

AGENDA ITEM NO.
<u>COUNCIL MEETING 10/02/07</u>
APPROVED BY

DEPARTMENT DIRECTOR
CITY MANAGER

*for*

October 2, 2007

FROM: RANDALL L. COOPER, Director  
Parks, Recreation and Community Services Department

  
KENNETH A. NERLAND, Director  
General Services Department

BY: FORREST DEAN, Parks Manager   
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Parks, Recreation and Community Services Department  
  
DOUG DOW, Facilities Manager  
GSD/Facilities Management Division

SUBJECT: 1) REJECT ALL BIDS FOR LANDSCAPE MAINTENANCE SERVICES AT CITY HALL AND SANTA FE DEPOT RFP 8901

2) REQUEST THE AUTHORIZATION FOR THE PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT TO LEASE-PURCHASE A TRUCK FOR THE MAINTENANCE OF CITY HALL AND SANTA FE DEPOT USING THE CITY'S MASTER LEASE AGREEMENT

KEY RESULT AREA            Customer Service

**RECOMMENDATIONS**

Staff recommends that the City Council reject all bids for a three-year requirements contract with two one-year extensions for landscape services at City Hall and the Santa Fe Depot, and that these services be performed by Parks Division staff, and that the Council authorize the lease-purchase of a truck (to be used for Parks Division maintenance of the properties) using the City's Master Lease Agreement.

**EXECUTIVE SUMMARY**

The Parks, Recreation and Community Services (PRCS) and General Services Departments recommend rejecting all bids for maintenance services of City Hall and the Santa Fe Depot, and that these services be performed by Parks Division staff at the end of the current contract period. The current landscape maintenance contract for City Hall and the Santa Fe Depot provides for

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maintenance of these properties in which the current contractor is only required to provide minimal service except on the mowing day. This has led to many problems including untimely response to maintenance of the City Hall south parking lot, and irrigation issues such as: repairs, water schedules, and plant material replacement. In many instances, Parks Division staff has been performing repairs in the absence of a timely response from the contractor.

Facilities Management staff also support the Parks staff in their desire to take on this maintenance responsibility. The Parks Division is very familiar with the maintenance requirements of the two properties as they currently oversee the maintenance contract, and direct the contractor as to what repairs are needed and what complaints need to be addressed. The Parks Division estimates that it will cost \$76,343 annually to maintain the two properties, which is more competitive than all received bids due to the seven-day a week availability of the Downtown/Civic Center maintenance crew and the ability to perform a majority of maintenance activities in-house. The result will be high quality landscape customer service and same-day service for maintenance issues.

The Parks Division can provide two temporary employees for a total of 56 hours per week so that the facilities would have seven-day coverage. These employees would be added to the Parks Division's existing Downtown/Civic Center maintenance crew, which would enable the crew to respond to any complaints/concerns in a timely matter, including 'blitzing' the two properties during high maintenance periods if need be. The improved coverage will also significantly improve problem areas such as maintenance of the south lot at City Hall.

<b>Parks Division Est. Cost</b>	<b>City Hall</b>	<b>Santa Fe Depot</b>
Staff Cost	\$ 45,282	\$ 3,130
Chemicals & Supplies	2,602	300
Tools & Equipment	14,486	600
<u>Overhead</u>	<u>9,341</u>	<u>602</u>
<b>Annual Totals</b>	<b>\$ 71,711</b>	<b>\$ 4,632</b>

**KEY OBJECTIVE BALANCE**

Rejecting all bids for landscape maintenance at these two facilities and bringing the service in-house will improve customer satisfaction because City Hall and Depot will have timely seven-day coverage for any maintenance issues. Employee Satisfaction will also be improved as the Downtown/Civic Center maintenance crew takes a lot of pride in their work, and the addition of these two highly visible properties would elevate the profile of the crew and the Parks Division as a whole. From a financial viewpoint, Parks Division maintenance of these properties is more cost effective as many of the maintenance activities that would be charged as special jobs under the current contract will be performed as a base level of service.

## **BACKGROUND**

This requirements contract provides for daily, weekly maintenance landscape services at City Hall and Santa Fe Depot, maintenance consists of mowing, edging, tree trimming, fertilizing, irrigation repairs, litter control and replacement of plant material when necessary. The Request for Proposal (RFP) process resulted in submissions from four proposers. Of the four proposers Grover Landscape Services submitted the lowest cost in the amount of \$63,000 for routine services.

This proposer conformed to all the RFP requirements, however, Grover charges for unscheduled services, and hourly rates and positions for these services are tremendously high. This supplier services City Hall and the Depot on the current contract, and has provided questionable and inconsistent service along with high charges when unscheduled services are required. Based upon these factors, the RFP evaluation committee recommended the award of the contract to Clean Cut Landscape in the amount of \$72,912. Adding in the 15% overhead charge the Parks Division currently charges Facilities to manage and oversee the contract, this bid amount is approximately \$7,500 more than the Parks Division estimate with a lesser degree of coverage and availability. The current contract with Grover expired August 31, 2007, however has been extended temporarily to complete the RFP process.

A Notice Inviting Proposals was published in the Business Journal on May 18, 2007, and posted on the City's website. The specifications were distributed to ten prospective proposers. Four proposals were received and opened in a public opening on June 14, 2007. Proposal prices ranged from \$63,000 to \$84,582, not including the Parks Division overhead charge to manage and oversee the contract.

## **FISCAL IMPACT**

Funding for City Hall and Depot landscape maintenance is included in the FY 2008 General Services Department, Facilities Management Division Budget. PRCS will bill Facilities Management on a quarterly basis for maintenance services based upon actual expenses for the billing period, not to exceed the annual amount of \$76,343. Factoring in Parks Division overhead to manage and oversee the contract, this annual amount is approximately \$7,500 lower than the recommended bidder. Consistent with the current contract, services such as high-level tree trimming or major irrigation repairs will be billed separately.

The first payment for the lease purchase of the truck will be due in FY 2008, with funding for the on-going lease payments to be included in the FY 2009 budget. The total capital amount to be financed is not to exceed \$23,000 over a three-year lease term, with annual lease payments not to exceed \$8,600. The lease payment and operations/maintenance cost of the truck has been included in the annual cost estimate for the properties, and will be billed to Facilities via the inter-department maintenance service agreement.

Attachment: Landscape Maintenance Cost Estimate of City Hall and Santa Fe Depot



## Landscape Maintenance Cost Estimate City Hall & Santa Fe Depot

Description		Annual Cost
Leadworker/Irrigation Spec- Step B @ 17.49	4 Hrs	\$ 3,638
Permanent fringe		830
2 PMW I temps-Step A @ 13.04	58 Hrs	39,329
Temp fringe		3,933
1 full size 1/2 ton pick up - Lease Term 3yrs		9,886
Hand Tools, rakes, shovels, loopers, edger blades, etc		400
1 edger		600
1 Back pack blower		450
1 hedge trimmers		600
1 string trimmer		350
1 power pole saw		600
Fuel		1,500
Round-up	10 gal	500 50 per gal
Surflan	15 gal	1,020 68 per gal
Fertilizer	1500 lbs	750 25 per 40 lb
Irrigation Supplies		2,000
<b>Total Annual Cost</b>		<b>\$ 66,385</b>
Add: 15% Overhead		9,958
Total Annual Contract		76,343

Recommended Bidder - Clean Cut Landscape	\$ 72,912
Parks overhead to manage/oversee contract - 15%	10,937
<b>Total Clean Cut (Contractor Cost to the City)</b>	<b>\$ 83,849</b>
<b>Less: Parks Division Estimate</b>	<b>76,343</b>
<b>Difference</b>	<b>\$ 7,506</b>