

MEMORANDUM

TO: NWABSD Board of Education
Members

DATE: June 6, 2023

NUMBER: 23-141

FR: Office of the Superintendent

SUBJECT: Approval of FY24 Contract,
NANA Management
Services, Custodial
Services

ABSTRACT:

Board approval is required for all purchases over \$50,000.

ISSUE:

At issue is the approval of a one-year renewal to the Districtwide Custodial Services contract between NWABSD and NANA Management LLC (NMS) for the Fiscal Year 2023-2024, not to exceed \$2,511,227.

BACKGROUND AND/OR PERTINENT INFORMATION:

The School District went out to Request for Proposals for Custodial Service Management for FY22 with the option to renew the contract for up to four (4) years through FY26. Nana Management Services, LLC was the single proposer that the district had, and is offering competitive prices for their services despite the increase noted below.

FY23 amount \$2,325,210

Requested FY24 amount \$2,511,227

This is a \$186,017 (8%) increase on the FY23 contract amount.

NMS Custodial Services had requested a 12% increase from FY23 to FY24 (see attached request), however with the District's revenue outlook, NMS agreed to 8% with other service decreases.

ALTERNATIVES:

1. Approve the Custodial Services Contract between NWABSD and NANA Management Services LLC for Fiscal Year 2023-2024, not to exceed \$2,511,227, as presented;
2. Disapprove the Custodial Services Contract between NWABSD and NANA Management Services LLC for Fiscal Year 2023-2024, as presented;
3. Take no final action.

ADMINISTRATION'S RECOMMENDATION:

The Administration recommends the Board approve the Custodial Services Contract between NWABSD and NANA Management Services LLC for Fiscal Year 2023-2024, not to exceed \$2,511,227, as presented.



May 1, 2023

Megan Williams
Northwest Arctic Borough School District
P.O. Box 51
Kotzebue, AK 99752
907-442-1825
907-442-3827 (fax)

RE: Custodial Contract Renewal

Dear Miss. Williams:

We are writing regarding the upcoming fiscal School year and an increase to the NMS custodial contract with the district. We look forward to our continued partnership in providing janitorial services to the Northwest Arctic Borough School District.

We are still experiencing challenges with hiring in all the remote village areas. This sometimes increases our costs to mitigate and try and send employees out to assist.

We are showing an increase in labor of 22.5% year over year and supply costs of 22.6% percent year over year. However, we only request a 12% increase because we know of the district's budget challenges.

Our increase request breaks down as follows:

The current yearly amount is \$2,325,210.00.

With the 12% cost increase, the new yearly amount is \$2,604,235.00.

The cost increase comes to \$279,025.00

Please feel free to reach out to me, and we can discuss this,

Sincerely,

Scotty G Austin



Scotty G Austin, C.E.H., F.M.P., I.C.E., C.P.T., | Director of Operations –
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