

TO: Board of Directors
Region One Education Service Center

SUBJECT: Consideration of Custodial Contract Extension

DATE: December 17, 2013

ITEM 14: Action

BACKGROUND AND SIGNIFICANT ISSUES: On August 29, 2013, the Board of Directors approved the custodial services of McLemore Building Maintenance through the Region 20/PACE Co-Op award for a period of six (6) months, from Sept 1, 2013 – Feb 28, 2014. Awarded contract pricing for Region One ESC is \$13,472.16 per month.

As requested by the Board of Directors, Administration analyzed the utilization of Outsourced contracted custodial services versus In-House custodial staffing for a start-up year and 2nd year expenses, as they compare to the last recommended proposal for outsourced contracted services. (attached) Included are the ‘Pros’ for both In-House staffing and Out-Sourcing, as well as the breakdown of In-House expenses include Salary, Benefits, and Equipment/Chemical supplies for each location. Administration is requesting an extension of six (6) months of the current contract with MBM for the following:

1. Cost associated with going In-House is 20% higher than utilizing the awarded bid price.
2. Current staff would be terminated at the end of the contract.
3. A penalty would be assessed by MBM for hiring of the current staff, which is an unallowable expense (~\$40,000).
4. During the Sunset Review of 2003, the State Auditor’s Office recommended to Region One the outsourcing of custodial services as a cost saving measure to the ESC.

Administration has been very satisfied with MBM and the current staffing and services being provided to all locations.

RELATED GOAL(S): To assist ESC in operating more efficiently and economically.

COST AND FUNDING SOURCES: Space Management -751/Meeting Rooms - 752

EXECUTIVE DIRECTOR’S RECOMMENDATION: Recommend approval to request extension of contract for six (6) month period to allow Region One Education Service Center to re-bid Custodial Services following the adoption by the Board of the new RFP procedures, and continue with uninterrupted custodial services to the ESC.

Respectfully submitted,



Dr. Cornelio Gonzalez
Executive Director

Staff Person(s) Responsible: Frances Guzman, Deputy Director
Mark Wallace, Director of Facilities/Operations

Consideration of Custodial Contract Extension

Action Taken

_____ made a motion to approve to request extension of contract for six (6) month period to allow Region One Education Service Center to re-bid Custodial Services following the adoption by the Board of the new RFP procedures, and continue with uninterrupted custodial services to the ESC.

Seconded by: _____

Vote: _____