

ORANGE COUNTY
BOARD OF EDUCATION

AGENDA ITEM ABSTRACT

Meeting Date: August 12, 2013

AGENDA ITEM No. 13-08-12

ACTION ITEM: (Y/N) Y

SUBJECT: Contract Approval: Facilico, Inc.

INFO. CONTACT: Pam Jones, Interim Exec. Director of Aux. Services **PHONE:** (919) 732-8126

ATTACHMENTS:

- Contract
- FY2014 Fee Schedule

PURPOSE: To approve a contract for FY2014 to Facilico, Inc. for janitorial services at specified schools, pursuant to the attached fee schedule.

BACKGROUND: During the 2007-2008 budget discussions, records indicate the Board of Education discussed privatizing custodial services. Subsequent to those discussions, a Request for Proposal was solicited and a contract was approved with Facilico, Inc. to provide janitorial services in specific schools. Since that time, rather than hiring new personnel, additional contracts have been added for schools where custodial staff has retired.

Separate contracts within the Superintendent's signature authority were presented and executed as new locations were added thereafter. It is not apparent that the Board of Education has consistently approved annual renewals to this agreement, however. The new contract proposed by this action will: 1.) Place all locations on a August 1—June 30 annual renewal, with the exception of the year-round program at Hillsborough Elementary; 2.) Utilize the Orange County Schools standard Service Contract; and 3.) Begin a procedure wherein the Board of Education will be asked to approve the annual renewal.

In FY2013, seven schools were serviced by Facilico as follows: C.W. Stanford Middle, Orange High, Cedar Ridge High, Gravelly Hill Middle, Pathways Elementary, A.L. Stanback Middle and Central Elementary. Two additional locations are proposed for FY2014: Hillsborough Elementary and Efland Cheeks Elementary. Facilico, Inc. provides janitorial services however, it is notable that day porters are still available during the day at all schools.

Facilico, Inc. has previously commenced work on August 1 to prepare schools for opening. Understanding the need for Board approval and the timing thereof Facilico agreed to commence work on August 1 to ensure our sites were ready for students on the first day of school. The action contemplated will commence the contract on August 1, 2013 and continue through June 30, 2014.

The last RFP for this service was solicited in FY2007. Although Facilico has maintained or reduced their original contract cost and appears to be providing a good quality of service for the District, the District may wish to consider conducting an RFP process within the next fiscal year.

continued

FINANCIAL IMPACT:

FY2014 cost by school is as follows:

LOCATION	MONTHLY COST	ANNUAL COST
Central Elementary School	\$3,583.68	\$39,420.48
Efland Cheeks Elementary School	\$3,263.52	\$35,898.72
Hillsborough Elementary School	\$3,583.68	\$43,004.16
Pathways Elementary School	\$4,437.53	\$48,812.83
A.L. Stanback Middle School	\$8,042.69	\$88,469.59
C.W. Stanford Middle School	\$7,337.07	\$80,707.77
Gravelly Hill Middle School	\$7,734.78	\$85,082.58
Cedar Ridge High School	\$10,385.40	\$114,239.40
Orange High School	<u>\$10,745.11</u>	<u>\$118,196.21</u>
	\$59,113.46	\$653,831.74

RECOMMENDATION: The Superintendent recommends the Board approve a contract for FY2014 to Facilico, Inc. for janitorial services at specified schools as cited herein; and authorize the Chair to sign on behalf of the Board.

**BOARD OF EDUCATION
ORANGE COUNTY, NORTH CAROLINA
CONTRACT FOR FY 2014 JANITORIAL SERVICES**

This contract for JANITORIAL SERVICES at specified schools within the Orange County District (the "Contract") is made and entered into this first day of July, 2013, between the Orange County Schools Board of Education ("OCS" or "District") and Royal Janitorial Services, dba Facilico, (the "Provider"), 6248-A HWY 11 South, Ayden, NC 28513.

For and in consideration of the mutual promises set forth in the Contract the parties do mutually agree as follows:

1. **Obligations of Provider.** Provider hereby agrees to provide services to the OCS as follows:
 - 1.1 Commensurate with the Scope of Work and other stipulations included in the Request for Proposal dated June 2, 2006, Provider will provide janitorial services for nine schools, per cost quotation dated June 24, 2013, herein incorporated by reference as Attachment 1.
 - 1.2 Furnish all labor, supplies and equipment to perform the tasks , except where noted.
2. **Obligations of the OCS.**
 - 2.1 The OCS hereby agrees to compensate Provider at a rate of fifty-nine thousand one hundred thirteen dollars and forty-six cents (\$59,113.46) per month for services rendered, with the total annual commitment not to exceed six hundred fifty-three thousand eight hundred thirty-one dollars and seventy-four cents (\$653,831.74).
 - 2.2 OCS will supply all toilet tissue, paper towels, plastic can liners and hand soap. OCS will allow use of OCS equipment in specific instances as indicated in the June 24, 2013 cost update from Provider.
 - 2.3 In the event of inclement weather, fire, power failure, or other similar occurrence, which may necessitate the cancellation of the delivery of the service(s), and an alternate date cannot be agreed upon, the OCS will be under no obligation to compensate Provider.
3. **Term.** The services described in the Contract will be provided from August 1, 2013 through June 30, 2014.
4. **Termination for Convenience.** The OCS may terminate this Contract at any time at its complete discretion upon thirty (30) calendar days' notice in writing from the OCS to Provider prior to the date of termination. If the Contract is terminated by the OCS in accordance with this section, the OCS will pay Provider at the hourly rate for all services performed as of the date of termination. OCS will pay the Provider for all services

performed under this contract as of the date of termination.

5. **Termination for Default.** At any time, the OCS may terminate this Contract immediately and without prior notice if Provider is unable to meet goals and timetables or if the OCS is dissatisfied with the quality of services provided.
6. **Terms and Methods of Payment.** Provider shall submit to the OCS accurate monthly invoices in a mutually agreed upon form. Such invoices shall be submitted within thirty (30) days of the rendering of services. The OCS shall process payments to Provider within forty-five (45) days of submission of such invoices. Invoices should be sent to the OCS, 200 King Street, Hillsborough, N.C. 27278 Attn: Maintenance Director for review and approval. In no case shall Provider be entitled to payment for services not actually rendered.
7. **Contract Funding.** Pursuant to N.C. General Statute 143C-6-8, it is understood and agreed between Provider and the OCS that the OCS's payment obligation under this Contract is contingent upon the availability of appropriated funds from which payment for Contract purposes can be made, and, if payment obligations are made with State funds, upon the availability of appropriated funds that are not State funds.
8. **Insurance.** Provider agrees to maintain \$1,000,000 in general liability and other appropriate insurance, as well as Workers Compensation in the required statutory amount, for all employees of Provider participating in the provision of services under this Contract. Certificates of such insurance shall be furnished by Provider to the OCS and shall contain the provision that the OCS be given 20 days' written notice of any intent to cancel or terminate by either Provider or the insuring company. Failure to furnish insurance certificates or maintain such insurance shall be a default and grounds for immediate termination of this Contract.
9. **Taxes.** Provider shall pay all federal, state and FICA taxes for all employees participating in the provision of services under this Contract.
10. **Monitoring and Auditing.** Provider shall cooperate with the OCS, or with any other person or agency as directed by the OCS, in monitoring, auditing, or investigating activities related to this Contract. Provider shall permit the OCS to evaluate all activities conducted under this Contract as dictated by the OCS. Provider shall provide auditors retained by the OCS with access to any records and files related to the provision of services under this Contract. The OCS agrees that its auditors will maintain the confidentiality of any trade secrets of Provider accessed during an audit conducted under this Contract.
11. **Records and Confidentiality of Student Information.** Provider agrees that all student records, if any, obtained in the course of providing services to the OCS under this Contract shall be subject to the confidentiality and disclosure provisions of applicable

federal and state statutes and regulations, and OCS policies. All student records shall be kept in a secure location preventing access by unauthorized individuals. Provider will maintain an access log delineating date, time, agency, and identity of any individual accessing student records who is not in the direct employ of Provider. Provider shall not forward to any person other than the parent or District any student record, including, but not limited to, the student's identity, without the written consent of the parent and District. Upon termination of this Contract, Provider shall turn over to District all student records of District's eligible students to whom Provider has provided services under this Contract.

12. **Access to School Premises.** The District shall maintain full, final, and plenary authority to grant, deny, or restrict Provider, its agents or employees' access to school premises and school-sponsored events, including the authority to determine what services, if any, will be delivered, and by whom, to students on school premises or at school-sponsored events. Nothing in this Contract shall be construed to create any right of access to school facilities or school-sponsored events on the part of Provider, its agents, or employees, and the District expressly reserves the right to deny or restrict Provider, its agents, or employees access, on a temporary or permanent basis, to any school facility or school-sponsored event, or to any individual student on school property or at a school-sponsored event, with or without cause, at any time, and without prior notice to Provider. The decision to deny access to Provider to any student, school facility, or school-sponsored event shall be final and not subject to appeal. The District shall not incur any liability to Provider for denying or restricting access to school premises or school-sponsored events, with or without cause, and Provider expressly waives the right to challenge any such a denial or restriction of access in any judicial or administrative action.

13. **Lunsford Act/Criminal Background Checks.** All parties acknowledge that N.C. General Statute 14-208.18 prohibits anyone required to register as a sex offender under Article 27A of Chapter 14 of the General Statutes from knowingly being on the premises of any school or other facility dedicated to the care of minors. Provider shall conduct criminal background checks on each of its employees or agents who, pursuant to this Contract, interacts with OCS students or provides services on OCS property or at OCS events. Such checks shall include an annual check of the State Sex Offender and Public Protection Registration Program, the State Sexually Violent Predator Registration Program, and the National Sex Offender Registry. Provider shall provide documentation to the District of criminal records and background checks before assigning its employees or agents to provide services under this Contract. Provider shall likewise provide documentation to the District of its annual checks of the aforesaid sex-offender registries. The mandatory sex-offender registry checks may be completed by accessing the North Carolina Sex Offender Registry website at <http://sexoffender.ncdoj.gov/>. Under no circumstances shall any employee or agent be assigned to work with any student or on OCS property or at OCS events if (1) said worker appears on any of the aforesaid sex-offender registries; (2) said worker has been convicted of a felony; (3) said worker has been convicted of any crime, whether misdemeanor or felony, involving sex, violence, or drugs; or (4) said worker has engaged in any crime or conduct indicating that the worker

may pose a threat to the safety or well-being of students or school personnel.

Upon request, Provider will furnish the OCS with sufficient information to allow the District to perform its own criminal background checks on the Provider's employees and agents.

Provider further agrees that it has an ongoing obligation to provide the school system with the name of any new contractual personnel who may deliver goods or provide services under the Contract. The OCS reserves the right to prohibit any contractual personnel of Provider from delivering goods or providing services under this Contract.

Failure to comply with this provision shall be grounds for immediate termination of the Contract.

14. **Indemnification.** Provider shall indemnify, defend and hold harmless the OCS, its school board members, officers, agents, and employees from and against all claims, actions, demands, costs, damages, losses and/or expenses of any kind whatsoever, in whole or in part, resulting from or connected with any acts under this Contract or from the omission or commission of any act, lawful or unlawful, by Provider, its agents and/or employees, including but not limited to court costs and attorney's fees incurred by Provider in connection with the defense of said matters.
15. **Relationship of Parties.** Provider shall be an Independent Contractor of the OCS and nothing herein shall be construed as creating a partnership or joint venture; nor shall any employee of Provider be construed as an employee, agent or principal of the OCS.
16. **Compliance with Applicable Laws.** During the term of this Contract, Provider shall comply with all applicable federal, state, and local statutes, laws, ordinances, rules and regulations, including securing and maintaining in force such permits and licenses as are required by law in connection with the furnishing of services pursuant to this Contract. Provider represents that it is aware of and in compliance with the Immigration Reform and Control Act, and that it will collect properly verified I-9 forms from each employee providing services under this Contract. Provider shall not employ any individuals to provide services to the OCS who are not authorized by federal law to work in the United States. In addition, Provider shall offer health insurance to its full time employees in compliance with the Affordable Care Act.
17. **Applicable OCS Policies.** Provider acknowledges that the Orange County Board of Education has adopted policies governing conduct on District property and agrees to abide by any and all relevant OCS policies while on District property.
18. **Assignment.** Provider shall not assign, subcontract, or otherwise transfer any interest in this Contract without the prior written approval of the OCS.

- 19. **Contract Modifications.** This Contract may be amended only by written amendments duly executed by and between OCS and Provider.
- 20. **North Carolina Law.** North Carolina law will govern the interpretation and construction of the Contract.
- 21. **Entire Agreement.** This Contract constitutes and expresses the entire agreement and understanding between the parties concerning the subject matter of this Contract. This document, the purchase order, if any, used in connection herewith and any other document incorporated in this Contract by reference supersede all prior and contemporaneous discussions, promises, representations, agreements and understandings relative to the subject matter of this Contract. Any conflicts between the provisions or language in this document and the amendments or attachments will be resolved in favor of the provisions or language in this document.
- 22. **Severability.** If any provision of this Contract shall be declared invalid or unenforceable, the remainder of the Contract shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year indicated below.

ORANGE COUNTY SCHOOLS
BOARD OF EDUCATION

FACILICO

By: _____
Dr. Del Burns, Interim Superintendent

By: _____

Title: _____

Date: _____

Date: _____

This instrument has been pre-audited in the manner required by the School Budget and Fiscal Control Act.

Orange County Schools Finance Officer

Date: _____



June 24, 2013

Buster Crabtree
Director of Maintenance
Orange County Schools
2306 Old NC 86
Hillsborough, NC 27278

Dear Mr. Crabtree,

Facilico will provide the following services for the upcoming 2013-2014 school year. These are the only exceptions to the basic contract listed by school:

Stanford Middle: Monthly billing----\$7337.07

- 1-we only sweep small gym and locker room upon request.
- 2-we clean the cafeteria.
- 3-in-house cleans the auditorium.

Orange High: Monthly billing----\$10745.11

- 1-we do not clean gym or locker rooms
- 2-we clean cafeteria
- 3-we clean auditorium

Cedar Ridge High: Monthly billing----\$10385.40 1-we do not clean gym or locker rooms.

- 2-we clean Cafeteria.
- 3-we clean auditorium.

Gravelly: Monthly billing----\$7734.78

- 1-in house cleans offices and auditorium 2-we clean cafeteria

Pathways: Monthly billing----\$4437.53

- 1- we do not service gym, offices or media center.

Stanback Middle: Monthly billing ----\$-8042.69

- 1-we do not service auditorium

Central Elementary: Monthly billing----3583.68

- 1-we do not service gym cafeteria, offices, or media center.
- 2-we use Orange County equipment



Proposed Schools

Hillsborough Elementary: Monthly billing---\$3583.68

1- we do not service gym, cafeteria, offices or media center

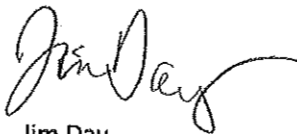
2- we use Orange County equipment

Efland Cheeks: Monthly billing--- \$3263.52

1- we do not service gym, cafeteria, offices or media center

The cost in July per week is \$12,061.44 and for two weeks would bill at \$24,122.88.

Sincerely,



Jim Day

VP Operations