

## Driving Performance of Grounds Maintenance Contracts in Wichita, Kansas

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*Riverside Park in Wichita, Kansas. (Photo by Wichita Parks Foundation)*

*As part of Bloomberg Philanthropies' What Works Cities initiative, the GPL provided pro bono technical assistance to help Wichita reform its solicitations for grounds maintenance and landscaping services to improve the quality of City parks while reducing costs.*

**The Problem:** In 2008, Wichita's Parks Department transitioned its internally managed grounds maintenance services to local landscaping companies in response to fiscal pressures. However, while drastically downsizing its staff by approximately 50 percent, the City did not adjust its approach to managing the contractors from how it had previously managed its own employees. The City dictated everything from activities required during each mowing cycle to worker and equipment qualifications (down to the size and lettering of branding displayed on vehicles). Additionally, in 2015, grounds maintenance bid amounts were up 30 percent over the prior year, contractors were failing to meet parks inspectors' quality standards, and City officials had received numerous complaints about the height of the grass on playgrounds and playing fields. These challenges led the Parks Department to institute a provision for punitive damages for poor performance in grounds maintenance contracts. However, performance standards were not clearly defined, contractors were fined at the discretion of Parks department staff, and had no appeals or mediation process. This further soured the relationship between the City and vendors, making collaboration difficult.

**Applying Results-Driven Contracting Strategies:** To improve the quality of City parks while reducing grounds maintenance costs, Wichita and the GPL:

- 1) **Created a tool to track performance on key indicators.** The GPL developed and tested a data collection tool that was compatible with the Android tablets ground inspectors

were using in the field. Using a Google Form, the tool enabled each inspector to drill down into areas and individual parcels they were responsible for servicing. It also gathered information on the date and time of inspection, the designated inspector, six key performance indicators (grass height, debris on site, prevalence of weeds, sidewalk edging, property damage, and sprout removal), and whether a re-inspection would be required.

- 2) **Created operational flexibility for vendors and set up a system to actively manage performance using data.** Instead of dictating inputs and activities and penalizing poor performance, the City provided vendors with more flexibility in managing the progress and completion of their tasks. The actionable data that the City now collects can be used to understand and troubleshoot problems with service delivery in real-time. Furthermore, this information can also be used to compare performance between vendors performing similar tasks and inform future procurement and contracting decisions.
- 3) **Conducted a competitive procurement to select vendors for smaller parcels based on quality of service and price.** The City decided to re-solicit grounds maintenance contracts as a competitive Request for Proposal (RFP) rather than rely completely on the lowest-bid. For the first time, the City considered past performance, vendor experience, and ability to report on key metrics as part of the vendor selection. In addition, to reduce barriers to entry and encourage competition, the Purchasing Department divided large land areas that were previously bid out into smaller parcels and reached out to vendors that had not previously bid on the City's contracts.
- 4) **Replaced punitive damages for under-performance with a bonus payment to reward over-performance.** The City replaced its contract provision for punitive liquidated damages with a 5 percent performance bonus to more effectively incentivize strong performance. Incentives were offered three times throughout the mowing season.
- 5) **Empowered contractors to take ownership of the property outcome.** Vendors submitted invoices with pictures of the completed work. This eliminated the need for City staff to perform on-site inspections.

**The Results:** Wichita increased the number of small and minority-owned businesses participating in the procurement and boosted overall competition. Specifically, the number of vendors submitting responses rose by 38 percent, and more than 95 percent of parcels had more than one bid. And with flexibility around mowing cycles and pricing structures, overall costs remained roughly the same as during the prior year. Wichita has applied the RDC approach to 11 grounds maintenance contracts that resulted from this procurement. The City has introduced a 5 percent performance bonus payment for each of these contracts. And in one contract, the City is piloting a 100 percent outcomes-based payment for a small group of parcels whereby the payment to the vendor is fully dependent on maintenance of quality standards (including grass length and absence of weeds, trash, and debris). Most importantly, residents' lives have improved as indicated by the fact that complaints to the City Manager about grounds maintenance have substantially fallen.