

# Agenda Report

March 17, 2014

**TO:** Honorable Mayor and City Council

**FROM:** Department of Public Works

**SUBJECT: CONTRACT AWARD TO MERCHANTS LANDSCAPE SERVICES, INC. FOR LANDSCAPE MAINTENANCE SERVICE IN AREA I FOR AN AMOUNT NOT TO EXCEED \$383,764, TO VALLEYCREST LANDSCAPE MAINTENANCE FOR LANDSCAPE MAINTENANCE SERVICE IN AREA II FOR AN AMOUNT TO EXCEED \$433,224, AND REJECT ALL BIDS FOR LANDSCAPE MAINTENANCE SERVICE IN AREA III**

**RECOMMENDATION:**

It is recommended that the City Council:

1. Acknowledge the project (Contracts for Landscape Maintenance) to be categorically exempt under Section 21084(a) of the California Environmental Quality Act of 1984 in accordance with Article 19, Section 15301 (Class 1), Subsection (h) of the Guidelines (maintenance of existing landscaping) and authorize the City Clerk to file a Notice of Exemption for the project with the Los Angeles County Clerk;
2. Accept the bid dated February 26, 2014, submitted by Merchants Landscape Services, Inc. in response to the Notice Inviting Bids for the Landscape Maintenance Service in Area I, and authorize the City Manager to enter into such contract as is required for an amount not to exceed \$383,764 over a three-year period. This contract will have an option of two one-year terms not to exceed \$127,921 per year, renewable at the discretion of the City Manager, for a total contract length of five years;
3. Accept the bid dated February 26, 2014, submitted by ValleyCrest Landscape Maintenance in response to the Notice Inviting Bids for the Landscape Maintenance Service in Area II, and authorize the City Manager to enter into such contract as is required for an amount not to exceed \$433,224 over a three-year period. This contract will have an option of two one-year terms not to exceed \$144,408 per year, renewable at the discretion of the City Manager, for a total contract length of five years; and
4. Reject all bids dated February 26, 2014 in response to the Notice Inviting Bids for the Landscape Maintenance Service in Area III.

**BACKGROUND:**

The City of Pasadena maintains more than 800 acres of park land, median islands, and other landscape sites. To supplement the current work force, the City utilizes the services of a private contractor to provide landscape maintenance service at 135 City locations, including six library branches, four City-owned parking lots, 57 traffic and median islands, business parking lots sites, 57 Department of Water and Power sites, and 11 City parks. In total, this contract will maintain 135 sites throughout the City. The City has used contract services to assist in the landscape maintenance of City locations for approximately 20 years.

On January 31, 2011, the City Council awarded the current landscape maintenance contract for maintenance at City parks, libraries, water treatment plants, water wells, and parking lots to Merchants Landscape Services. At that time, the City Council commented that bidding these sites as one large-scale contract might adversely impact smaller businesses' ability to bid on landscape maintenance opportunities. To encourage smaller companies to bid on these maintenance locations, the Department of Public Works divided this Citywide contract opportunity into three smaller contract service areas. The contract specification indicated that the contract for each service area would be awarded to the lowest responsible bidder, allowing the contract to be awarded separately or as one contract for all three areas.

Contract Break Down:

- Area I – 11 City parks, two pocket parks, one joint-use school site and one median island
- Area II – 42 median islands, six library branches, and 14 other landscape sites
- Area III – 57 water treatment plants, water wells, reservoirs, and booster stations

On February 6, 2014, a Notice Inviting Bids was published in *The Pasadena Journal* and posted on the City's web page. Following advertising, bids were received on February 26, 2014, and are as follows:

Bidder - Area I	Monthly Amount (\$)*
1. Merchants Landscape Services Inc., Santa Ana	\$9,691.00
2. ValleyCrest Landscape Maintenance, San Fernando	\$11,910.00
3. Mariposa Landscape Inc., Irwindale	\$12,122.00
4. Midori Gardens, Santa Ana	\$16,410.00
5. BMC Landscaping, Westlake Village	\$18,803.21
6. Parkwood Landscape Maintenance Inc., Van Nuys	\$23,133.00

\* Actual contract award includes an annual 10% contingency amount.

<u>Bidder – Area II</u>	<u>Monthly Amount (\$)*</u>
1. ValleyCrest Landscape Maintenance, San Fernando	\$10,940.00
2. Merchants Landscape Services Inc., Santa Ana	\$14,071.00
3. Mariposa Landscape Inc., Irwindale	\$14,235.00
4. Parkwood Landscape Maintenance Inc., Van Nuys	\$15,922.00
5. BMC Landscaping, Westlake Village	\$21,639.00
6. Midori Gardens, Santa Ana	\$21,748.00

*\* Actual contract award includes an annual 10% contingency amount.*

Bids were evaluated based on the lowest grand total price submitted for each landscape service area. For Area I, Merchants Landscape Services Inc., who is the current contractor, was the lowest responsive bidder that met all of the required specifications. For Area II, ValleyCrest Landscape Maintenance was the lowest responsive bidder that met all of the required specifications

The Department of Public Works recommends that the City Council authorize a contract for an amount not-to-exceed \$383,764 representing an annual cost of \$127,921 to Merchants Landscape Services for landscape maintenance services in Area I for three years from the date of execution. Additionally, the Department recommends that City Council authorize a contract for an amount not-to-exceed \$433,224, representing an annual cost of \$144,408 to ValleyCrest Landscape Maintenance for landscape maintenance services in Area II for three years from the date of execution.

Both contracts may be extended for a period of up to two additional one-year periods, totaling an amount not to exceed \$544,658, subject to the approval of the City Manager.

With respect to Area III, three out of the nine bidders did not comply with the bid specifications for landscape maintenance in this area, which states that each bidder must bid on all the items stated in the bidder's proposal. Per Section 6.0 – Bidder's Proposal, failure to bid on all items deems the bids as non-responsive. The rejection of all bids for landscape maintenance service in Area III will allow staff to revise the bid specifications, re-bid this contract, and yield a greater number of responsive bids.

**COUNCIL POLICY CONSIDERATION:**

This project is consistent with the City Council's goals to improve, maintain and enhance public facilities and infrastructure, support and promote the quality of life and local economy, and ensure public safety.

**ENVIRONMENTAL ANALYSIS:**

This project is categorically exempt from the provisions of the California Environmental Quality Act of 1984 in accordance with Article 19, Section 15301 (Class 1), Subsection (h) of the Guidelines (maintenance of existing landscaping).

**FISCAL IMPACT:**

The cost of these contracts is \$816,988 and the total cost of this action will be \$846,988. Funding for this action exists within the budgeted appropriations in the Parks and Natural Resources Division Operating Budget (budget account 8114-101-765100). It is anticipated that all of the costs for these three-year contracts will be spent over the next four fiscal years. There are support costs such as contract administration and site inspections which are already included in the operating budget.

The following tables represent a summary for each contract.

Landscape Maintenance – Area I

Base Contract	\$ 348,876
Contingency	\$ 34,888
Contract Administration/ Inspection	\$ 15,000
<b>Total Fiscal Impact</b>	<b>\$398,764</b>

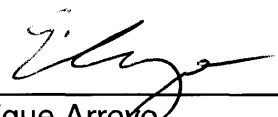
Landscape Maintenance – Area II

Base Contract	\$ 393,840
Contingency	\$ 39,384
Contract Administration/ Inspection	\$ 15,000
<b>Total Fiscal Impact</b>	<b>\$448,224</b>

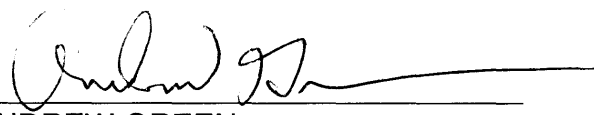
Respectfully submitted,

  
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SIOBHAN FOSTER  
Director of Public Works

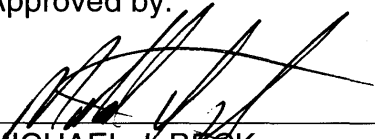
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