

# EXECUTIVE SUMMARY

## Background:

In 2017 Denver Arts & Venues (DAV) issued an RFP for janitorial services at DAV facilities with the assistance of the GS Purchasing Division. Aramark Management Services Limited Partnership was selected for a three-year service contract, THTRS-201736911, from 1/1/2018 – 12/31/2020 with an option for two, one-year extensions through 12/31/2022. Due to the ongoing COVID-19 pandemic, both DAV and the Contractor have experienced significant disruption to anticipated activity levels related to various restrictions on mass gatherings and loss of employees due to COVID-19 furloughs and layoffs.

Pursuant to the contract, the Contractor provides services including but not limited to: cleaning and sanitation of premises; waxing, polishing and other similar work; carpet cleaning, vacuuming, and removal of litter, dirt and debris; sorting of recyclables and compostable materials; supervision of janitorial staff; equipment operation as appropriate; and snow removal at: the Denver Coliseum; Red Rocks Amphitheatre including the Amphitheatre, Visitor Center, Trading Post, parking lots, and related grounds; the Ellie Caulkins Opera House, Boettcher Concert Hall, the Temple Hoyne Buell Theater, Sculpture Park and the Galleria; the McNichols Civic Center Building.

## Current Request:

DAV is seeking City Council approval of an amendment to contract THTRS-201736911 with Aramark Management Services Limited Partnership to: address the aforementioned business interruptions until the resumption of normal activities is possible in DAV venues; add an obligation to the contract to hereinafter pay the City Minimum Wage (D.R.M.C. 20-82 through 20-84) to workers; exercise the existing two one-year extension options through 12/31/2022, and extend the term of the agreement an additional three years, through 12/31/25, for the provision of janitorial, sanitation and other facilities services at DAV facilities; memorialize sponsorship considerations from contractor during the extended term totaling \$350,000 to pay for future contractor services; and add minor scope of work changes.

- During 2020, DAV performance venues have been closed and/or operated at significantly reduced capacity to comply with public health orders and social distancing mandates.
- The viability of this contract depends upon events occurring at Denver A&V facilities.
- It is uncertain on what date performance venues in Denver will be able to resume normal activity levels.
- The ability to resume normal activities rests on factors generally outside of the City's or Contractor's control.
- In consideration of lost activity in 2020, and uncertain activity levels in 2021, Denver Arts & Venues is proposing to exercise two existing one-year extension options and extend the contract an additional three years.

- The amendment prevents opportunistic cancellation of services pursuant to Force Majeure, and helps to ensure continuity of services once normal activity levels resume.
- The amendment adds and defines the term “Health and Safety Restrictions Period.” This period began on March 13, 2020, and will continue until formal notification issued by the Director of Arts & Venues or her designee.
- The amendment prioritizes cost transparency by identifying and controlling costs prior to resumption of normal activity levels (i.e. during the Health and Safety Restrictions Period). The Contractor is required during this period to provide estimates of monthly costs and must receive written approval prior to making any purchases or deviating from cost estimates.
- The amendment adds a requirement that contractor pay the contract minimum wage to workers pursuant to D.R.M.C. 20-82 through 20-84.
- The Contractor has agreed to provide a one-time payment of \$100,000 to DAV to be paid in 2021. This payment shall be used to pay the Contractor for future janitorial expenses incurred in connection with the agreement.
- The Contractor has agreed to provide an additional one-time sponsorship payment of \$250,000 to DAV in support of operating expenses within 45 days of execution of this amendment. This payment shall be used to pay the Contractor for janitorial expenses incurred in connection with the agreement.
- The Contractor is a valued partner that has worked with the City during the COVID-19 pandemic to ensure DAV’s limited capacity activities are supported and taken steps so that it will be prepared when normal activity levels resume to continue to comply with its obligations under the contract.