

Agendum
Oakland University
Board of Trustees Formal Session
May 7, 2014

APPROVAL OF AUTHORIZATION FOR CUSTODIAL SERVICES CONTRACT
A Recommendation

1. **Division and Department:** Finance and Administration Division, Facilities Management Department
2. **Introduction:** For Oakland University (University) buildings built prior to 1997, custodial services are provided by University employees, represented by the Michigan Education Association Oakland University Campus Maintenance and Trades (MEA-OUCMT). Buildings built since 1997 have the potential of having outsourced custodial services, as was negotiated in the MEA-OUCMT collective bargaining agreement (CBA).

Custodial services, both routine cleaning and special projects, are based on performance standards that include specific tasks and frequencies at each location and are scheduled to be least disruptive to faculty, students and staff. Custodians are required to clear criminal background checks. Supervisor staffing on all shifts, a comprehensive training program for staff, and periodic quality-assurance reviews are required.

The current outsourced custodial services contract, as approved by the Board of Trustees (Board) in 2009, expires June 30, 2014. Via a Request for Proposals (RFP) process, competitive bids were solicited for custodial services in the following buildings: Pawley Hall, Elliott Hall, Biomedical Research Support Facility, Lowry Child Care, Science and Engineering Building, Engineering Center, Outdoor Complex Support Building, Recreation and Athletic Center (RAC), and Golf Course buildings.

A proposal was solicited from the MEA-OUCMT as required by the CBA. Three proposals were received; ARAMARK, Kristel Group, and the MEA-OUCMT.

A four-person committee from Purchasing and Facilities Management reviewed the proposals and interviewed the three entities. The comparable proposals are summarized in Attachment A, reflecting labor/equipment/supplies/supervision costs, contingency, and staffing levels. The ARAMARK and Kristel Group proposals include annual employee pay increases, and therefore, would not be subject to cost increases during the term of the agreement. The MEA-OUCMT proposal would be subject to potential increases as the result of collective bargaining. Based on cost, quality, flexibility, staff coverage and availability, ARAMARK is the recommended custodial services provider.

3. **Previous Board Action:** Based on the results of competitive bid processes, the Board approved five-year agreements with ARAMARK for custodial services on August 4, 2004 and April 1, 2009, with an amendment on March 28, 2012.

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4. **Budget Implications:** The five-year cost of custodial services will not exceed \$5,007,119. The annual cost of custodial services is built into the General Fund and Auxiliary Operations budgets.
5. **Educational Implications:** None.
6. **Personnel Implications:** None.
7. **University Reviews/Approvals:** This recommendation was formulated by the Manager of Custodial and Grounds, and reviewed by the Associate Vice President for Facilities Management, Vice President for Finance and Administration, and Interim President.
8. **Recommendation:**
RESOLVED, that the Vice President for Finance and Administration be authorized to negotiate and execute a custodial services contract with ARAMARK at an amount not to exceed \$5,007,119; and, be it further

RESOLVED, that the Agreement be reviewed and approved by the Office of the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and with University policies and regulations, and conform to the legal standards and policies of the Vice President for Legal Affairs and General Counsel.

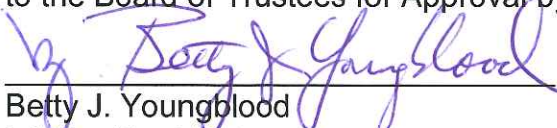
9. **Attachments:**
Attachment A: OU Custodial Services RFP 2014 Bid Comparisons, May 2014

Submitted to the President
on 4/30, 2014 by



John W. Beaghan
Vice President for Finance and Administration
and Treasurer to the Board of Trustees

Recommended on May 1, 2014
to the Board of Trustees for Approval by



Betty J. Youngblood
Interim President

OU Custodial Services RFP 2014 Bid Comparisons
May 2014

Main Campus

Category	ARAMARK	Kristel Group	OUCMT *
Labor/Equipment/Supplies/Supervision	\$4,728,205	\$4,853,409	\$5,866,883
Contingency	\$150,000	\$150,000	\$150,000
TOTAL MAIN CAMPUS - 5 years	\$4,878,205	\$5,003,409	\$6,016,883
Staffing - Full-time Custodians	25	4	11
Staffing - Part-time Custodians	4	24	31.5
Staffing - Shift Leader	3	6	5
Staffing - Manager	1	2	1
Staffing Total (PT + FT)	33	36	48.5
Total staff hours - Annually	64,480	60,060	64,402

East Campus (Golf Course)

Category	ARAMARK	Kristel Group	OUCMT *
Labor/Equipment/Supplies/Supervision	\$118,914	\$234,960	\$279,808
Contingency	\$10,000	\$10,000	\$10,000
TOTAL EAST CAMPUS - 5 years	\$128,914	\$244,960	\$289,808
Staffing - Full-time Custodians	1	2	0
Staffing - Part-time Custodians	0	0	4
Staffing - Supervision	0	1	0
Staffing Total (PT + FT)	1	3	4
Total staff hours - Annually	2,080	6,240	3,952

MAIN & EAST CAMPUS TOTAL - 5 Years	\$5,007,119	\$5,248,369	\$6,306,691
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* OUCMT proposal excludes potential collective bargaining increases throughout the life of the agreement.