



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

**DETROIT FINANCIAL REVIEW COMMISSION**

**SCHOOL DISTRICT RESOLUTION 2019-28**

**APPROVING THE COMMUNITY DISTRICT'S NOVEMBER 2019  
CONTRACT REQUESTS**

WHEREAS, Public Act 181 of 2014, the Michigan Financial Review Commission Act (the "Act"), allows for the creation of the Detroit Financial Review Commission (the "Commission") within the Michigan Department of Treasury; and

WHEREAS, Section 6(1) of the Act empowers the Commission to provide oversight for the Detroit Public Schools Community District (the "Community District") beginning on June 2016; and

WHEREAS, Section 6(6) of the Act provides that during the period of oversight, the Commission review and approve the Community District's applicable contracts, as defined by Section 3(a) of the Act, and that an applicable contract does not take effect unless approved by the Commission; and

WHEREAS, at the Commission meeting on November 25, 2019, the Community District presented applicable contracts, attached as **Exhibit A** to this Resolution, for the Commission's review and approval.

NOW THEREFORE, be it resolved by the Detroit Financial Review Commission as follows:

1. That the Community District's November 2019 contract requests, attached as **Exhibit A** to this Resolution but excluding any contracts a majority of Commission members present has agreed to exclude as noted in the minutes, are hereby approved.
2. That the minutes of the Detroit Financial Review Commission meeting at which this Resolution is adopted take notice of the adoption of this Resolution.
3. This Resolution shall have immediate effect.

# Contract Requests

The following contracts are being provided to the Financial Review Commission (“FRC”) for review and approval. Contracts over \$750,000 or a two (2) year period must also be provided to the FRC for review and approval pursuant to section 6(6) of the Michigan Financial Review Commission Act. Please review the individual Action Items provided for more detailed information.

	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments
1	Safety & Health	19-0034-C	<p><b>Contract Amount:</b> \$3,696,000  <b>Contract Period:</b> July 1, 2019 – June 30, 2020  <b>Source:</b> General and Grant Funds  <b>Purpose:</b> Provide Nursing Services for students  <b>Contractor:</b> Delta-T Group  <b>Location:</b> 21415 Civic Center Drive, Suite 302, Southfield, MI 48076</p>	Increase	Yes	Yes	<p>Finance Committee 10.25.2019</p> <p>Academic Committee 10.28.2019</p> <p>Anticipated Approval</p> <p>Board 11.12.2019</p> <p>FRC 11.25.2019</p>	<p>This request is for a contract increase of \$1,055,518 with Delta-T, bringing the total contract not to exceed amount to \$3,696,000 for the term July 1, 2019 – June 30, 2020.</p> <p>RFP 19-0002 was issued on DemandStar in April of 2018 and received fourteen (14) responses. The two top scoring vendors, Elite and Delta T, were awarded contracts.</p> <p>The District received a grant to add six additional permanent nurses to schools and has requested that Delta T also provide more nursing resources in schools when the second nursing vendor, Elite, is unable to fill the position. This increase will bring the total number of contracted nursing staff members across the District to 108, in order to administer medication, provide direct care to students, and perform preventative and therapeutic nursing.</p> <p>The board and FRC previously approved this contract in July of 2019 in the amount of \$2,640,482.</p>

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2	Operations	20-0070-C	<p><b>Contract Amount:</b> \$1,200,000  <b>Contract Period:</b> December 1, 2019 – November 30, 2020  <b>Source:</b> General Fund  <b>Purpose:</b> Snow &amp; Ice Removal Services  <b>Contractor:</b> Payne Landscaping, Inc  <b>Location:</b> 7635 E. Davison, Detroit, MI 48212</p>	New	Yes	Yes	<p>Finance Committee 10.25.2019</p> <p>Academic Committee 10.28.2019</p> <p>Anticipated Approval</p> <p>Board 11.12.2019</p> <p>FRC 11.25.2019</p>	<p>RFP 20-0023 was issued on DemandStar and received 3 response(s). The Evaluation Committee decided to split the award by location between three vendors (Payne Landscaping; PGA and RNA) based on the lowest bids for 2”-8” snow days. In addition to the assigned locations, Payne was also awarded to assist with snow/ice removal at all closed schools, if necessary.</p> <p>Payne presently is contracted for Landscaping and Snow/Ice Removal under contract 17-0134-C, not to exceed \$2,480,000 through November 30, 2019. Payne is also presently contracted for Tree and Shrub Removal under contract 19-0142-C, not to exceed \$240,000 through June 30, 2020.</p> <p>This new contract for \$1,200,000 awarded to Payne represents a total contracted obligation of \$3,920,000 across their various contracts.</p>
3	Operations	20-0023-C	<p><b>Contract Amount:</b> \$595,000  <b>Contract Period:</b> December 1, 2019 – November 30, 2020  <b>Source:</b> General Fund  <b>Purpose:</b> Snow &amp; Ice Removal Services  <b>Contractor:</b> Premier Group Associates (PGA)  <b>Location:</b> 535 Griswold St, St 1420, Detroit, MI 48226</p>	New	Yes	Yes	<p>Finance Committee 10.25.2019</p> <p>Academic Committee 10.28.2019</p> <p>Anticipated Approval</p> <p>Board 11.12.2019</p> <p>FRC 11.25.2019</p>	<p>RFP 20-0023 was issued on DemandStar and received 3 response(s). The Evaluation Committee decided to split the award by location between three vendors (Payne Landscaping; PGA and RNA) based on the lowest bids for 2”-8” snow days.</p> <p>PGA presently has a contract for Athletic Fields Maintenance (19-0143-C) in the amount of \$580,000 through June 30, 2020. PGA also is contracted for landscaping and snow/ice removal (18-0005-C) for \$680,000 through November 30, 2019.</p> <p>This new contract for \$595,000 awarded to PGA represents a total contracted obligation of \$1,855,000 across their various contracts.</p>

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	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments
4	Operations	20-0071-C	<b>Contract Amount:</b> \$350,000 <b>Contract Period:</b> December 1, 2019 – November 30, 2020 <b>Source:</b> General Fund <b>Purpose:</b> Snow & Ice Removal Services <b>Contractor:</b> RNA <b>Location:</b> 717 W. Ellsworth Rd, Ann Arbor, MI 48108	New	Yes	Yes	Finance Committee 10.25.2019  Academic Committee 10.28.2019  Anticipated Approval  Board 11.12.2019  FRC 11.25.2019	RFP 20-0023 was issued on DemandStar and received 3 response(s). The Evaluation Committee decided to split the award by location between all three vendors (Payne Landscaping; PGA and RNA) based on the lowest bids for 2"-8" snow days.  RNA is presently contracted for Facilities Management services under contract 19-0054-C for \$18,947,246 ending on June 30, 2020.  This new contract for \$350,000 awarded to RNA represents a total contracted obligation of \$19,297,246 across their various contracts.



### Agenda Item Details

Meeting	Nov 12, 2019 - Regular Board Meeting
Category	15. Consent Agenda (Administrative Items)
Subject	15.02 Approval of Contract Amendment with Delta-T Group Detroit, Inc.
Access	Public
Type	Action
Recommended Action	Motion to approve the contract amendment with Delta – T Group Detroit, Inc. for the period of July 1, 2019 through June 30, 2020 in an amount not-to-exceed \$3,696,000.

### Public Content

#### Recommendation:

That the School Board approve an increase to the total amount of expenditures for contracted medical service providers for the period July 1, 2019 through June 30, 2020 in an amount not-to-exceed \$1,055,518 for a total expenditure not-to-exceed \$5,911,105.

#### Description and Background:

This item was recommended for approval by the Finance Sub-Committee on October 25, 2019 and the Academic Sub-Committee on October 28, 2019.

On July 16, 2019, the Board approved expenditures for contracted medical services with two providers (i) Delta-T Group Detroit, Inc. and (ii) A Quality Staffing dba Elite Medical Staffing. In total, the Board approved:

Vendor	Fiscal Year	Not-to-Exceed (NTE) Amount
Delta T Group	2019-2020	\$2,640,482
Elite Medical Staffing	2019-2020	\$2,215,105

This contract amendment would fund six additional permanent nurses through a recent grant award from Detroit Wayne Mental Health Authority as well as give the District additional capacity to bring nurses into schools or on transportation routes to address the changing medical needs of students. This will also address some initial concerns with Elite's ability to fulfill its projected staff sourcing obligations. The revised vendor allocation would be:

Vendor	Fiscal Year	Not-to-Exceed Amount
Delta-T Group	2019-2020	\$3,696,000
Elite Medical Staffing	2019-2020	\$2,215,105

### Gap Analysis:

Contracted nursing services are needed as a supplement to District nursing staff to meet the health services needs of our students at schools and, for some, in transit to and from their domicile.

At the beginning of this school year, Elite was contracted to serve in schools and Delta-T was contracted to serve on buses. However, Elite has had difficulty sourcing staff, therefore, we are requesting this increase to Delta-T's contract, in order to cover our schools as required. The District believes that increasing the amount of expenditure for Delta-T will provide greater flexibility in filling nursing staff shortages as well as give Elite enough time to address their staffing challenges. The District considered reducing Elite's contract amount but ultimately decided to maintain the amount given the possibility that an increase demand for nursing services may occur.

### Previous Outcomes:

	2016-2017 Payments	2017-2018 Payments	2018-2019 Payments
Elite Medical	\$169,268.13	\$494,591.00	\$1,796,149.33
Delta - T	\$0.00	\$0.00	\$1,607,910.16
Total	\$169,268.13	\$494,591.00	\$3,404,059.49

### Expected Outcomes:

This contract amendment would bring the total number of contracted nursing staff members across the District to 108. These staff members will utilize nursing principles to administer medications, provide direct care to students with various medical conditions in the school setting and perform basic preventative and therapeutic nursing procedures as ordered by the physician and/or delegated by the district's Registered Nurse. They will also ensure that District students receive safe and appropriate required nursing services.

### Alignment to Strategic Plan:

Whole Child Commitment

### Financial Impact:

\$5,911,105, Detroit Wayne Mental Health Authority Grant Award, Exceptional Student Education grant Funds, and Generation Education Funds

The District issued Request for Proposal #19-0002 to obtain suppliers that could provide personal and skilled nursing services to students assigned by District personnel, in accordance with physician orders and established plans of care. Fourteen suppliers responded:

- ATC (Around the Clock) Healthcare Services, LLC
- Aequor Healthcare
- Career Staff Unlimited, LLC (A Genesis Healthcare Company)
- Delta-T Group Detroit, Inc.
- EDU Healthcare, LLC
- EPN Enterprises, Inc. dba 24/7 MedStaff
- Quality Staffing, LLC dba Elite Medical Staffing
- Soliant Health, Inc.
- Southern Home Care Services, Inc dba Rescare Homecare
- Sunbelt Staffing, LLC
- Supplemental Healthcare dba SHC Services Inc.
- RCM Technologies (USA) Inc. dba RCM Health Care Services

- Vibrus Group LLC
- Worldwide Travel Staffing

The evaluation committee reviewed each of the 14 proposals based upon criteria which encompassed supplier background, experience, capability, and cost. The team selected two suppliers, A Quality Staffing dba Elite Medical Staffing and Delta-T Group Detroit, Inc., who based on their proposal strongly fit the needs of the District.

**Contact for Item:**

Name: Alycia Meriweather

Phone: 313-873-7553

Email: [alycia.meriweather@detroitk12.org](mailto:alycia.meriweather@detroitk12.org)

[Delta\\_T\\_19-0034\\_Contract\\_Mod\\_Executed 2.pdf \(198 KB\)](#)

[DTG DT Signed 19-0034 Modification 3 Supplier Signed.pdf \(265 KB\)](#)

**Administrative Content**





### Agenda Item Details

Meeting	Nov 12, 2019 - Regular Board Meeting
Category	15. Consent Agenda (Administrative Items)
Subject	15.03 Approval of Contracted Services with Payne Landscaping Inc., Premier Group Associates, and RNA Facilities Management
Access	Public
Type	Action
Recommended Action	Motion to approve the snow, and ice removal services at open and closed District owned properties with 1) Payne Landscaping Inc. through a contract renewal for an amount not-to-exceed \$1,200,000, 2) Premier Group Associates (PGA) through a contract renewal for an amount not-to-exceed \$595,000, and 3) RNA Facilities Management, in the not-to-exceed amount of \$350,000, for the period December 1, 2019 through November 30, 2020.

### Public Content

#### Recommendation:

That the School Board approve the services for snow and ice removal services at open and closed District owned properties with

- 1) Premier Group Associates (PGA) through a contract for the period of December 1, 2019 through November 30, 2020 in an amount not-to-exceed \$595,000;
- 2) Payne Landscaping Inc. through a contract for the period of December 1, 2019 through November 30, 2020 in an amount not-to-exceed \$1,200,000; and
- 3) RNA Facilities Maintenance (RNA) through a contract for the period of December 1, 2019 through November 30, 2020 in an amount not-to-exceed \$350,000.

#### Description and Background:

This item was reviewed by the Finance Committee on October 25, 2019.

RNA has been one of two facilities maintenance providers for the last two years and has continued to service 21 District schools.

The demands of snow and ice removal at District sites requires immediate services in harsh conditions, sometimes in the middle of the night, complete snow and ice clearing by specific times, a sustainable level of staffing, equipment and staff management, and 24 hour 365 day availability. As a result, the District has found it to be difficult to utilize the services of only one contractor. Even with two contractors, there were a number of call backs for noncompliance as well as delayed service, especially when snow depths exceeded four inches. It is for these reasons that we are dividing snow and ice removal servicing at District sites between three vendors for the contract period. RNA, a new addition to the snow removal vendor group, will have responsibility for the schools they manage under their existing facilities management contract.

These vendors will service all 121 active school and auxiliary locations, 22 closed properties and a limited number of vacant land parcels within the district's inventory of nearly 200 land parcels, on an as needed basis. RNA will be assigned their 21 schools for continuity and expediency. Payne Landscaping and PGA will divide the balance of District properties, with 63 and 34 locations respectively assigned.

### Gap Analysis:

Snow and ice removal is necessary for student, staff, and visitor safety. It is also defined in the City of Detroit Zoning Ordinance as a duty of all property owners citywide, with financial penalties attached to noncompliance. Generally, when the snowfall is greater than one to two inches, the use of a snow removal contractor is recommended. These service contracts allow the District to reduce slip and fall occurrences, provides external equipment and labor, and eliminates the potential for employee liabilities associated with District employees performing this work. Furthermore, the addition of a third snow removal contractor will increase the likelihood that adequate snow and ice removal will be performed at all District sites during the specified contract period.

There were several variables that were considered with regard to awarding the contracts to three vendors versus only utilizing two as done in previous years, they include, but are not limited to (1) geographical area(s) of service, (2) size of fleet and capacity, (3) previous performance (if applicable), and 4) pricing. The additional contractor, RNA, will be responsible for their schools in which they currently provide custodial and maintenance services, allowing this vendor to prove themselves in this space, while also having one vendor responsible for the majority of the school's operational functions. The addition of the third contractor allows for the vendor, PGA, to have a more centrally located and dense group of locations for service within their contract. Additionally, the vendor, Payne Landscaping, will hold the remaining contracts for the District, which have been reduced in the amount of locations to be fiscally responsible for this contract.

### Previous Outcomes:

During winter 2018-2019, Payne Landscaping and PGA provided the service of snow removal for the District. Last season was the second year of using these two firms and after balancing the contracts relative to the capacity of each, we were able to achieve acceptable levels of completeness, response times with limited call backs and noncompliance.

The previously awarded contracts included landscaping and snow removal.

Prior to the award of the aforementioned contracts for PGA & Payne Landscaping, PGA was contracted to cover Athletic Field Maintenance services, and Payne Landscaping was the single contractor that covered snow removal (refer to the table below).

<b>Payne</b>		
<b>Fiscal Year(s)</b>	<b>Scope of Work</b>	<b>Contract Value</b>
FY 2016-17	Snow Removal	\$1,591,573
FY 2017-18	Landscaping and Snow Removal	\$2,000,000
FY 2018-19	Landscaping and Snow Removal	\$2,720,000
FY 2019-20 (contracted amount)	Tree Trimming	\$240,000
Total (actual and agreed upon)		\$6,551,573

<b>PGA</b>		
<b>Fiscal Year(s)</b>	<b>Scope of Work</b>	<b>Contract Value</b>

FY 2016-17	Athletic Field Maintenance	\$122,000
FY 2017-18	Landscaping and Snow Removal	\$1,370,000
FY 2018-19	Landscaping and Snow Removal	\$680,000
FY 2019-20 (contracted amount)	Athletic Field Maintenance	\$580,000
Total (actual and agreed upon)		\$2,752,000

<b>RNA</b>		
<b>Fiscal Year(s)</b>	<b>Scope of Work</b>	<b>Contract Value</b>
FY 2018-20 Total (2-year contract amount plus total amount from a previous 10-day contract)	Facilities Management	\$19,187,246

### **Expected Outcomes:**

It is expected that the snow and ice removal services that these three companies will provide will increase student, staff, and visitor safety at District owned properties during inclement weather conditions. Further, it will keep the District in compliance with City of Detroit Zoning Ordinances and help the District to avoid potential liability issues that may arise from dangerous conditions presented by snow and ice on District properties.

All agreements will provide explicit deliverables. Payment is directly related to individual instances of specific services performed (i.e., a cost certain defined amounts of snowfall at a specific location). Invoices must demonstrate in specific line items the location, date, and type of service. The Facilities and Operations team will perform regular site visits to verify work completion prior to remitting payment.

### **Alignment to Strategic Plan:**

Responsible Stewardship

### **Financial Impact:**

<b>Landscaping and Snow Removal Companies</b>	<b>Cost</b>
Premier Group Assoc.	\$595,000
Payne Landscaping	\$1,200,000
RNA	\$350,000

**General Fund: \$2,145,000**

Bid Process: DPSCD issued Request for Proposal #20-0036-C on August 22, 2019 for Snow Removal, Stacking and Hauling. The contract term for the base year of services is November 30, 2019 through

November 30, 2020 with three (3) one-year options for renewal. There were three (3) companies; Payne Landscaping LLC, Premier Group Associates, RNA to submit bids for this service.

Contact for Item:

Machion Jackson, Assistant Superintendent of Operations

Phone: (313) 873-5623

Email: machion.jackson@detroitk12.org

[20-0071-C Snow Removal \(RNA\).pdf \(336 KB\)](#)

[20-0023-C Snow Removal \(PGA\).pdf \(338 KB\)](#)

[20-0070-C Snow Removal \(Payne\).pdf \(336 KB\)](#)

## **Administrative Content**