



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Julia H. Cooper

**SUBJECT:** SEE BELOW

**DATE:** March 5, 2012

Approved

Date

3/13/12

**SUBJECT: REPORT ON REQUEST FOR PROPOSAL FOR LANDSCAPE  
MANAGEMENT AND MAINTENANCE SERVICES FOR THE PUBLIC  
RIGHT-OF-WAY LOCATIONS IN GENERAL FUND AND SPECIAL  
DISTRICT LANDSCAPE AREAS**

## RECOMMENDATION

Report on Request for Proposal for Landscape Management and Maintenance Services for the Public Right-of-way Locations in the General Fund and Special District Landscape Areas and adopt a resolution authorizing the City Manager to:

- (a) Execute an agreement with City II Enterprises, Inc. doing business as FloraTerra Landscaping Management (San José, CA) for Landscape Management and Maintenance Services for the Public Right-of-way Locations in three General Fund and three Special District landscape areas, for an initial two-year term ending March 31, 2014, for a cumulative total amount not to exceed \$1,042,960 as follows:
  - (1) Execute five one-year options to renew the agreement, subject to the appropriation of funds.
  - (2) Execute amendments as required to add or delete service area locations, or change service levels due to budget constraints, subject to the appropriation of funds.

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## **OUTCOME**

Continue with the maintenance and preservation of citywide landscape locations so that these areas continue to be clean, green and safe for the community.

## **BACKGROUND**

The Department of Transportation Infrastructure Maintenance Section is responsible for maintaining landscape for public right-of-way areas (public throughways) located within the City of San José's General Fund and Special District landscape areas that include areas such as street median islands, parkstrips, and frontages planted with enhanced landscaping for turf, trees, shrubs, and annual plants. Currently, there are 19 special assessment districts throughout the City, ranging in size from one to 205 acres.

The City has contracted for these services for 15 years. In the past, General and Special District landscape areas were bid individually or in smaller lots (fewer landscape areas per bid), and there have been as many as six agreements on different terms with four different vendors to provide these services. As a means to streamline the bidding process and leverage the City's spend, Staff identified six areas (demonstrated below) that were consolidated in one Request for Proposal (RFP):

### *General Fund*

- 1. Type I Turf Median Islands for the maintenance of trees and surface treatments, such as decorative rock or mulch at the following locations:** (Zanker Road from Trimble to Bering, Palm Haven Drive, 5<sup>th</sup> Street from Julian to Empire, Almaden Avenue from Santa Clara to Hwy 280, Park Avenue from Delmas to Market, University Avenue at Dana, First Street at Keyes, Camino Verde from Santa Teresa to Sorrento and VTA Station Plaza on San Fernando at Gifford)
- 2. Light Rail Transit (LRT) Median Islands and Frontages at the following locations:** (Light Rail Transit medians at W. San Carlos from Almaden to Market, North First Street from Tasman to George, Tasman Drive from the center of the Guadalupe River bridge to center of Coyote Creek bridge and Capitol Avenue from Milpitas limit to Capitol Expressway. Frontages on N. Second Street on west side from Julian to Devine and Tasman Drive from Guadalupe River Bridge to Renaissance.
- 3. Type II Median Islands for the maintenance of trees, shrubs and groundcover at the following locations:** (Berryessa Road from Hwy 680 to Piedmont, Santa Teresa Blvd. from Hwy 85 to Cahalan, Blossom Hill Road from Santa Teresa to west of Winfield, Hostetter Road from Capitol Avenue to Stubbins Way, Alum Rock from 34<sup>th</sup> to Capitol Avenue, Eden Avenue from Moorpark to Payne, Monterey Road from Goodyear to Curtner, Almaden Road from Almaden Expressway to McKean, Story

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Road from Roberts to McGinness, West San Carlos from Bird to Winchester, Winchester Avenue from Steven Creek Blvd. to Impala Drive and frontage on the northeast corner at Monterey Road)

Special District

- **Maintenance District 8 at the following locations:** (Plumeria Drive from N. First Street to Montague Expressway, Zanker Road from Trimble Road to Montague Expressway, Daggett Drive pork chop median islands, Montague Expressway from North First Street to Trimble Road)
- **Community Facilities District 1 at the following locations:** (Capitol Auto Mall median and pork-chop islands on Capitol Expressway and Hillsdale Avenue between Highway 87 and Gardendale Drive, the frontage and native grass slope at the southwest corner of Highway 87 and Capitol Auto Mall Parkway)
- **Community Facilities District 12 at the following locations:** (East side of Basking Ridge Avenue from Danna Court to Wild Horse Court, west side of Basking Ridge Avenue from Danna Court to the end of the cul-de-sac and north side of Wild Horse Court from Basking Ridge Drive to end of cul-de-sac.)

ANALYSIS

On October 27, 2011, the Finance Department released a RFP for Landscape Management and Maintenance Services for the Public Right-of-Way Areas located in General Fund and Special District landscape areas on the City's e-procurement system. The RFP required proposers to submit a technical proposal and a fixed price cost proposal for each landscape area they wanted to bid on. The RFP was structured to allow for multiple awards with up to six separate awards; one for each public right-of-way area. The firm scoring the highest in each area would be recommended for award.

26 companies downloaded the RFP and five companies submitted proposals by the November 22, 2011, due date as demonstrated below:

- Bayscape Landscape Management, Inc, (San Jose (Alviso), CA)
- Commercial Environment Landscape, Inc, (Gilroy, CA)
- City II Enterprises, Inc, dba FloraTerra Landscaping Management (San Jose, CA)
- Jensen Landscape Services, Inc. (San Jose, CA)
- New Image Landscape Company, Inc. (Fremont, CA)

Jensen Landscape, Inc. did not bid on the three general fund landscape areas and therefore were not considered for those areas.

**Evaluation Process:**

***Minimum Qualifications:*** The initial review consisted of a pass/fail assessment to ensure that all minimum qualifications were met and that all proposals were complete. All proposals were deemed responsive and passed this phase.

***Technical Evaluation:*** A three-member evaluation team with representatives from the Department of Transportation (DOT) and Public Works independently evaluated and scored the technical proposals for experience, capacity, and capabilities.

***Cost Proposals:*** Cost proposals were opened and scored at the conclusion of the technical proposal evaluation.

***Environmental Stewardship:*** Proposers were required to specifically address how their proposals would support the goals and objectives of the City's EP3 program.

***Local and Small Business Preference:*** Pursuant to City policy, ten percent of the total points were reserved for local and small businesses. Bayscape, FloraTerra and Jensen requested and were granted local business preference. The preference was a factor in the final scoring and ranking of the proposals. Had FloraTerra not been granted five points as local business, they would not have received the highest score in the following landscape areas: Turf Median Island, Maintenance District 8, Community Facilities District 8, and Community District 12.

***Protests:*** Pursuant to City policy, the RFP process included a ten-day protest period. No protests were received.

***Award Recommendation Summary:*** The final scores for each area are summarized in Attachment A to this memorandum. As previously stated, the RFP was structured to allow for up to six separate awards, one for each area of the public right-of-way. The evaluation team recommended FloraTerra as the most advantageous or "best value" solution for each landscape area evaluated based on the evaluation criteria set forth in the RFP. FloraTerra's proposal met or exceeded all the RFP requirements, provided the most detailed and comprehensive proposal, and demonstrated a superior understanding of the City's requirements. FloraTerra's proposal was found to be superior in the following key areas:

- The lowest overall cost for both General Fund and Special District landscape areas.
- Experience doing similar work for the City on previous contracts was evident as they demonstrated an excellent understanding of the City's requirements.
- A comprehensive management and staffing plan ensuring optimal maintenance levels and cost efficiencies.
- A transition plan that minimizes service interruptions transitioning in and out of the agreement

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**Wage Requirements:** For work such as mowing, edging, hedge and tree trimming, irrigation repair and application of pesticides, FloraTerra will be required to pay the State of California's established prevailing wage rates. The Department of Industrial Relations prevailing wage rates include a basic hourly rate as well as an hourly dollar value for health and welfare, pension and vacation and holiday.

The City's living wage will be required for work involving landscape clean-up, using rakes, brooms, hoses and leaf blowers. FloraTerra estimates that 50% of the labor expended on this project will be subject to living wage.

**Paid Time Off:** For its full time employees, FloraTerra provides six paid holidays and five personal days (sick leave or vacation) per year, and ten personal days after five years of service. FloraTerra provides health insurance benefits to its full-time employees paying 50% for single coverage.

**Summary of Agreement:** FloraTerra will provide all management personnel, supervision, labor, material and equipment. The initial term of the agreement will be for two years with five one-year options to renew. Compensation shall be fixed for the initial two year term and paid monthly in arrears upon City's inspection and acceptance of work performed. After the initial two year term, prices may be adjusted a maximum of 3%, subject to approval by the City. The agreement will include a termination for convenience clause that will allow the City to terminate the agreement at any time and for any reason with 30 days written notice.

## **EVALUATION AND FOLLOW-UP**

The recommended agreement concludes the RFP process which will allow the maintenance and preservation of citywide landscape locations. No additional follow up actions with Council are expected at this time.

## **POLICY ALTERNATIVES**

**Alternative #1:** Bid each landscape area individually.

**Pros:** Multiple opportunities for vendors to bid.

**Cons:** Unable to leverage City spend and streamline the bidding process.

**Reason for Not Recommending:** Unable to realize potentials savings from leveraging City spend and additional City resources required to issue multiple bids and manage multiple agreements.

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**PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This item meets Criterion 1 and will be posted on the City’s website for the March 27, 2012 City Council meeting.

**COORDINATION**

This memorandum was coordinated with the Department of Transportation, the Public Works Office of Equality Assurance, the City Manager’s Budget Office, and the City Attorney’s Office.

**FISCAL/POLICY ALIGNMENT**

This Council item is consistent with Council approved Budget Strategy Memo General Principle #2, “We must focus on protecting our vital core City services for both the short and long term and we must continue to streamline, innovate and simplify our operations, so that we can deliver services at a higher quality level with better flexibility, at a lower cost.”

**COST SUMMARY/IMPLICATIONS**

1. AMOUNT OF RECOMMENDATION/CONTRACT:

<b>Landscape Management &amp; Maintenance Services</b>	<b>Year One Cost</b>	<b>Two Year Max. Compensation</b>
<b>General Fund:</b>		
Turf Median Islands	\$103,640	\$207,280
LRT Median Islands	88,160	176,320
Type II Median Islands	106,760	213,520
<b>Subtotal (General Fund)</b>	<b>\$298,560</b>	<b>\$597,120</b>

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Landscape Management & Maintenance Services	Year One Cost	Two Year Max. Compensation
<b>Special Districts:</b>		
Maintenance District 8	\$54,220	\$108,440
Capitol Auto Mall (CFD 1)	92,320	184,640
Basking Ridge (CFD 12)	76,380	152,760
<b>Subtotal (Special Districts)</b>	<b>\$222,920</b>	<b>\$445,840</b>
<b>Total (GF &amp; SD Landscape Areas)</b>	<b>\$521,480</b>	<b>\$1,042,960</b>

2. SOURCE OF FUNDING:

DOT	General Fund 001
DOT	Maintenance Assessment District 8 (Fund 361)
DOT	Community Facilities District 12 (Fund 376)
DOT	Community Facilities District 1 (Fund 371)

**BUDGET REFERENCE**

The table below identifies the fund and appropriations proposed to fund the contract recommended as part of this memorandum.

Fund #	Appn #	Appn. Name	Total Appn.	Amount for Year One of Contract*	2011-2012 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
001	0512	DOT – Non Personal	\$9,991,815	\$298,560	VIII-387	10/18/11, Ord. No. 28979
361	0512	DOT – Non Personal	\$95,929	\$54,220	XI-59	10/18/11, Ord. No. 28979
371	0512	DOT – Non Personal	\$124,627	\$92,320	XI-18	2/14/12, Ord. No. 29036
376	0512	DOT – Non Personal	\$146,234	\$76,380	XI-22	10/18/11, Ord. No. 28979
<b>Total (Year One)</b>				<b>\$521,480</b>		

\* Year two of the contract is subject to the appropriation of funds.

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**CEQA**

Categorically exempt, File No. PP12-034.

/s/

JULIA H. COOPER

Acting Director of Finance

For questions please contact Mark Giovannetti, Purchasing Division Manager (408) 535-7052.

Attachment

Attachment A – Evaluation Summary by Landscape Area

**General Fund:**

Turf Median Island

Evaluation Criteria	Max Pts.	Bayscape	Cel	FloraTerra	New Image
Experience	15	12	3	13	13
Technical Capabilities	15	12	3	13	9
Environmental Stewardship	5	4	1	4	3
Cost	55	51	40	55	46
Local	5	5	0	5	0
Small	5	0	0	0	0
<b>TOTAL</b>	<b>100</b>	<b>85</b>	<b>47</b>	<b>90</b>	<b>71</b>

LRT Median Islands

Evaluation Criteria	Max Pts.	Bayscape	Cel	FloraTerra	New Image
Experience	15	12	3	13	13
Technical Capabilities	15	12	3	13	9
Environmental Stewardship	5	4	1	4	3
Cost	55	39	55	55	51
Local	5	5	0	5	0
Small	5	0	0	0	0
<b>TOTAL</b>	<b>100</b>	<b>72</b>	<b>62</b>	<b>90</b>	<b>76</b>

Type II Median Islands

Evaluation Criteria	Max Pts.	Bayscape	Cel	FloraTerra	New Image
Experience	15	12	3	13	13
Technical Capabilities	15	13	3	13	9
Environmental Stewardship	5	4	1	4	3
Cost	55	32	55	45	35
Local	5	5	0	5	0
Small	5	0	0	0	0
<b>TOTAL</b>	<b>100</b>	<b>66</b>	<b>62</b>	<b>80</b>	<b>60</b>

**Special Districts:**

Maintenance District 8

Evaluation Criteria	Max Pts.		Bayscape	Cel	FloraTerra	Jensen	New Image
Experience	25		21	5	21	25	22
Technical Capabilities	25		21	5	21	11	13
Environmental Stewardship	5		4	1	4	3	3
Cost	35		32	5	35	30	32
Local	5		5	0	5	5	0
Small	5		0	0	0	0	0
<b>TOTAL</b>	<b>100</b>		<b>83</b>	<b>16</b>	<b>86</b>	<b>74</b>	<b>70</b>

Community Facilities District 1 (Capitol Auto Mall)

Evaluation Criteria	Max Pts.		Bayscape	Cel	FloraTerra	Jensen	New Image
Experience	25		21	5	21	25	22
Technical Capabilities	25		20	5	21	11	13
Environmental Stewardship	5		4	1	4	3	3
Cost	35		26	35	26	25	26
Local	5		5	0	5	5	0
Small	5		0	0	0	0	0
<b>TOTAL</b>	<b>100</b>		<b>76</b>	<b>46</b>	<b>77</b>	<b>69</b>	<b>64</b>

Community Facilities District 12 (Basking Ridge)

Evaluation Criteria	Max Pts.		Bayscape	Cel	FloraTerra	Jensen	New Image
Experience	25		21	5	21	25	22
Technical Capabilities	25		21	5	21	11	13
Environmental Stewardship	5		4	1	4	3	3
Cost	35		33	35	35	33	34
Local	5		5	0	5	5	0
Small	5		0	0	0	0	0
<b>TOTAL</b>	<b>100</b>		<b>84</b>	<b>46</b>	<b>86</b>	<b>77</b>	<b>72</b>