

Memorandum

TO: CITY COUNCIL

FROM: Mayor Reed and
Councilmember Rocha

SUBJECT: VACATION DAYS FOR CONTRACT DATE: 03-23-12
EMPLOYEES

Approved

Chuck Reed / Don Rocha

Date

3/23/12

RECOMMENDATION

- a. Authorize the City Manager to execute an agreement with City II Enterprises, Inc. doing business as FloraTerra Landscaping Management (San Jose, 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 30, 2014, for a cumulative total amount not to exceed \$1,042,960,
- b. Defer approval of the contract extensions and direct the City Manager to bring any extensions before the Council before they are exercised, and
- c. Direct staff to agendize a discussion of the full Council within one month, of minimum expectations for outsourcing contracts which should include the preliminary workload and legal feasibility work that staff provided to the Rules Committee at its February 8th meeting.

ANALYSIS

We understand that the City has been contracting this work for a significant amount of time, and are not interested in a discussion about whether or not we should contract this service. In fact, it is good to see that through this Request for Proposal model we are looking to streamline and increase efficiency in our contract delivery model. How we create this contract reflects the values that we uphold as an employer who provides fair working conditions to our employees, or the contracted employees who provide public services with public dollars as compensation.

During past Council discussions on this topic a fair number of Councilmembers acknowledged that this issue is of concern to them. This current contract provides paid time off at levels below the standards we've set for our own employees, and we have an interest in ensuring that contract levels are closer to private industry norms. This Council has made great strides to ensure protections and adequate compensation of contract employees through the living and prevailing wage policies. At this point, staff has already performed an initial workload and legal analysis of the potential avenues that could provide us remedy, and based on that work we believe that it's time that Council find a solution to the situation.

We understand that this RFP was released long before this discussion began, which is why we will support the approval of the initial two-year term. However, this Council needs to have a full discussion on our standards for considering outsourcing contracts immediately.