



# ***COST MANAGEMENT: REAL ESTATE & MASTER PLANNING***

*INTRODUCTION BY:*

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*PRESENTED BY:*

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*Informational Only*

# COST MANAGEMENT

## JANITORIAL SERVICES



- ❑ Contract with AHI Facility Services, Inc. was approaching expiration
- ❑ Competitive bid (RFP) released on April 30, 2018
  - Supply Chain, Legal Services, Safety Team and Facilities engaged to develop RFP
  - Core Management Services provided best practices consulting
- ❑ 13 responses submitted for review
- ❑ 3 companies were short-listed and invited in for interviews/presentations
- ❑ Award was made to 4M Building Solutions based on cost, services, safety, experience and processes

# COST MANAGEMENT

## JANITORIAL SERVICES



- ❑ Awarded vendor uses an engineered approach resulting in:
  - fewer contractors required to service our facilities and
  - methodologies that will result in a cost reduction of \$900k over a 3 year term.
- ❑ Other cost reduction levers incorporated in the new agreement can provide additional savings if implemented
- ❑ Additional outreach being developed in conjunction with Corporate Communications

<b>Cost Savings</b> (\$ in millions)	
FY 2019	\$0.1
FY 2020	0.3
FY 2021	0.3
FY 2022	0.2
<b>Total</b>	<b>\$0.9</b>

**Internal / External teamwork provided a better product & reduced cost**



***Thank You***