey Sparks, Purchasing Director
 Todd Schmidt, Chief Operations Officer

A. BACKGROUND ANALYSIS

The current five (5) year custodial contract was terminated at the request of Administration after the initial three (3) year term due to performance issues. Administration significantly revised the Bid specifications for fiscal year 2018 custodial services to emphasis stricter cleanliness performance standards and penalty clauses for noncompliance of cleanliness standards.

The purpose of this Invitation for Bid (IFB) is to solicit bids from contractors to provide custodial work to be done inside and outside RPS buildings including work to be completed at the two stadiums and the field houses. This IFB includes contracted personnel by building, personnel schedule by building, and scope of work to be performed including cleaning and maintaining of facilities, snow removal and summer cleaning.

There was a mandatory pre-bid meeting held on Wednesday, April 19, 2017 at 10:00 a.m. There were nine (9) companies represented at the pre-bid meeting.

The IFB was available on the District's website BIDS-RFP's and Onvia Demandstar. Offers were received from six (6) vendors by 2:00 p.m. Monday, May 8, 2017 and were publicly opened at that time. The contract will be effective July 1, 2017 through June 30, 2020 plus two (2) one-year option periods beginning on the subsequent July 1 of each option year.

Bids were received by:

Vendor Name	July 1, 2017 - June 30, 2018	July 1, 2018 - June 30, 2019	July 1, 2019 - June 30, 2020	July 1, 2020 - June 30, 2021	July 1, 2021 - June 30, 2022
GCA Services	\$ 6,376,789.00	\$ 6,361,045.00	\$ 6,424,655.00	\$ 6,488,902.00	\$ 6,533,971.00
Aramark	\$ 7,004,634.00	\$ 7,164,245.00	\$ 7,327,527.00	\$ 7,494,567.00	\$ 7,665,445.00
Alpha Bldg Maintenance Services	\$ 6,826,101.00	\$ 6,951,593.00	\$ 7,089,582.00	\$ 7,230,954.00	\$ 7,375,153.00

The incumbent vendor, GCA, was the lowest bidder in IFB 17-43 and provided a bid amount lower than the current custodial contract in an action to retain the District's business. Upon determination that GCA was the low cost bidder, Administration held an executive level partnership meeting with GCA executives, principals and other RPS 205 stakeholders to understand how and what GCA would provide in the new contract to provide improved results and outcomes should GCA be given the opportunity. Additionally, the Administration tasked GCA executives with bringing forth an action plan several days later to address the concerns presented at the meeting and allow the Operations Committee the opportunity to vet and question the GCA executive team on their action plan. Due to numerous performance issues that were exhibited over the past three years, the Board determined that GCA was not a responsible bidder.

Administration determined the operational risk is the greatest concern. Administration's position is that the operational needs of ensuring the schools are ready for before the start of the school year are essential. Administration recommended to award the custodial contract to GCA at the June 13, 2017 meeting. Due to ongoing performance concerns throughout the previous contract and stakeholder feedback, the Board of Education rejected Administration's recommendation.

The Administration met with the next two lowest bidders on Wednesday, June 14, 2017, to review their implementation plan and further investigate their overall ability to meet the needs of the District both from a performance standard and a financial readiness standpoint. The next two bidders were evaluated on price, financial stability of the vendor (based on vendor's most recent annual financial statements), ability to transition services by the beginning of school, and review of references.

Administration interviewed both vendor leadership teams and evaluated the bidders to determine their overall ability to deliver services as detailed in the bid specifications, a transition plan as the new vendor to be ready and prepared to provide on July 1, 2017, for daily cleaning for the administration building and buildings hosting summer school, a transition plan to be operationally ready for the first day of school, a transition plan to complete building summer cleaning begun by GCA, the current vendor, experience with Districts of similar size and number of buildings under construction as RPS 205, and the overall financial stability to be able to deliver the services, purchase required new equipment needed under the bid specifications, and the ability to meet payroll needs of an expanding business. Finally, Administration contacted references and requested feedback for each vendor.

While Administration's overall impression of Alpha Building Maintenance Services (Alpha) was favorable, due to their size and their financial status, Administration cannot move forward with a recommendation to the Board to contract with this bidder. It should be noted that Alpha Building Maintenance currently is an \$8 million dollar business enterprise. If Alpha was awarded this contract, it would nearly double the size of their business. Additionally, Alpha will need to secure a line of credit to meet payroll and purchase the equipment and supplies required in the bid specifications. This poses a significant financial risk that concerns the Administration. Therefore, Alpha is not deemed to be a responsible bidder.

Administration's evaluation of Aramark indicates their ability to successfully deliver and implement a comprehensive transition plan for school buildings to be ready and environmentally pleasing for the start of school on August 21, as well as, their overall ability to manage a custodial contract of this magnitude.

Based on the evaluation criteria, Aramark was determined to be the best qualified to perform the services described in the Invitation to Bid. Aramark supported its expertise in maintaining school buildings, ability to transition to the District in the needed timeframe, and demonstrated financial stability through its financial statements. Administration recommends the Board of Education award this Invitation for Bid 17-43 Custodial Services in the amount of \$7,004,634.

B. EDUCATIONAL IMPACT STATEMENT

Provide an appropriate environment for students to learn and grow to their full capabilities.

C. STRATEGIC PLAN COMPATIBILITY STATEMENT

The recommendation is consistent with 5.3.4 direct appropriate resources to improve and maintain facilities, ensuring a more efficient, more smoothly operating, greener school district in all buildings and grounds.

D. STATUTE, BOARD POLICY OR RULE STATEMENT

The recommendation is consistent with 105 ILCS 5/10-20.21 Contract and Board Policy 4.60 Purchases.

E. FISCAL IMPACT STATEMENT

The proposed expenditure of \$ 7,004,634 for fiscal year 2018 exceeds the budgeted amount of \$7,000,000.00 by \$4,634.

F. IMPLEMENTATION AND ASSESSMENT PLAN

The below information details Administration's implementation plan:

1. Manage the quality of custodial services provided by adding two evening quality control monitoring positions to perform nightly inspections at each location. The existing quality control monitoring of one position is not adequate to perform nightly inspections at all buildings throughout the District. Administration recommends this measure separately from the selection of a custodial vendor.
2. Alter the current evaluation instrument to include evaluation of the day shift personnel and evening shift personnel separately, include the individual building champions in the evaluation process. Administration found that the anecdotal data presented at the executive meeting conflicted with the quantitative data collected throughout the year from stakeholders in the field with the previous vendor and would like to ensure that the anecdotal data is valid in the future.
3. Monitor the service level with the executive management team at Aramark on a weekly basis to include the specific custodial cleaning matrix included in the bid specifications for each contracted employee job duties, report monthly to the Operations Committee as a standing agenda item and incorporate feedback from the Committee utilizing cleanliness performance metrics as included in the bid specifications as well as statistics related to turnover and equipment investment, and report quarterly to the Board of Education.
4. Establish the timeline for unsatisfactory performance no later than December 31, 2017, and enforce termination of the contract under the termination with and without clauses included in the bid specifications, if needed for fiscal year 2019. The timeline would include preparing new performance specifications to include KPI metrics and put the contract out for RFP in January 2018 in the event that performance is deemed unsatisfactory.

ADMINISTRATION' S RECOMMENDATION

Administration recommends the Board of Education award this Invitation for Bid 17-43 Custodial Services to Aramark in the amount of \$7,004,634 for fiscal year 2018 as part of a three year contract beginning on July 1, 2017 through June 30, 2020 with two (2) one-year option periods beginning on the subsequent July 1st of each option year.

Administrative Content

Executive Content

The regular order of business may be suspended upon consent of 2/3s of the members present. Board Policy Manual, subsection 2.220

*Items requiring Roll Call Vote

**Administration is requesting suspension of the rules to allow action to take place at the first reading of this item.