

RESOLUTION OF THE CITY COUNCIL

No. 483

Approved October 9, 2018

RESOLVED, That the Members of the Providence City Council hereby Authorize Approval of the following Contract Extension Award by the Board of Contract and Supply, in accordance with Section 21-26 of the Code of Ordinances.

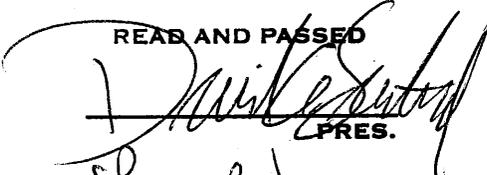
Aramark Management Services, L.P.
(School Department)

Based on CPI
(four year extension)

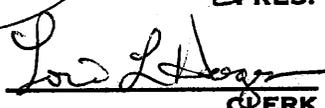
IN CITY COUNCIL

OCT 04 2018

READ AND PASSED

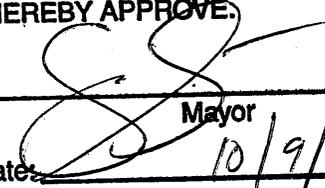


PRES.



CLERK

I HEREBY APPROVE:



Mayor

Date: 10/9/18

City Hall, Room 310
25 Dorrance Street
Providence, RI 02903
P: 401.421.7740, ext 577
F: 401.351.1056



September 12, 2018

Office of the Internal Auditor

Ms. Lori Hagen
City Clerk's Office
City of Providence
25 Dorrance Street
Providence, RI 02903

Dear Lori:

I am writing to request that the following requested contract awards be submitted to the City Council and the Finance Committee for approval:

- **Water Supply Board:**
 - Request to award **EDF Renewable Development \$18,208,039 and Klein Schmidt Associates \$200,000** for renewable energy over 20 years in accordance with Code of Ordinance Section 21-26.
- **Workforce Solutions:**
 - Request two one year extensions for **Comprehensive Community Action Program (CCAP) for \$700,000 per year** for the Workforce Investment Opportunity Act (WIOA) youth contracts in accordance with Code of Ordinance Section 21-26.
- **School Department:**
 - Request for a four year extension with **Aramark Management Services, L.P.** for the period of November 13, 2019 through November 12, 2023. Escalator for each of the extensions will be based on the CPI. The first year of the award, October 6, 2014, had a cost not to exceed **\$16,370,332** in accordance with the Code of Ordinances, Section 21-26.

Sincerely,

A handwritten signature in cursive script that reads "Gina M. Costa".

Gina M. Costa
Internal Auditor

Cc: Ricky Caruolo, General Manager, Water Supply Board
Brian Hull, Director of WFS and Community Development
Judith Petrarca, Purchasing Administrator, School Department
Al Buco, Acting Director of Public Property
Molly Hannon, Associate Director of Purchasing
James Lombardi, Senior Adviser to the City Council

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Phone: (401) 521-7477 • Fax: (401) 521-3920
COUNCIL@PROVIDENCERI.COM

JORGE O. ELORZA
Mayor

Providence Schools

Providence Public School District
Purchasing Department
797 Westminster Street
Providence, RI 02903
tel. 401.456.9264
fax 401.456.9292
www.providenceschools.org

CHRISTOPHER N. MAHER
Superintendent

September 6, 2018

The Honorable Jorge O. Elorza, Chairman
Board of Contract & Supply
City Hall
Providence, RI 02903

Dear Mayor Elorza:

On October 6, 2014 the Board of Contract and Supply awarded RFP for Facilities Management, Custodial, Maintenance and Grounds Services-5 Year Contract/Local-School Department to Aramark Management Services, L.P. in an amount not to exceed \$16,370,332.00 for the first year with the escalator for years 2-5 being CPI. The subsequent agreement allowed for 5 additional extension years.

The Providence School Department/Plant Maintenance & Operations/Local respectfully requests the Board of Contract and Supply to allow for a 4 year extension with Aramark Management Services, L.P. from November 13, 2019 through November 12, 2023. Escalator for each of the extension years will be based on CPI.

Funding is available in Local Funding. 

Respectfully submitted,


Judith Petrarca
Purchasing Administrator

MINORITY/WOMEN PARTICIPATION \$ 0 / 0 %

An Equal Opportunity Employer. The Providence School Department does not discriminate on the basis of race, age, sex, religion, sexual orientation, gender identity or expression, national origin, color, disability or veteran status. Vision: The Providence Public School District will be a national leader in educating urban youth. Mission: The Providence Public School District will prepare all students to succeed in the nation's college's and universities, and in their chosen professions.

City of Providence



Rhode-Island

Department of City Clerk

MEMORANDUM

DATE: October 6, 2014

TO: Acting Purchasing Director

SUBJECT: **RFP FOR FACILITIES MANAGEMENT, CUSTODIAL,
MAINTENANCE AND GROUNDS SERVICES-5 YEAR
CONTRACT/LOCAL – SCHOOL DEPARTMENT**

CONSIDERED BY: Board of Contract and Supply

DISPOSITION: VOTED: that the Purchasing Director be authorized to Aramark Management Services, L.P., 1101 Market Street, Philadelphia, PA 19107, low bidder, for RFP for Facilities Management, Custodial, Maintenance and Grounds Services-5 Year Contract/Local, in a total amount not to exceed Sixteen Million Three Hundred Seventy Thousand Three Hundred Thirty Two (\$16,370,332.00) Dollars for 1st Year, escalation for year 2-5 will be CPI, all in accordance with the offer of said firm submitted on July 28, 2014.

cc: Pur.Dir.
Contr
School (3)
File

Lou L. Hagen
Second Deputy City Clerk

SECOND AMENDMENT TO MANAGEMENT SERVICES AGREEMENT

THIS SECOND AMENDMENT TO MANAGEMENT SERVICES AGREEMENT (this "**Second Amendment**") is made and entered into as of October , 2018 by and between the **PROVIDENCE SCHOOL DEPARTMENT** ("District" or "**Board**"), and **ARAMARK MANAGEMENT SERVICES LIMITED PARTNERSHIP**, a Delaware limited partnership ("**Aramark**") and further amends that certain Management Services Agreement by and between District and Aramark, dated as of October 31, 2014 (the "**Original Agreement**"), as previously amended by that certain First Amendment to Management Services Agreement dated as of March 31, 2015 (the "**First Amendment**"; the Original Agreement and the First Amendment, collectively, the "**Agreement**"). District and Aramark will be referred to jointly as the "**Parties**" and individually as a "**Party**."

WHEREAS, pursuant to the First Amendment, District and Aramark set forth the terms and agreements in connection with the District's election to engage Aramark for certain additional optional alternative services as contemplated in Exhibit 5 of the Original Agreement;

WHEREAS, pursuant to Section 8(i) of the Agreement, District and Aramark desire to further amend the Agreement, including, without limitation, a supplement to the CPM Services (as defined in the First Amendment) and an extension of the term of the Agreement, subject to the terms and conditions set forth herein;

NOW THEREFORE, in consideration of the mutual covenants set forth herein, and intending to be legally bound hereby, the Parties hereto agree that the Agreement is hereby amended as follows:

1. **Extension of Term.** Pursuant to Section 2 of the Agreement, the Initial Term shall expire on November 12, 2019 and the Parties have the right to extend the Term through renewals for up to five (5) additional years (up to November 12, 2024). The Parties have agreed to exercise certain of such renewals in order to confirm extension of the Term of the Agreement to November 12, 2023 (i.e. four of the five optional renewal years). To evidence and memorialize the foregoing accordingly, the Parties agree that Section 2 of the Agreement is hereby deleted in its entirety and replaced with the following:

"2. Term; Renewals.

The term of this Agreement will begin on November 13, 2014 (the "**Commencement Date**"), and will continue for (a) an initial period of five (5) years continuing until November 12, 2019 (the "**Initial Term**") and (b) an additional period of four (4) further years commencing November 13, 2019 and ending November 12, 2023 (the "**First Renewal Term**"); it being acknowledged and agreed that the First Renewal Term shall be deemed to automatically follow expiration of the Initial Term and extend this Agreement to end date of the First Renewal Term as described above. Thereafter, this Agreement may be further

renewed upon the mutual agreement of the Parties and subject to terms agreed to by both Parties for up to one (1) additional consecutive term of one (1) year (if applicable, the "**Second Renewal Term**"). Aramark will contact the District to discuss the Second Renewal Term or expiration of the First Renewal Term not later than ninety (90) days before the date on which the First Renewal Term would otherwise end. The Initial Term together with the First Renewal Term (and the Second Renewal Term, if agreed upon by the Parties), shall be referred to herein, collectively, as the "**Term**".

2. Section 1 of the First Amendment to the Aramark contract, March 31 2015, entitled "Capital Project Management" shall be amended to add the following subsections:

(d) CPM Services Supplement.

- i. Services. The Parties agree to continue the CPM Services during the Term in accordance with the terms and provisions set forth in Section 2 (and all subsections thereof) of the First Amendment.

- ii. Additional Capital Contribution. In consideration of the terms of this Second Amendment, Aramark agrees to make a financial commitment to the District in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000.00) (the "**Additional Capital Projects Financial Commitment**") for use by the District to fund roof repairs as well as additional capital project work, and to cover the CPM Services fees. Aramark must follow standard City procurement processes (bidding, piggybacking, and the normal treatment as though Board of Contract and Supply authorization had been obtained) in its selection of a vendor to perform the roof work. The Additional Capital Projects Financial Commitment shall be amortized on a straight-line basis beginning on the date such Additional Capital Projects Financial Commitment funds are disbursed and ending on November 12, 2023. Without limitation of the foregoing, the Parties intend that Aramark fully fund the Additional Capital Projects Financial Commitment and disburse the same to the District on or about November 13, 2018. In the event that the Agreement expires or is terminated by either Party for any reason whatsoever prior to complete amortization of the Additional Capital Projects Financial Commitment (to the extent disbursed), the District shall pay Aramark, or shall cause a successor contractor to pay Aramark, an amount equal to the unamortized portion of the Capital Projects Financial Commitment (to the extent disbursed), as of the date of such expiration or termination. For purposes of clarity, the Additional Capital Projects Financial Commitment shall be in addition to, and separate from, the Capital Projects Financial Commitment set forth in the First Amendment, the terms of which remain in full force and

effect.

(e) Either party may bring in a third-party vendor to review work and inspect mechanical systems and various work orders. If normal maintenance activities would have maintained a system or facility and third party review discloses that such maintenance was not appropriately performed, the party whose responsibility it was to provide such maintenance will be liable to repair or replace the non-functional system or facility.

3. Operational Matters. The Parties hereby agree to delete Sub-sections 3(c) and 3(e) of the Original Agreement and replace the same with the following:

“(c) Joint Review. The Parties' representatives will meet on a regular basis, at least once every three weeks, to review and discuss any ongoing operational matters relevant to the Management Services under this Agreement. A Joint Review Committee ("JRC") shall be formed and comprised of at least three (3) District representatives with the authority to speak on behalf of the District with regards to maintenance, finance, and purchasing, and three (3) persons from Aramark. The purpose of the JRC will be to serve as a checkpoint for the review of:

- Performance by Aramark of the Services;
- Invoices submitted by third party vendors to Aramark which are subject to reimbursement by the District;
- Work noted by Aramark as “beyond scope” accompanied by an explanation as to why it is deemed as such (which the District reserves the right to challenge);
- Anticipated maintenance including classification of that maintenance as “Emergency,” “Urgent,” “Normal,” or “Preventative” per the categories outlined to be utilized for work orders in Exhibit 1, Section 1 “Work Orders” of this Agreement; and
- The monthly review report referenced in Exhibit 1, Section 6, Sub-section A “Monthly Joint Review” of this Agreement.

Additionally, JRC convenings will be utilized:

- To jointly determine next steps following review of the above including the utilization of District contracts, awards, and vendors; the decision to contract third-parties; consider cost-effective options; and clearly communicate timeline expectations; and
- For the submission of the data from Aramark to the District as outlined in Section 8 “General Provisions,” Sub-section C “Computer Matters” of this Agreement.

The JRC shall hold its first meeting no later than forty-five (45) days from the Commencement Date and thereafter shall have regular

meetings.”

“(e) Purchasing. Aramark shall manage and pay for all purchases of products, supplies, equipment, and services utilized in the Management Services through Aramark's purchasing program as well as City of Providence awarded contracts, and purchase orders issued for non-mechanical/electrical/plumbing and non-custodial supplies as approved at JRC convenings or otherwise in accordance with this Agreement. Aramark will at no point have the authority to authorize the use of District awarded contracts beyond the limitations approved via procurement processes in compliance with all local policies. The District is entitled to receive the benefit of all local pricing, if any, Aramark may receive from its distributors and suppliers. Aramark shall be entitled to receive and retain all cash discounts received for its early payment of invoices and all other discounts, rebates, and allowances otherwise available to Aramark under its arrangements with distributors and suppliers.

In the event of emergent circumstances where the state of facilities may be in question as it relates to threats to public health, welfare, and/or safety, a process to obtain a “notice to proceed” (NTP) may be utilized in lieu of discussion at the next scheduled JRC convening in the interest of making timely decisions. Utilizing a form pre-approved by both Aramark and the District, written approval must be sought from parties who have authority with regards to maintenance, finance, and purchasing.

In the event that Aramark pays for products, supplies, equipment, and services which are District's responsibility in order to expedite the purchase of such items, all such purchases shall be accounted for as a direct cost of operations and shall be reimbursed promptly by District. The determination to purchase such products, supplies, equipment, and services in the interest of expediting acquisition must be approved via consensus reached at JRC convenings, by obtaining written NTP from the District or as otherwise may be expressly permitted pursuant to this Agreement. Without such approval, the District will not be held accountable to reimburse Aramark for such expenses. Unless otherwise expressly stated herein, all such purchases made by Aramark to expedite purchasing shall be titled in the name of the District (using District's tax identification information) and used solely in the Management Services.

To the extent that Aramark provides products or supplies to District on a cost-reimbursable basis, Aramark is entitled to receive and retain all cash discounts and all other discounts, rebates, and allowances otherwise available to Aramark under its arrangements with distributors and suppliers.

In the event an affiliated company or division of Aramark furnishes products, supplies, equipment, or services necessary to the efficient operation of the Management Services, charges to District for such products, supplies, equipment, or services shall be competitive with the cost of obtaining such products, supplies, equipment, or services from an independent source in the open market.”

4. Agreement to Remain in Effect; Capitalized Terms. Except to the extent set forth in this Second Amendment, and as amended hereby, the Agreement shall remain unmodified and in full force and effect. This Second Amendment is hereby incorporated into and made part of the terms and conditions of this Agreement. To the extent that there is any conflict between the provisions of this Second Amendment and the Agreement, the provisions of this Second Amendment shall control. All capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement.

5. Counterparts. This Second Amendment may be executed in multiple counterparts, including, without limitation, by facsimile and electronic format, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

[SIGNATURES APPEAR ON FOLLOWING PAGES]

IN WITNESS WHEREOF, Aramark and the District have caused this Second Amendment to be signed by their respective, duly authorized representatives on the day and year set forth below.

**ARAMARK MANAGEMENT SERVICES
LIMITED PARTNERSHIP**
By its General Partner, ARAMARK SMMS LLC

PROVIDENCE SCHOOL DEPARTMENT

By: _____
Christian Dirx, Authorized Signatory

By: _____
Christopher Maher
Superintendent

Date: _____

Date: _____

Approved as to form and correctness:

Jeffrey Dana, City Solicitor