



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Jose Obregon

**SUBJECT: REPORT ON RFQ FOR
LANDSCAPE MAINTENANCE**

DATE: April 05, 2004

Approved

Date

4.5.04

RECOMMENDATION

Report on Request for Quotation (RFQ) for District 16 Landscape Maintenance Services and approval of award to Coast Landscape Management, Inc. (Sunnyvale, CA) for a total cost of \$520,400 and authorize the Director of General Services to execute the service order.

BACKGROUND

Maintenance Districts (MD) and Community Facilities Districts (CFD) create special benefit districts within the City of San Jose boundaries and provide enhanced services and amenities not normally provided by the General Fund. These MDs and CFDs are defined geographic areas within the City, which encompass industrial, commercial, and/or residential properties. Each Maintenance District or CFD requires a majority or 2/3 supporting vote for creation depending on the formation methods by those being assessed. Original property owners within a MD or CFD boundary have voted to participate in the special district. An assessment is placed on each parcel within the MD or CFD that is contributed to a special fund used for maintenance of the enhanced facilities within the district. The objective of the Maintenance District/ Community Facilities District program is to provide the highest level of service possible.

Maintenance District 16 is one of the largest and most complicated districts in the City and is now called Community Facilities District 2 & 3 after reformation following Proposition 218. This District was established in conjunction with the Evergreen Specific Plan (ESP) and is situated in the East Foothills. The District provides enhanced services to 65 acres of landscaping including lakes, fountains, large turf areas, park equipment, structures (gazebos), high level landscaping, and pedestrian pathways. The features are intertwined throughout the community, which makes them available for maximum public use.

The supplier previously servicing this District completed the first year and one of four available renewal option years of their agreement. The previous supplier informed staff in November 2003 that they would not be willing to accept any additional options to renew because they were not profitable at the rates they were charging. Their agreement ended March 4, 2004.

ANALYSIS

On December 12, 2003, a request for quotation was made available to the public and advertised on the City's Internet Bid Line. A mandatory pre-quote conference was held for the purpose of clarifying specifications through a question and answer process. The RFQ document included the City's detailed requirements and required that companies submitting quotations include the following information:

- A management plan to demonstrate an understanding of the City's requirements and to outline a plan for servicing the district. Prospective quotes were to include in the management plans a detailed schedule of maintenance activities, necessary manpower with an estimate of the weekly man hours required to maintain the district, and a list of the tools and equipment required for each activity.
- A fixed price quotation for maintaining the district, broken down by specific sub tasks.
- References for the maintenance of properties, preferably greater than 50 acres.

Nine companies requested the RFQ document, eight attended the pre-quote conference, and four companies submitted quotes as summarized below:

Company	Total Quote \$	% Change from Low
Flora Terra (San Jose, CA)	\$ 485,494.00	--
Coast Landscape (Sunnyvale,CA)	\$ 520,400.00	7.2%
New Image (Fremont, CA)	\$ 620,260.00	25.9%
Trugreen (Santa Clara, CA)	\$ 1,347,744.00	139.0%

All of the quotes received were responsible and responsive to the requirements of the RFQ.

The quotes were evaluated and scored by DOT staff for quality, capacity, responsibility/past service record, Calsense irrigation experience, and experience managing landscapes greater than 50 acres. The following is a summary of key elements of the technical review for the two lowest quoters, Coast and Flora Terra:

Quality of Management Plan

The management plan provided by Coast was clear, and addressed the specific needs of Maintenance District 16. Flora Terra did not demonstrate a clear understanding of the maintenance expectations for the district and did not provide a clear and concise management plan. This item was scored in favor of Coast.

Cost to the City

Flora Terra provided the low quote, and was approximately 7% lower than Coast. However, the Coast management plan provided for higher levels of staffing and manpower. For this reason, staff rated the cost submitted by both vendors as equitable.

Capability of Vendor

Both vendors are responsible in terms of their ability to perform the job.

Capacity of Vendor

Coast has a wide variety of resources and expertise in-house. These resources include a landscape consultant for design, certified arborists and irrigation technicians, as well as, a California licensed pest control advisor and several qualified applicators. Coast would not need to sub-contract any of the required work in the district. This item was scored in favor of Coast.

Responsibility/ Past Service Record

Both companies have service agreements with the City and are in good standing.

Calsense Irrigation Experience

Calsense irrigation is a sophisticated irrigation system that if used properly could save \$50-100k annually in water costs. Calsense irrigation systems are a key factor in budget controls and quality of landscape in the district. Coast has extensive experience in both installation and water management using Calsense. Flora Terra was non-responsive to this item and did not indicate any experience with Calsense on their quote. This item is in favor of Coast.

Experience in managing landscapes greater than 50 acres/References

Each company provided two references with all references checking very positive.

Coast provided references for NASA Ames Research Center and National Semiconductor, 1840 and 70 acres, respectively. Flora Terra provided references for the City of Morgan Hill and Cattelus Real Estate, 28 and 20 acres, respectively.

This item is in favor of Coast because the acreage and services performed are closer to the landscape requirements of Maintenance District 16.

SUMMARY

Both suppliers are capable. However, Coast's response was more thorough, demonstrating a superior understanding of the City's requirements, and a credible project plan for maintaining this District. Three principal deciding factors in favor of Coast include the Calsense experience, experience with large landscape areas and the additional staff/manpower supplied in their management plan. Based on the past experience of the City inspection and management staff,

Maintenance District 16 requires the additional workforce in Coast's quote to insure the proper upkeep and maintenance of this special district.

PUBLIC OUTREACH

The Request for Quotation was posted on the City of San José website

COORDINATION

This has been coordinated with the City Attorney's Office, the Department of Transportation, the City Manager's Budget Office, and the Office of Equality Assurance.

COST IMPLICATION

This Council item is consistent with General Principle #2, "We must focus on protecting our vital core city services"

BUDGET REFERENCE

<u>Fund #</u>	<u>Appn. #</u>	<u>Appn. Name</u>	<u>Total Appn.</u>	<u>Amount of Order</u>	<u>2003-2004 Approp. Ordinance</u>	<u>Last Budget Action(Date, Ord. No.)</u>
369	0512	Non-Personal/Equipment	\$865,291	\$520,400	Section 7.15	

CEQA

Not a project


JOSE OBREGON
Director of General Services