



CITY COUNCIL AGENDA REPORT

MEETING DATE: JANUARY 20, 2009

ITEM NUMBER:

SUBJECT: AWARD OF FORMAL BID ITEM NO. 1127 FOR A THREE YEAR PESTICIDE APPLICATION AND RODENT CONTROL CONTRACT

DATE: DECEMBER 12, 2008

FROM: PUBLIC SERVICES DEPARTMENT – MAINTENANCE SERVICES DIVISION

PRESENTATION BY: PETER NAGHAVI, PUBLIC SERVICES DIRECTOR

**FOR FURTHER INFORMATION CONTACT: DEAN RODIA 714/327-7492 OR
DEBBIE CASPER 714/754-5212**

RECOMMENDATION:

1. Award a contract for the pesticide application and rodent control services per Formal Bid 1127 to RPW Services Inc., 2473 E. Orangethorpe Avenue, Fullerton, California, 92831. The term of the contract is three years with the option of renewing for three additional one-year extensions with the expenditure amount not to exceed \$82,000.00 per year.
2. Authorize the Mayor and the City Clerk to execute the Professional Services Agreement for the contract.
3. Authorize the City Manager to sign for any justified rate increase to the contract within his signing authority and to extend the contract for three additional one-year terms upon recommendation from the Public Services Department.

BACKGROUND:

On June 21, 2005, the City Council awarded a three-year contract to RPW Services Inc. for pest control application and rodent control in the amount not to exceed \$52,000 per year. Within the three year contract additional areas of care and frequencies were added to cover streets, alleys and right-of-ways. This brought the contract expense to \$88,560 per year. The contract ended June 30, 2008. The contract renewal was extended through December 31, 2008 with a not to exceed amount of \$41,500.00 for the additional term. However, due to the increase in cost and significant change in the scope of work resulting from additional sites being added, it was suggested by the City Attorney's office that the contract be rebid.

Public Services staff provided the scope of work for this contract which includes control of weeds and other unwanted vegetation in parks, along road sides and in alleys. Rodent control is performed on an as needed basis in parks and on undeveloped City-owned property. The formal bid was sent out. Public Services staff determined during the last contract that it would be in the City's best interest to base contracts on performance and hourly cost, instead of a monthly guarantee. This has proven to be effective by insuring

that the City is in fact receiving the service being paid for. During the rainy months when no service is required, there will be no charges to the City.

As required by the City of Costa Mesa Municipal Code, the "Notice Inviting Bids" was solicited from qualified vendors whose names were on the bidders' list, and other vendors requesting a bid package. Four perspective bidders were invited to bid. A "Notice Inviting Bids" was published in the Daily Pilot and posted on the public bulletin board in City Hall. The bid document was also posted on the City's web site for downloading. A mandatory pre-bid meeting was held at 10:00 a.m. on November 18, 2008, at the Corporation Yard. Three vendors participated in the mandatory pre-bid meeting. On December 1, 2008, the City Clerk received, opened and read two submittals.

ANALYSIS:

The invitation for bid allowed the bidder to provide pricing information based on an hourly rate and the estimated number of hours per month necessary for performing the work for both pesticide application and rodent control. When comparing the two submittals, only the hourly rates were taken into consideration, because Maintenance Services staff will control the actual hours the contractor works each month. The bid tabulation is provided in Attachment I.

Of the two responsive bids received, RPW Services Incorporated submitted the lowest responsive and responsible bid. The bid consists of the hourly rate of \$64.00 for a two-man crew for pesticide application and the hourly rate of \$55.00 for a one-man crew for rodent control and materials. The price offered is \$6.00 less per hour for the pesticide application and \$1.65 less per hour for the rodent control than the City is paying under the current contract. RPW Inc. has provided proof of the required State of California pesticide licenses and a copy of the Costa Mesa business license application request.

ALTERNATIVES CONSIDERED:

Contracting out pesticide application and rodent control has proven to be more cost effective than performing this function in house. As an alternative, Parks Maintenance crews could perform the pesticide application and rodent control; however, to accomplish this task would require the purchase of equipment, additional training and licensing and a shift of Parks Maintenance personnel from their current maintenance activities. This alternative is not recommended due to the impact to current maintenance functions.

FISCAL REVIEW:

The cost of these services is included in Maintenance Services Division's budget. Maintenance staff provides the service schedule to the vendor and is responsible for keeping the cost within the budget constraints. There is \$82,000 available in the FY 08-09 budget for these services.

LEGAL REVIEW:

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

CONCLUSION:

The award of the proposed three-year contract will allow the Maintenance Services Division to coordinate pesticide and herbicide application and rodent control each year. This contract is a cost-effective method to ensure that the City is only paying for the services provided.

It is recommended that City Council award the three-year price agreement for pesticide application and rodent control per bid 1127 with a not to exceed amount of \$82,000.00 per year for the first three years and to authorize the Mayor and the City Clerk to execute the Professional Services Agreement. In addition, it is recommended that the City Council authorize the City Manager to sign for any justified rate increase within his signing authority and to authorize the City Manager to extend the contract for an additional three years if the Public Services Department recommends doing so.

MARC R. PUCKETT
Director of Finance

PETER NAGHAVI
Public Services Director

BRUCE HARTLEY
Maintenance Services Manager

DEBBIE CASPER, C.P.M., CPPB
Purchasing Supervisor

Attachments: [Attachment I, Bid Tabulation](#)
[Attachment II, Professional Services Agreement](#)

Distribution: Public Services Director
City Manager
City Clerk