



Contracting for Pest Control Service in Public Buildings

A. Greene

Regional Entomologist

U. S. General Services Administration

Three Core Principles of Public Sector Contracting



Contracting is Law



The Principle of Fairness



Competition must be maximized



No bidder can be unfairly excluded



The Principle of Frugality



Minimum requirements only



The goal should be greatest value

The Six Principal Components of Service Contracting



Program management



Type of contract



Estimating cost



Method of award



Statement of work



Quality assurance

1. Program Management

Who will be the Integrated Pest
MANAGER?



IPM =

Integrated Procurement Mission



2. Type of Contract

 **Janitorial service or separate contract?**

 **How will the work be ordered & paid for?**

 Firm-Fixed Price

 Indefinite Delivery

Including pest control in a custodial contract makes as much sense as including elevator repair.






There is simply no relationship between the two industries.

The Firm-Fixed-Price Contract

Advantages:

-  Minimum administrative burden
-  Easiest type of contract to budget for

Disadvantages:

-  Highly inflated prices if bidders feel there are high cost risks, e.g.:
 -  Excessive monitoring/recordkeeping requirements
 -  High-cost, indeterminate specialty work included (e.g. termites, bird deterrence, wildlife trapping)

The Firm-Fixed-Price Contract

Needless (& Expensive) Clauses:



“Glue traps shall be checked weekly, with the results reported to the COR and IPM Coordinator.”



“Monthly report: the contractor shall prepare a handout, summarizing the following, for meetings with the COR, Safety/Environmental Manager, IPM Coordinator, and Facilities Manager:

PEST CONTROL ACTIVITIES

PEST SIGHTINGS

LOCATIONS WITH SPECIFIC PROBLEMS

PEST CONTROL TREATMENTS

RECOMMENDATIONS FOR OCCUPANT ACTIONS

ADDITIONAL INFORMATION PERTINENT TO IPM ACTIVITIES”

The Indefinite Delivery Contract

A contract in which service is delivered and paid for on an on-call basis is totally contrary to the IPM principle of a planned program and continuous inspection.



3. Estimating Cost

The Bad News: Not paying enough is the single most important reason for receiving mediocre pest control service.

The Good News: Pest control is the least expensive of all the building services.



3. Estimating Cost

Square Footage










vs.

Man-Hours



3. Estimating Cost:

Factors Affecting Service Price

-  **Type of structure**
-  **Size**
-  **Age**
-  **Location**
-  **Conducive Conditions**
-  **Accessibility**
-  **Clientele**

3. Estimating Cost

Standard Service Frequencies



WEEKLY: Most gov't office buildings & typical cafeterias.



BIWEEKLY: Office buildings & cafeterias in great shape.



MONTHLY: Minimum for non-sensitive warehouses.

3. Estimating Cost *Percentage Bidding*

- 1. The agency states its estimate for each building up front in the solicitation package.**
- 2. Offerors bid a percentage of these prices for all contract years: lower, higher, or net.**



The Pricing Paradox

Man-hours are the basis for
Pricing & Scheduling.

They are *not* the basis for
Payment.



4. Method of Award



Sealed Bidding (*IFB*):

Award based on price alone

VS.



Source Selection (*RFP*):

Award based on technical considerations & price

Sealed Bidding

- 😊 Quickest, simplest, most efficient award method.
- 😞 Attracts & enables bottom-feeders.
- 😞 *Many of the best firms won't bother to bid.*

Source Selection

- 😊 Permits a detailed, comprehensive evaluation of offerors' ability to deliver quality service.
- 😞 Can be cumbersome, time & effort intensive.
- 😞 *Expert-dependent.*

Basic Evaluation Criteria



Experience/Past Performance



Staff Credentials



Operating Plan



Control Procedures



Monitoring and Recordkeeping



In-House Training

The Core of the Source Selection Process:



Evaluation Factors



Evaluation Standards

Exceeds

Fully meets

Partially meets



Factor Weights

5. The Statement of Work: *Major Issues*

-  Performance vs. Prescriptive Specs
-  Included & Excluded Pests
-  Acceptable Products & Approval Authority
-  Posting/Notification
-  Monitoring & Recordkeeping
-  Action Thresholds
-  Concessions Space

Performance vs. Prescriptive



Prescriptive specs

- Procedure-focused
- Tend to become encyclopedic, cumbersome, inflexible
- More necessary with IFBs



Performance specs

- Results-focused
- May omit critical operational details
- Work better with RFPs

Included vs. Excluded Pests:

Contract With Industry



Included



Indoor populations and invading individuals of rodents, insects, arachnids, and other arthropods.



Outdoor populations of commensal rodents that are within the building's property boundaries.



Populations of mites on building exteriors that are invading inside the building.



Nests of stinging social insects within the property boundaries of the building.



Individuals of all excluded pest populations that are incidental invaders inside the building.

Included vs. Excluded Pests:

Contract With Industry



Excluded



Birds, bats, snakes, and all other vertebrates other than commensal rodents.



Termites and other wood-destroying organisms.



Outdoor populations of mosquitoes.

Included vs. Excluded Pests:

Contract With Lessor



Included



Indoor populations and invading individuals of rodents, insects, arachnids, and other arthropods.



Outdoor populations of potentially indoor-infesting species that are within the building's property boundaries.



Nests of stinging insects within the property boundaries of the building.



Birds, bats, small mammals, and all other vertebrates.



Mosquitoes.

Approved Pesticide Products

Most efficiently handled if based on *formulation*, not active ingredients, with exceptions handled on an ad hoc basis by the pest manager in consultation with the contractor.



5. The Statement of Work: *Major Issues*

-  Performance vs. Prescriptive Specs
-  Included & Excluded Pests
-  Acceptable Products & Approval Authority
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-  Action Thresholds
-  Concessions Space

Action Thresholds



A commodity-protection concept, irrelevant for nuisance, public health, or wood-destroying pests.



The threshold for non-emergency action (i.e. service frequency) is determined by *cost*.

Concessions Space



Often serviced by a separate contractor hired by the concessionaire.



If so, issues often arise as to responsibility for space above ceiling, behind walls, below floor.



If part of main contract, higher price reflects conducive conditions and scheduling issues.