

Contracting for Structural Pest Management Services

February 28, 2007

Call Notes

Background:

This is the first in a series of open conference calls on IPM for public agencies and other commercial facilities.

On this call, Dr. Albert Greene, regional entomologist with the US General Services Administration, presented on how to develop bid specifications and contracts and provide oversight of contractors providing structural IPM services.

Dr. Greene developed and coordinates the U. S. General Services Administration (GSA) IPM program for Federal buildings, with responsibilities including contract administration, technical policy and interagency liaison. Since 1988 he has provided urban IPM guidance to practically every major Federal agency and to dozens of states, municipalities and school systems. From 1997 to 2001 he served as Chief of GSA's Building Services Branch in Washington, D.C., overseeing programs in urban horticulture and sustainable landscape design, solid waste management and recycling and custodial services.

Green has received the White House Closing the Circle Award for environmental excellence in Government and was presented with the honorary Key to Dade County, Florida, for his efforts toward improving public health and environmental quality in the City of Miami. Al received his undergraduate degree from Cornell University, a Masters in environmental science from Washington State University and a Ph.D. in entomology from the University of Maryland.

In 2002, Green and collaborator Nancy Breisch published a ten-year summary of their results, including 90% reductions in pest complaints and pesticide use, in the Journal of Economic Entomology, Volume 95, Number 1, February 2002, pp. 1-13(13).

Participating:

Luis Agurto, Pestec

Sandra Alvey, US Army Environmental Command

Donald Baumgartner, US EPA Region V

Herb Bolton, USDA CSREES

Bart Brandenburg, Ecwise Certified

Ed Brandt, US EPA

Caroline Bragdon, MPH, NYC Department of Health and Mental Hygiene

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Terry Byrnes

Peter Chege, University of Illinois Extension

Christine Convery, B.C.E., US Army Environmental Center

Pat Copps, Orkin Commercial Services

Bill Currie, International Pest Management Institute

Jason Edens, City of Seattle, Dept. of Executive Administration and Financial Services
Gary Fish, Maine Board of Pesticides Control
Carrie Foss, Washington State University, Puyallup
David Jefferson, University of the District of Columbia Cooperative Extension
Michelle Gaither, Pollution Prevention Resource Center
Sherry Glick, US EPA
Marta Hernandez, NYC Department of Health and Mental Hygiene
Steve Hopkins, US EPA
Janet Hurley, Texas A&M
Lynnae Jess, USDA North Central IPM Center
Betty M. Lamoreau, Maine Department of Administration and Financial Services
Katie Lichtenstein, Sound Transit
Zia Mehr, Booz Allen Hamilton
Kathy Murray, Department of Agriculture, Food and Rural Resources
Michelle Niedermeier, Pennsylvania IPM Program
Scott Parker, University of California Cooperative Extension
Gretchen Pettis, University of Georgia
Steve Pincuspy, Safer Pest Control Project
Jamal Rashid, NYC Housing Authority Technical Services Department
Don Rivard, Rivard's Resources: IPM
Rachel Rosenberg, Safer Pest Control Project
Kathy Seikel, US EPA
Allison Silverman, Natural Resources Defense Council
Tina Simcich, Washington State Department of Ecology
Laura Speare, UP3 Project
Ellen Tohn, ERT Associates
Changlu Wang, Purdue University Department of Entomology
Bruce Wilkins, Agricultural Consulting/Development Services
Additional participants from EPA Region V
Additional participants from City of Seattle
Additional unnamed participants

Moderator: Tom Green, IPM Institute of North America, Inc.

Call Notes:

It's a myth that structural IPM can be delivered by contract according to Dr. Greene. The contract with the provider typically provides for inspection and monitoring, treatment (chemical and non-chemical) and advice on additional measures.

The rest of the IPM package includes planning, structural repairs and alterations, cleaning and waste management, recycling, etc. These are typically not responsibility of contractor, although a growing number of pest control companies are providing some of these services. Generally, related services that may also be offered by your contractor include cleaning gutters, drains, grease traps, trash/laundry chutes, elevator pits or surfaces (e.g., dock, dumpster, compactor areas); installation of door sweeps; minor

structural repairs; etc. and are not included in the primary contract for structural pest management.

Most pest management companies do not have the equipment or expertise to effectively provide these services. Pest detection and removal services are core competencies of the industry.

The three major requirements to specify for IPM services include:

- The service should be as safe as possible, reducing hazards from both pesticides and pests;
- as effective as possible, reducing pest complaints to an acceptable level; and
- as affordable as possible.

In addition, the service should be “politically correct”, conforming to the minimum requirements for the site environment and culture, and meeting the litmus test for IPM.

Defining IPM has always been an ideological as well as a practical issue. At a minimum, the current consensus is that IPM includes pesticide baits and/or trapping devices, and not spray applications. Crack and crevice spraying is not acceptable as a routine measure for indoors. Some exceptions include bed bugs, which are difficult to manage effectively and for which baits are not available.

This is an evolution from the IPM definition of just a few years ago when traditional pest control was defined as scheduled, untargeted spray applications to baseboards and other exposed surfaces and IPM was precisely targeted spray applications, e.g., crack and crevice. A revolution in formulations has changed that. Now effective baits are available for cockroaches and ants in particular that nearly eliminated the need for spray applications.

Facility responsibility is key. Improvements in sanitation and maintenance are almost always needed at the inception of an IPM program and also on an ongoing basis. The service provider should be recommending these strategies to reduce specific pest-conducive conditions as they are found during regular inspections, another key component that must be included in the contract.

There are six general components that should be addressed as you develop your contract:

1. Program management: Who will be responsible for oversight? This is the first step to upgrade the current program to IPM. You must decide who will be the contract manager, overseeing the contractor. Contracts don't run themselves – they are one component of the overall program. They must be run by someone competent, ideally who is in the picture as the bid specs and contract are developed, and involved in the selection process. This person will be responsible for oversight, liaison and technical decisions, and can be an in-house or outsourced individual. They must know pest management, otherwise the contract will be empty words.

2. What type of contract will you use? I.e., how will the contractor get paid? What type of contract is best? The contract type sets the basis for payment including when the contractor will be paid, what amounts and when service is scheduled. There are at least a dozen different varieties of contracts. Firm fixed price contracts are most common. They minimize the administrative burden by making it easy to calculate cost and payments. The contractor typically gets 1/12 of total price each month minus any deductions. Firm-fixed contracts do have limitations. For example, if the statement of work includes unpredictable issues such as specialized, cost-specific work including bird, termite, wildlife or other issues out of the core experience of the service provider, the contract may be perceived as too cost-intensive and result in higher bids. Excessive recordkeeping and reporting requirements can also drive up bids and costs.

Indefinite delivery contracts are the second-most common. These imply that you are only calling for service when things get out of hand and so are less compatible with IPM as a preventive approach.

3. Cost and pricing. Not paying enough is the single greatest reason for not getting good service. Even the most skilled IPM service is a drop in the bucket compared to other costs such as waste management, custodial, etc. A rate of \$60-\$70 per man hour can buy you lots of good pest control in many markets. Costs are usually not estimated on the basis of square footage but on man hours.
4. Method of award. How will you choose your provider? There are two basic ways to do this: Sealed bidding based only on price, also called invitation for bid; and enlightened path or best-value or source selection. Common wisdom is that source selection is the best method but it may not be an option if you are mandated to accept the lowest bidder. If not done correctly, source selection can deliver no better results than invitation for bid. Many of the best companies won't bother to bid under invitation for bid. They simply can't compete against less competent companies that bid very low. A limitation for source selection is that procurement staffs are being cut to bone. A good Request for Proposals (RFP) as part of source selection takes much time and effort. It's a very front-loaded process but if done well can provide great results. Be sure you have the knowledge and expertise to ask bidders the right questions and evaluate the answers. If you don't, you may get mediocre service for a premium price vs. mediocre service for a cheap price via an invitation for bid process. Experience and past performance on similar contracts are primary measures to evaluate bidders. Ideally, the company should have formal entomological training for supervisory staff.
5. Statement of work. Leave the canned ideology at home. Take out the unnecessary filler. The most serious issues are excessive requirements for contractor reporting and elaborate procedures for approving a pesticide application. Al Greene reduced pesticide use by 96% on a massive scale (100 buildings) with his approach. Limited pesticide use is still required in the average

building where all possible preventive measures won't happen. At some point you hit equilibrium where cost is too great to have more intensive preventive work. It's absolutely necessary to have informed expertise available to make decisions as issues come up that can't be fully addressed in the statement of work.

6. Finally, quality assurance – how will the contractor's work be evaluated? The best, most effective indicator is not measurement of pest numbers but declining number of service calls.

Q&A:

Boric acid dust – why is it not preferred? Broad spectrum, no resistance concerns, why not used?

Ideal use is where it will not be disturbed, say in a void where harborage might exist. But when building is renovated, “unknown white powder” could cause real problems. If you can be sure that it will never cause that situation, use it. Dusts are inherently messy. There are better alternatives. You can't apply it without complications in most situations.

How do you address the problem of contractor pesticide dependence –contractors don't know how to reduce to Al Greene's levels.

You can put some language in the contract but that's just a word in a specification. The need for competent oversight is paramount – someone who goes out with the contractor, looks at service records, etc. The more local expertise you have the better you will be. You can't manage the relationship successfully without that oversight. If try to implement IPM with the contract only, overly prescriptive specifications are required. You must have someone to run the contract – who is interested, available and knowledgeable.

How do you deal with up-front maintenance issues?

You may run into union issues with repairs. It's usually best to have your regular source do maintenance work and not the pest control contractor. Contractors typically are not competent at sealing holes in masonry or woodwork, for example.

How do you avoid the canned response, e.g., from a large company, that does not translate into good performance?

To identify the best submitter, the primary criteria should include:

- Experience, past performance
- Staff credentials, do they have an entomologist whose expertise is relevant?
- An operating plan that fits the reality of the specific situation at the site(s)
- Control procedures used, both pesticide and non-chemical
- Monitoring and recordkeeping
- In-house training

Once you finalize these criteria, you draw up standards for evaluation in advance. Your bar can be set high if you have good performers who respond to your request.

Do you ever use walk-throughs? Ask for sample IPM plan?

Al Greene always uses walk throughs of the facility to be serviced. This allows bidders to see the facility and allows the buyer to meet and observe them. The highest marks go to weekly service. Even the most expensive pest control is cheap in terms of the overall facility budget. Other building services are typically much more expensive.

How do you find the right contract manager?

Al can provide job description for pest management specialist, GS 12 level. Academic or BCE credential is highest level available.

Reporting requirements can be overwhelming – pesticide reporting can be onerous.

Level of reporting should be at minimum state requirements: e.g., material used, rate. Al has his own reporting form that he uses with contractors. The key information is:

- Where was I?
- What was the problem?
- What did I do?
- What do I recommend the facility to take action on?

That's all Al needs to evaluate performance.

Pesticide list issue, is that necessary?

Al prefers not, because detailed lists with product names go out of date. Some are very good lists, conforming to common sense. The ideal is to give the contractor some flexibility. A list of formulations is better approach, i.e., baits are ok to use and if the contractor needs to go above that, then an approval process by phone with contract manager is required.