

State Board for Community Colleges and Occupational Education (SBCCOE)
September 10, 2024

TOPIC: Community College of Denver (CCD) Spending Authority Request for a 5-Year Custodial Contract for the Auraria and AMC Campuses

PRESENTED BY: Marielena DeSanctis, President

RELATIONSHIP TO THE STRATEGIC PLAN:

Refine our value proposition through accessibility, affordability, quality, accountability, resource development, and operational excellence.

EXPLANATION:

The Community College of Denver (CCD) seeks spending authority approval for \$3,190,000 to provide custodial/janitorial services on the Auraria Campus (in buildings where CCD is the principal user or the full building owner) and at the Advanced Manufacturing Center (AMC) satellite campus - over the course of a five-year service agreement with Bayaud Enterprises, Inc (Bayaud). The agreement with the current vendor, DCPS Cleaning, LLC dba Integrated Cleaning Services, expires on September 30, 2024.

Over the course of summer 2024, CCD pursued a solicitation for custodial services. Per Colorado Revised Statute § 24-103-805, CCD offered duly certified set-aside vendors (businesses offering employment opportunities for with individuals with disabilities) the opportunity to bid prior to public solicitation. Following certification of Bayaud's status as a state set-aside vendor and verifying service capabilities and procurement code requirements, Bayaud was awarded the bid for custodial services on the Auraria and AMC campuses. Bayaud will provide custodial/janitorial services for approximately 260,000 gross square feet (GSF) of cleanable space, which includes the following buildings:

- Confluence
- Cherry Creek
- Bear Creek
- Clear Creek
- Boulder Creek
- Advanced Manufacturing Center

The services will include general cleaning of classrooms, offices and public areas along with specialized floor care for carpet, tile, and concrete flooring.

Terms of the proposed agreement (to be finalized after SBCCOE approval) are as follows:

Vendor: Bayaud Enterprises, Inc.

Contract Term: October 1, 2024 – September 30, 2029 (5 years)
The proposed contract is for one year, with four one-year renewal options

Cost:

Table 1 - Bayaud Cost Breakdown per FY (3.22% Cost Escalator per Year)

Year	Monthly Cost	Annual Cost
1	\$ 49,753	\$ 597,031
2	\$ 51,355	\$ 616,255
3	\$ 53,008	\$ 636,099
4	\$ 54,715	\$ 656,581
5	\$ 56,477	\$ 677,723
Total Cost		3,183,690

Per *State of Colorado Fiscal Rule 3-1 State Contracts, Section 7.8 Personal Services*, a personal services review was required for this contract type and was subsequently performed. It was determined that continuing to contract for custodial/janitorial services will save approximately ~\$120,000 to ~170,000 per year (~\$600,000 to ~\$850,000 over the full 5-year agreement) as compared to hiring staff.

CCD has budgeted \$600,000 as part of its Board approved FY25 budget for Operations and Maintenance to support this expense in the first year of the contract, with corresponding and increased budget outlays planned in subsequent service years.

In instances where Auraria campus partners (AHEC, MSU Denver, and CU Denver) utilize spaces that are serviced through this contract, CCD will pursue equitable cost-sharing agreements (commonly utilized amongst the campus partners) to defray contract expenses bourn by the college.

RECOMMENDATION:

Staff recommends the Board approve CCD’s request for spending authority to contract with Bayaud Enterprises, Inc with a do-not-exceed amount of \$3,190,000 for janitorial services and that the Board delegate the signature authority of the Board to the System Office Vice Chancellor for Finance and Administration on the condition that all State and Board required processes are met.