



CITY COUNCIL AGENDA REPORT

MEETING DATE: SEPTEMBER 19, 2006

ITEM NUMBER:

SUBJECT: CITY WIDE LANDSCAPE AND TURF MAINTENANCE CONTRACT – PARKWAYS, MEDIANS AND FIRE STATIONS

DATE: SEPTEMBER 11, 2006

FROM: PUBLIC SERVICES DEPARTMENT – MAINTENANCE SERVICES DIVISION

PRESENTATION BY: WILLIAM J. MORRIS, PUBLIC SERVICES DIRECTOR

FOR FURTHER INFORMATION CONTACT: BRUCE HARTLEY, 714-754-5123

RECOMMENDATION

1. Award Formal Bid Item No. 1101, for a two-year Landscape and Turf Maintenance - Parkways, Medians, & Fire Stations contract, with four one-year optional renewals, to TruGreen Landcare, Inc., 1150 West Trenton Avenue, Orange, CA, in an amount not to exceed \$168,526.20 for the first year, and in amount in each of the subsequent years that does not exceed the initial term amount plus an adjustment for cost increases (if requested), as recommended by the Purchasing Division and approved by the City Manager.
2. Approve the attached budget adjustment BA# 07-019 in the amount of \$120,804.00 from undesignated funds to provide necessary funding for the provision of landscape and turf maintenance at various City facilities. See Attachment 1.
3. Authorize the Mayor and the City Clerk to execute the Professional Services Agreement and to authorize the City Manager to approve optional contract renewals after the initial two-year term. See Attachment 2.

BACKGROUND

On November 18, 2005, City Council awarded a three-year contract in the amount of \$238,608 annually, to Merchants Landscape Services, Inc. for the maintenance of turf and landscaped areas including: City parks, athletic fields, street medians, parkways and City facility landscapes.

On July 20, 2006, after less than seven (7) months on the job, Merchants Landscape Services, Inc. submitted formal notice to the City, exercising their legal ability to terminate the contract with the required notice. The City's Maintenance Services and Purchasing Divisions quickly coordinated to prepare specifications and re-advertise for bids. The new specifications split the work into two contracts for landscape maintenance to provide the City greater insurance against a contractor terminating the contract, resulting in a period of time without service to City facilities. With two specifications and a restriction that a contractor could only be awarded one area of work, the work that was previously completed by one contractor could now be awarded to two separate companies.

A "Notice Inviting Bids" was advertised in publications, sent to qualified vendors whose names were on the City's vendor list, and other vendors requesting to be included in the competitive process. Twenty six prospective bidders were notified. The "Notice Inviting Bids" was published in the Daily Pilot, posted on the public bulletin board at City Hall, and on the City's web site. A mandatory pre-bid informational meeting was held August 10, 2006 at 8:00 a.m. at the Corporate Yard. Ten vendors participated in the mandatory pre-bid meeting. On August 28, 2006, the Deputy City Clerk received, opened and read four bid submittals for the maintenance of parkways, medians and fire stations.

ANALYSIS

Of the four bids received, one company, Mariposa Horticultural Enterprises, Inc. submitted a formal request to withdraw their bid. After consulting the City Attorney's Office, the request was approved. The next lowest bid was submitted by TruGreen Landcare, Inc. in the amount of \$168,526.20. This price consists of monthly charges for three basic service areas including Parkways, Medians and Fire Stations. The bid includes pricing for additional work that may be required during the contract.

Bid #1101 – Parkways, Medians and Fire Stations – Annual Contract Bid Price

***Mariposa Horticultural Enterprises, Inc.	\$156,986.00
TruGreen LandCare	\$168,526.20
SpectrumCare	\$213,192.00
Azteca Landscape	\$248,761.20

***Bid withdrawn at request of contractor with City approval.

Staff completed reference and license verification. TruGreen Landcare, Inc. has the required California State Contractor's License and the required pesticide licenses to complete the terms of the contract. Business references from other agencies were verified to insure the company could provide the quality work required, and that they have successfully performed similar services locally.

ALTERNATIVES CONSIDERED

1. The City could hire additional staff and purchase additional equipment to provide the labor and resources necessary to perform the desired landscape maintenance services. However, the Public Services Department has consistently found contracting for turf and landscape maintenance services to be more cost effective than performing the services in-house.
2. The City could re-advertise the specifications to solicit new bids. However, Staff believes that action would result in higher bid prices than those received.

FISCAL REVIEW

The previous contract cost for landscape maintenance services was included in Public Services Department FY 2006-07 Budget. However, the increase costs reflected in the bids received exceeds the budgeted funds by \$120,804.00. Staff requests a budget adjustment in the amount of \$120,804.00 to fund the increase in contract costs.

LEGAL REVIEW

The City Attorney's office has reviewed and approved the attached Professional Services Agreement as to form.

CONCLUSION

The competitive bid process has identified the lowest available pricing for the landscape maintenance of City parkways, medians and fire stations. Although exceeding the previous budget for these services, Staff recommends that City Council award Formal Bid Item No. 1101, for a two-year Landscape and Turf Maintenance - Parkway, Medians & Fire Stations contract, with four one-year optional renewals, to TruGreen Landcare, Inc., 1150 West Trenton Avenue, Orange, CA, in an amount not to exceed \$168,526.20 the first year and to authorize the Mayor and the Deputy City Clerk to execute the Professional Services Agreement.

MARC R. PUCKETT
Finance Director

WILLIAM J. MORRIS
Public Service Director

DEBORAH DOBROTT
Purchasing Supervisor

BRUCE HARTLEY
Maintenance Services Manager

Attachments:	1.	Budget Adjustment #07-019
	2.	Professional Services Agreement

Distribution: City Manager
City Clerk