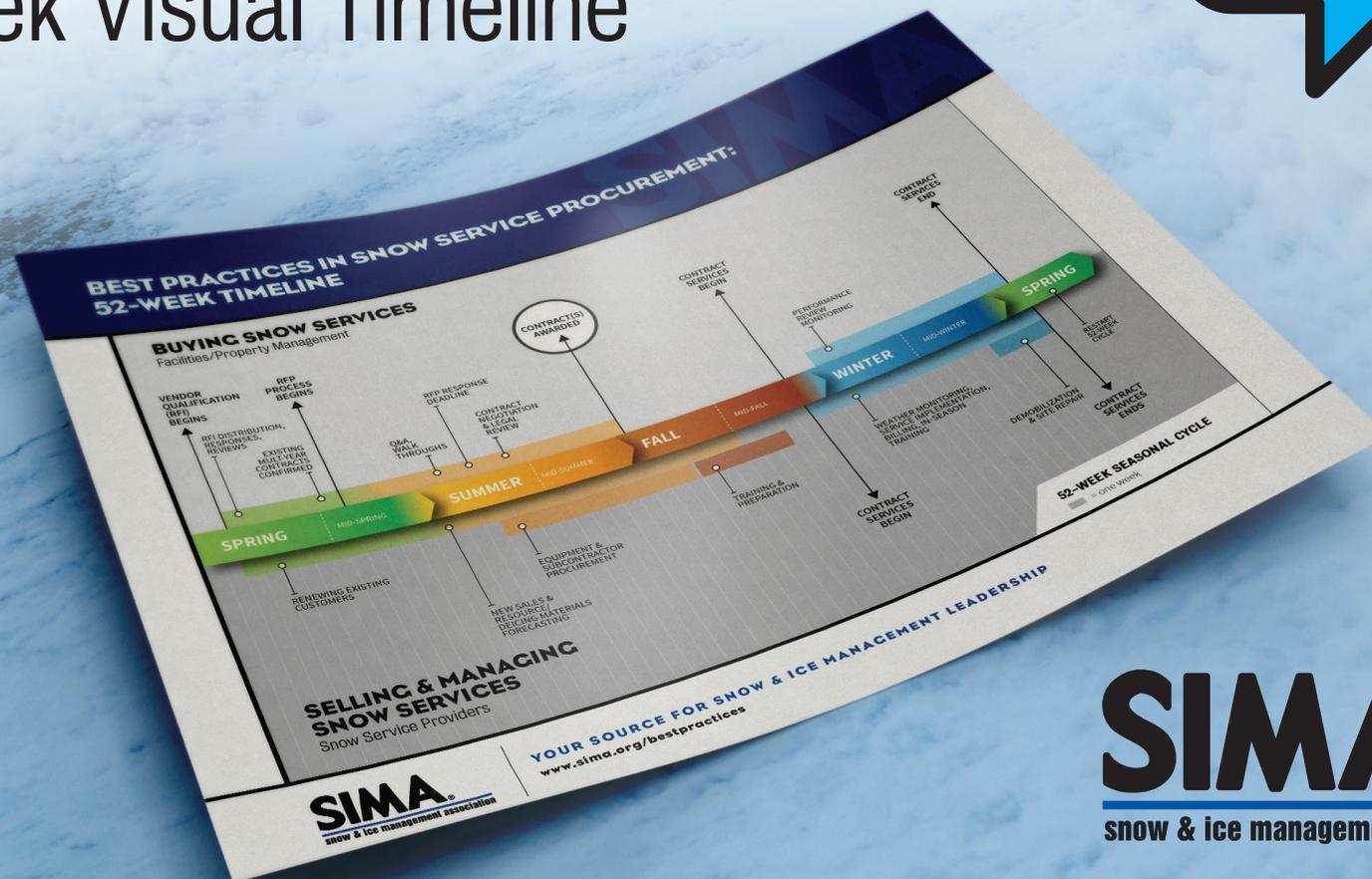
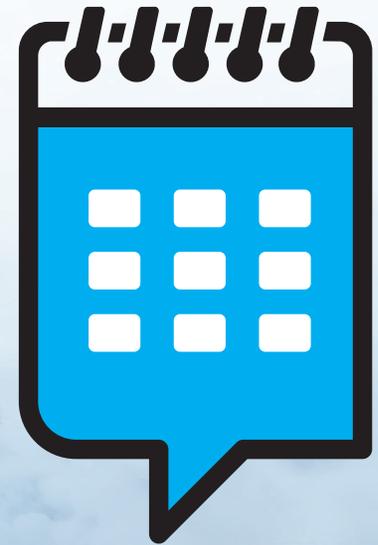


SIMA® Best Practices Creating **Common Ground**

(**New**) Snow Service Procurement:
52-Week Visual Timeline



SIMA Best Practices Oversight & Methodology

GOAL:

The timing of the snow service procurement process is chaotic and often done at the last minute. This best practices guideline will help all parties align on a general schedule that helps streamline the RFP and contract negotiation process to ensure sites are in a state of readiness before winter begins.

METHODOLOGY:

The project started in September 2015 at the SIMA Think Tank event, where facility managers and snow contractors convened and created working ideas for improving the procurement process for snow services. The concept of a visual timeline showing both the buyer and sellers points of view was discussed in detail. From there, SIMA underwent a review process that included recruiting 18 stakeholder reviewers, representing snow service providers/contractors, facility managers, deicing material supply, and equipment supply. SIMA mandated that appx. 1/3 of the stakeholders come from a facilities management background, to ensure that the finalized material represents all key parties in the procurement process for snow and ice services. Over 75 comments and recommendations from stakeholders were received and individually reviewed by SIMA, and a final draft was circulated amongst stakeholder reviewers prior to publishing.

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SIMA's Best Practices Commitment

Open Access: The timeline is available to all industry stakeholders at no cost, regardless of whether they are members of SIMA.

Education: SIMA is spearheading educational partnerships and communication programs to help all parties adopt the timeline.

Comprehensive: The timeline was reviewed by a large group of stakeholders with a mandated 1/3rd from the facilities management industry. Other stakeholder groups included snow contractors and industry materials and equipment suppliers.

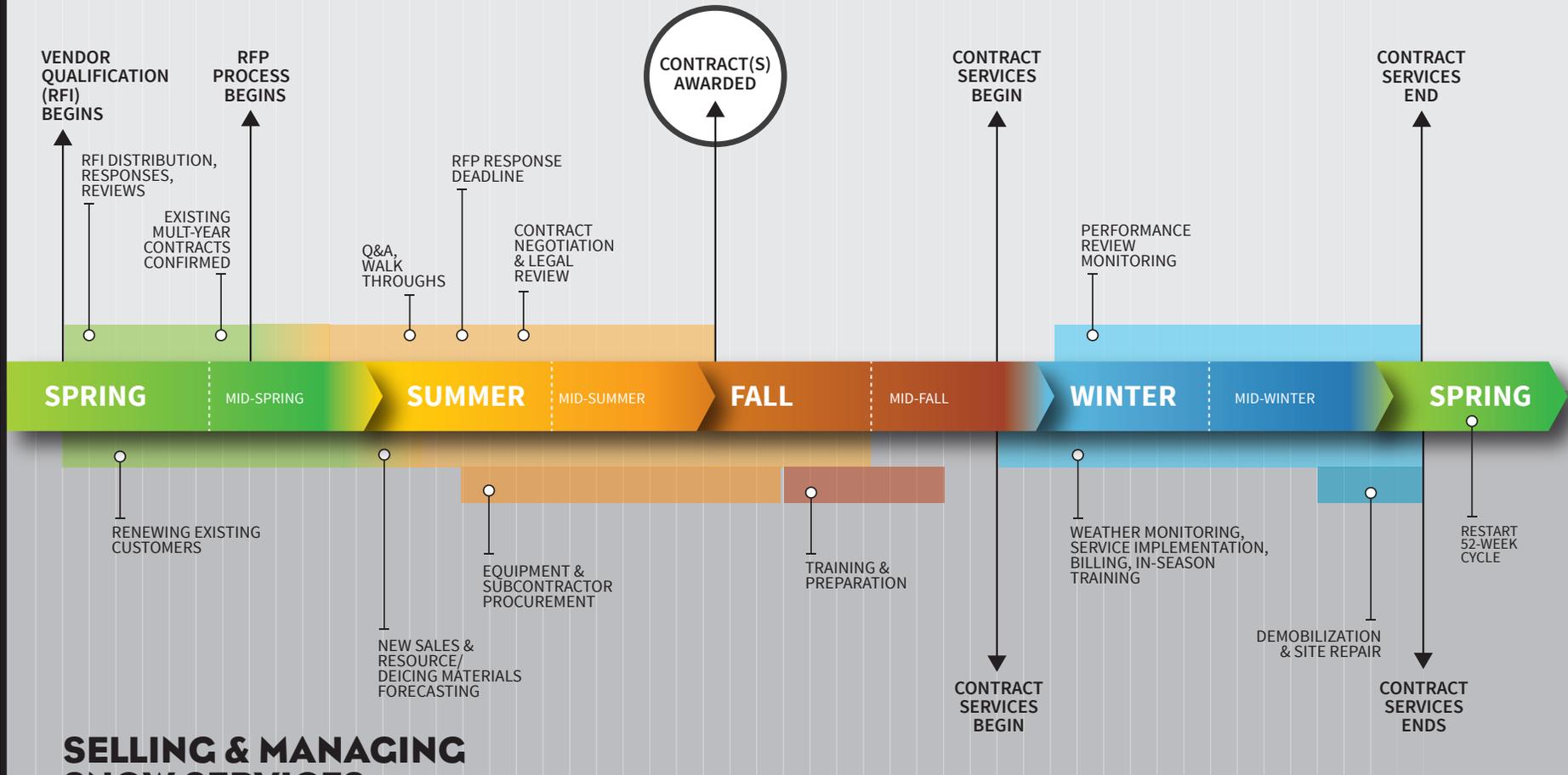
Quality Control & Transparency: The timeline is a living document, and suggestions, recommendations, or concerns can be submitted online at www.sima.org/timeline. All comments submitted to SIMA will be reviewed and vetted by a group of stakeholders.

BEST PRACTICES IN SNOW SERVICE PROCUREMENT: 52-WEEK TIMELINE

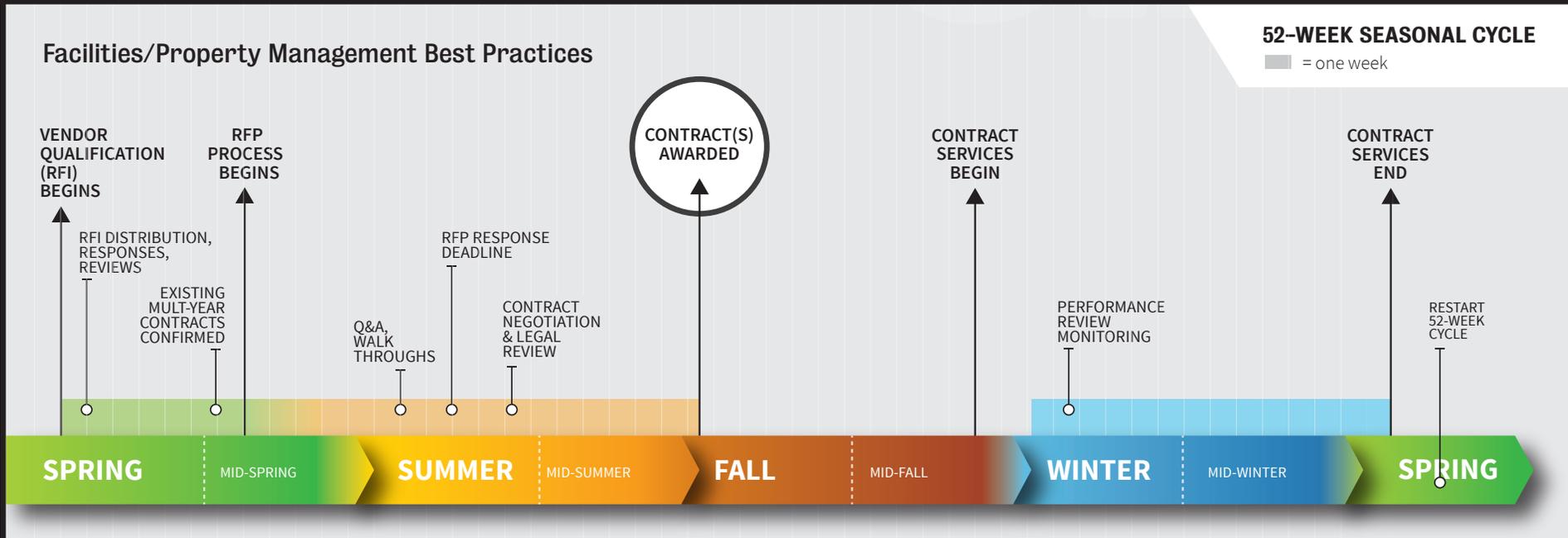


BUYING SNOW SERVICES

Facilities/Property Management



BUYING SNOW SERVICES | DETAILED TIMELINE



CONTRACT NEGOTIATIONS & LEGAL REVIEW

- Use SIMA's Snow & Ice Management Standard Glossary of Terms (www.sima.org/glossary) while finalizing snow & ice contracts to ensure clarity of specific terms.
- Ensure that both parties — the buyer and the service provider — have time to review and propose changes to any contract, with shared liability and clarity of roles in mind.
- Final contract should include a snow-specific Level of Service (LOS) that describes the expected outcome on a site(s) from the completed performance of snow and ice management services.
- The LOS can be a standalone section of an RFP or be presented in throughout the RFP.

SERVICE CONTRACT BEGINS

- Ensure contracted service begins at least 2 weeks prior to the typical start of winter in a given area, to account for early winter storms.

CONTRACT(S) AWARDED

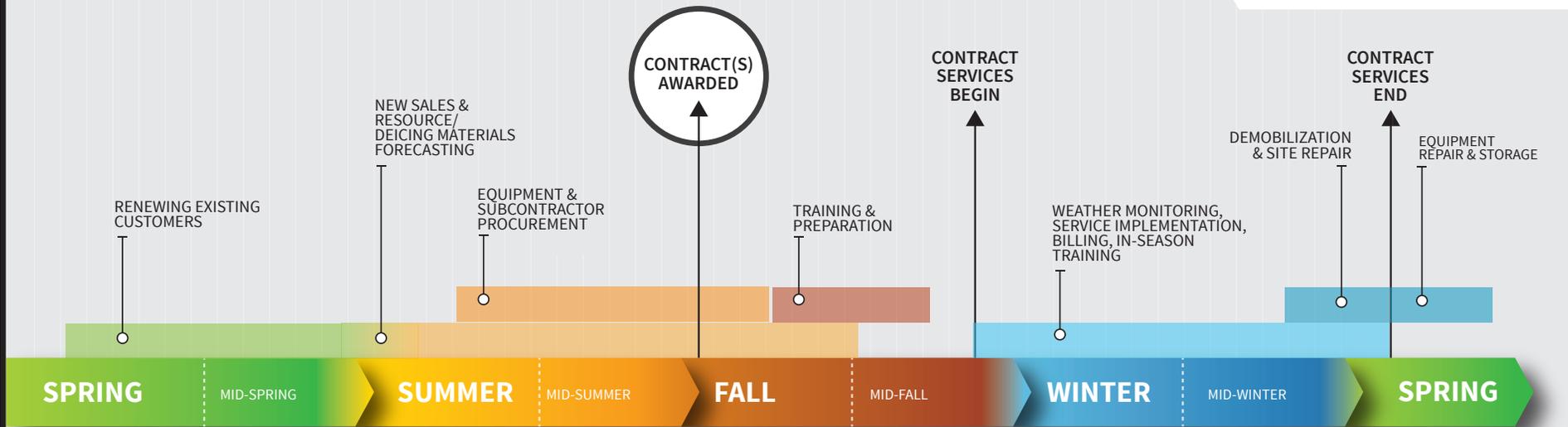
- Consider a minimum 3-year contract with exit clause for both parties. This will help ensure consistency and account for potential weather volatility in a given season.
- Award contracts no later than the start of fall. A good rule of thumb is prior to September 1. Ideally contracts are awarded in late summer to account for the need for significant sourcing needs of snow service providers (subs/materials/equipment).

SELLING SNOW SERVICES | DETAILED TIMELINE

Snow Service Provider Best Practices

52-WEEK SEASONAL CYCLE

■ = one week



EQUIPMENT, MATERIALS & LABOR PROCUREMENT

- Recommended that service providers consider committing 50-75% of required deicing material supply for toward the end of summer. This can help secure supply and manage costs.
- Labor-specific items to address include hiring, recruiting subcontractors, training, and orientation; insurance coverage (workers' compensation, subcontractor certificates of insurance, etc.); promotions/wage increases changeovers; and defining staff and management roles.

DEMOBILIZATION/SITE REPAIR

- Demobilization and site repair should end when the contract service date ends, prior to a new procurement cycle.

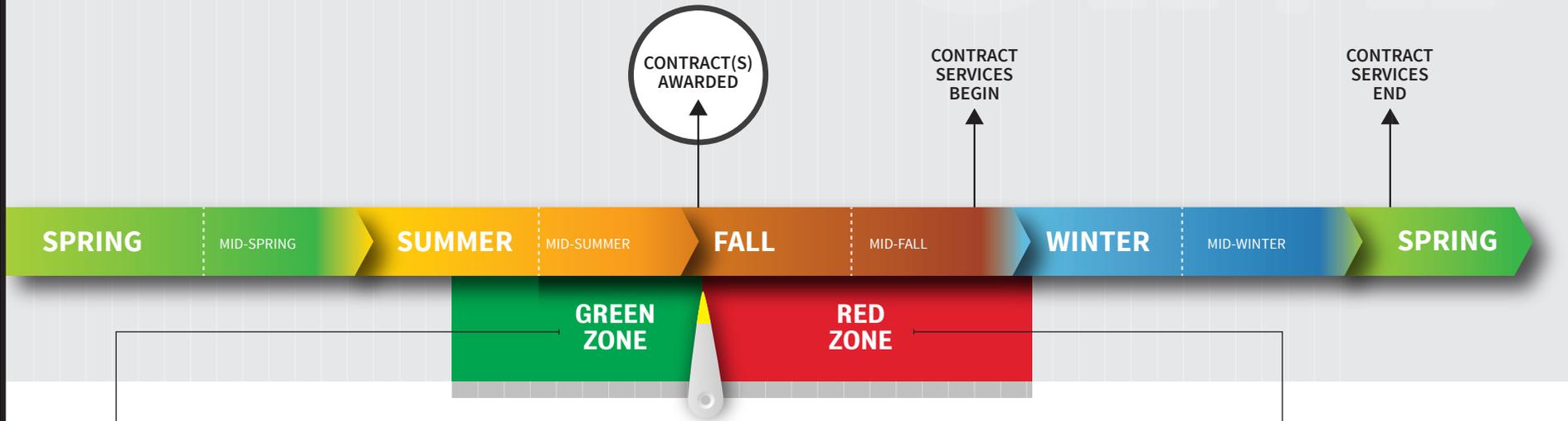
CONTRACT NEGOTIATIONS & LEGAL REVIEW

- Any signed agreement should include a clause that the service provider will inspect the site and document any existing damage for which their company is not responsible.

TRAINING & PREPARATION

- This should include site inspections, finalizing site engineering plans, snow staking, route building and documentation, equipment staging (prior to contract start), preseason safety and refresher training, dry runs/equipment rodeos, seasonal kickoff meetings, subcontractor meetings, etc.

CONTRACT AWARD DATE RISK METER



GREEN ZONE Contract Award Date from Mid-Summer to Start of Fall

RED ZONE Contract Award Date from Start of Fall to Start of Winter

PROS:

- Majority of quality providers will have production capacity and be able to put forth a proposal.
- Allows time for service providers to effectively and efficiently procure needed resources (equipment, materials, subcontractors, and labor). Earlier procurement helps service providers avoid supply chain issues/delays, demand-based price fluctuations, etc.
- Provides time for post-award site inspections, site prep (staking, mapping), equipment staging, and more.
- Positions the purchaser in a proactive procurement methodology for a risk-prone service.

- Accounts for necessary time required to finalize service outcomes and negotiate contract terms.

CONS:

- Requires shifting procurement process to start in early spring.
- Must communicate effectively with any departments to maintain proper timing of legal reviews, procurement reviews, budgets, etc.

PROS:

- Allows for more time to manage procurement process and any associated delays
- Convenient for sites where service quality and efficiency is not critical (e.g. empty parking lot, low priority sites, low traffic or vacant, etc.).

CONS:

- May increase the chance of inaccurate or rushed proposals/pricing by service providers or regional/national service brokers.
- Most quality service providers will have sold the majority of their production capacity and may not submit a proposal, which narrows the buyer's pool of qualified service providers.
- Opens the service provider up to potential logistical/supply issues related to procuring

proper equipment and deicing materials (e.g. limited availability, delivery delays, cost increases, etc.).

- May increase the possibility of buyer's site(s) being added to an existing route vs. being part of the initial route allocation, creating potential service limitations.
- May increase potential for new/unvetted subcontractors or operators to be hired to meet the demand of increased capacity late in the season.
- Places purchaser in a weaker negotiating position as winter approaches.
- May create a situation where site(s) are not under contract for early winter storms, increasing liability concerns, site access, and safety issues.

In Appreciation

Thank you to all the individuals who helped contribute as stakeholder reviewers in the process, as follows:

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