



To: Nampa School District Board of Trustees
From: Randy Dewey, Director of Finance
Scott Jacobsen, Budget/Purchasing Supervisor
Date: May 1, 2018
Re: Custodial & Light Maintenance Services Request for Proposals & Subsequent Award

The District recently complete the process for requesting and evaluating proposals for the District's Custodial & Light Maintenance Services. The specifications under the Request for Proposals were developed by a committee including representatives at multiple education levels and operational areas of the District.

The prior in-place agreement was established as an initial one-year contract for services, with the option to extend held by the District for up to four additional one-year periods. This last of the four exercised one-year options expires on June 30, 2018 and the District is required to conduct a new bid/proposal process. The next contract to be issued will be for a five-year period, commencing July 1, 2018 and expiring June 30, 2023; the District will hold an option to extend the agreement for an additional five-year term under this new agreement. Because of the multi-year nature of the agreement, the District's specifications included necessary language for cancelation of the contract in the event of non-appropriation.

The District received proposals from three vendors:

ABM (formerly GCA Services), the incumbent contractor
Varsity Facility Services
Vanguard Cleaning Systems

All respondents are deemed to be of sufficient size and capability to support the custodial and light maintenance needs of the District, as outlined in the Request. Varsity Facility Services, however, failed to include clear contract pricing with its proposal; thus, Varsity was deemed nonresponsive and disqualified from award consideration. The offered contractual pricing for the first year of services was:

ABM Option 1:	\$2,829,130
ABM Option 2:	\$2,987,789
Vanguard Cleaning Systems:	\$3,109,806

The Request specifications allow for an annual increase in cost of up to 3%. Proposal cost summaries as submitted by the vendors are included with this memorandum.

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Both vendors agreed to the specifications as issued under the Request for Proposals. ABM Option 1 is substantially a continuation of the current contract arrangements, with duties and responsibilities as modified by the new Request for Proposals. ABM Option 2 utilizes the same scope of duties and responsibilities, but includes wage increases for its Building Team Leads.

Through further inquiry with Varsity, we determined that a page included with the proposal listed its cost per square foot per building, which could be calculated to arrive at a total first-year proposal cost of \$3,022,832.33. The Varsity proposal sought to alter some aspects of the duties and responsibilities detailed under the Proposal. This aspect of Varsity's offer results in the proposal being less attractive and less advantageous to the District than other offers. Given Varsity's desire to alter the scope of work under the Request and an offered price that would not be the lowest, omitting Varsity's proposal from consideration does not have an adverse effect on the evaluation or award. Effectively, the Varsity proposal has been taken into account and does not alter our recommendation.

The committee recommends award for Custodial & Light Maintenance Services be made to **ABM**, under their **Option 2** offer. While this option represents a higher initial annual cost than ABM Option 1, the committee believes the wage increases included under Option 2 will aid with retention of the Building Team Leads and lead to better performance under the contract, which performance is in the best interest of the District.

Full copies of the original Request for Specifications, various Addenda, and the submitted proposals are available for review by contacting Scott Jacobsen at the District office.

Thank you for your attention to this matter. Please contact either of us with questions about the proposals or process.

Best regards,

Randy Dewey
Finance Director

Scott Jacobsen
Budget/Purchasing Supervisor

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Program Cost

Services to be provided

ABM Industry Groups, LLC will provide the management, supervisory and administrative staff, productive labor, equipment, supplies, and employee uniforms necessary to ensure a high level of cleanliness and service at all times throughout the district.

To achieve this, ABM will perform the services as outlined in the Specifications Section of the proposal.

As the current service provider, ABM has a true understanding of the service level expectations of the district and the true cost of a successful program at Nampa. The five (5) years of experience will prove to be a distinct advantage to the district and ABM in ensuring the future success of the program. With the experience gained, ABM would like to provide two (2) cost options for the Nampa community to choose from.



Option One (1) \$2,829,130

ABM's proposed program cost for the services outlined in the RFP would be an annual contract price of \$2,829,130 payable in twelve (12) equal installments. This is a reduction in cost from our current contract price at Nampa School District with no reduction in service or quality. In an effort to continue the partnership with Nampa, ABM has reduced the previous gross margin to reduce the cost to the district.

This cost includes many items our competitors may not include in their price, such as cell phones for all Team Leaders, 10 paid days off for employees, appropriate annual work days, our on-call substitute program, local market wages well above the state minimum wage and a new equipment investment of over \$250,000.

Option Two (2) \$2,987,789

ABM would like to suggest an alternate bid for the district based on the company's 5 years of experience working within the district. One of the greatest challenges has been retaining the very talented day time Team Leaders due to higher wages in neighboring businesses and school districts. It is ABM's opinion that an average wage increase of 1.75 / hour for the day Team Leaders will allow the company to retain these individuals at a greater rate, making the day to day interactions for district stakeholders more satisfactory.

ABM's proposed program cost for Option Two (2) would be an annual contract price of \$2,987,789 payable in twelve (12) equal installments. The contract price would include higher wages for all job classifications and continue all of the benefits the employees have become accustomed to. ABM is able to accomplish the proposed substantial employee raises with minimal annual increase to the district's current program cost by reducing the company's previous gross margin.

ABM Program Cost Components

ABM will pay the following costs:

- The salaries, wage associated taxes, and benefits for ABM's on-site management team
- The wages, taxes and benefits paid to ABM's lead and productive staff
- The cost of capital equipment, maintenance and repair necessary to provide the services
- The cost of pre-employment background checks and drug-screening
- The cost of custodial and consumable supplies necessary in providing the services
- The cost of employee uniforms and personal protective equipment (PPE)
- The cost of management and Team Leader communications (Cell Phones)
- The cost of management vehicles including insurances and fuel costs
- The cost of setting up and running the on-site office to include computer, software, phone, office supplies, and postage
- The cost of general liability and umbrella insurances

Costs

The following costs will be paid by the district:

- The provision of suitable office and storage space
- The cost of leasing trash and recycling bins and compactors and the cost of having them emptied and maintained
- The provision of all necessary electric power and other utilities including water, sewer and electricity
- The cost of providing and maintaining walk-off mats



Pricing

Vanguard Yearly Bid Cost: \$ **3,109,806.00**

Vanguard Monthly Cost: \$ **259,150.50**

Full Time Employee Projections

	Custodial Staff	Administration/Management	Total
School Year	88.75	4.5	93.25
Holiday	32	4.5	36.5

*** These are preliminary projections.**

****Holiday staffing will vary as to the special service schedule**

*****One Vanguard designated contract liaison. Position's only client will be the Nampa School District.**

******Due to the size of several locations we thought it would be important to explain that in our pricing we have included additional Day Lead Shifts in our pricing for in session school days. See table below:**

Projected Minimum Day Leads for Large Facilities

School	SQ Footage	Students	Staff	Day Lead Shift
East Valley Elementary	126528	997	82.25	2
Lone Star Elementary	147431	883	69.95	2
South Middle School	121506	846	68.13	2
West Middle School	114798	743	64.7	2
Columbia High School	269393	1273	103.07	2.5
Nampa High School	270019	1399	118.86	2.5
Skyview High School	241797	1290	102.99	2.5

Centennial Elementary	\$0.134
Central Elementary	\$0.131
Endeavor Elementary	\$0.124
Greenhurst Elementary	\$0.133
Iowa Elementary	\$0.127
Lake Ridge Elementary	\$0.125
New Horizons Elementary	\$0.125
Owyhee Elementary	\$0.125
Park Ridge Elementary	\$0.127
Reagan Elementary	\$0.126
Roosevelt Elementary	\$0.125
Sherman Elementary	\$0.126
Snake River Elementary	\$0.136
Willow Creek Elementary	\$0.124
East Valley Middle School	\$0.099
Lone Star Middle School	\$0.093
South Middle School1	\$0.100
West Middle School	\$0.103
Columbia High School1	\$0.078
Nampa High School1	\$0.077
Skyview High School1	\$0.078
Union High School	\$0.141
Treasure Valley Leadership Academy	\$0.234
Gateways Alternative School	\$0.174
District Warehouse (Main)	\$0.250
Nutrition Services Office	\$0.024
District Office	\$0.093
Technology Services Office	\$0.021
Lake Lowell House	\$0.051
Grand Total	\$0.106

Varsity Cost Proposal Projections

Building/Site	Published building/site footage	Monthly Varsity Per Foot Cost	Monthly Building Extended Cost
Centennial Elementary	59205	\$0.134	\$7,933.47
Central Elementary	60618	\$0.131	\$7,940.96
Endeavor Elementary	68713	\$0.124	\$8,520.41
Greenhurst Elementary	60032	\$0.133	\$7,984.26
Iowa Elementary	65591	\$0.127	\$8,330.06
Lake Ridge Elementary	68713	\$0.125	\$8,589.13
New Horizons Elementary	68713	\$0.125	\$8,589.13
Owyhee Elementary	67537	\$0.125	\$8,442.13
Park Ridge Elementary	65591	\$0.127	\$8,330.06
Reagan Elementary	67537	\$0.126	\$8,509.66
Roosevelt Elementary	67537	\$0.125	\$8,442.13
Sherman Elementary	65591	\$0.126	\$8,264.47
Snake River Elementary	56418	\$0.136	\$7,672.85
Willow Creek Elementary	68713	\$0.124	\$8,520.41
East Valley Middle School	126528	\$0.099	\$12,526.27
Lone Star Middle School	147431	\$0.093	\$13,711.08
South Middle School	121506	\$0.100	\$12,150.60
West Middle School	114798	\$0.103	\$11,824.19
Columbia High School	269393	\$0.078	\$21,012.65
Nampa High School	270019	\$0.077	\$20,791.46
Skyview High School (Main)	241797	\$0.078	\$18,860.17
Union High School	58128	\$0.141	\$8,196.05
Treasure Valley Leadership Academy	11858	\$0.234	\$2,774.77
Gateways Alternative School	36907	\$0.174	\$6,421.82
District Warehouse (Main)	22634	\$0.250	\$5,658.50
Nutrition Services Office	9037	\$0.024	\$216.89
District Office	18149	\$0.093	\$1,687.86
Technology Services Office	15003	\$0.021	\$315.06
Lake Lowell House	2200	\$0.051	\$112.20
<i>These projections are made by representatives of Nampa School District, based on phone and email conversations, submitted proposal materials, and published building footages.</i>		Total Monthly Cost	\$252,328.68
		Annual Cost, Year One	\$3,027,944.11
<i>The stated cost of year-one services, per phone and email conversations with representatives of Varsity Facility Services is \$251,902 per month or \$3,022,832 total.</i>			