

# CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE



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September 17, 2013

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

### RECOMMENDATION:

Adopt Specifications No. PA-00413 and award a contract to Merchants Landscape Services, Inc., of Santa Ana, CA (not an MBE, WBE, SBE or Local), for providing grounds maintenance services, in an annual amount of \$640,075, for a period of two years, with the option of adding expenditures up to 15 percent (or \$96,011) above the annual contract amount, if necessary, for a total annual amount not to exceed \$736,086 with the option of renewing for two additional one-year periods, at the discretion of the City Manager; and

Authorize the City Manager to execute all documents necessary to amend Contract No. 33071, with Azteca Landscape, Inc., of Ontario, CA (MBE and WBE), increasing the annual contract amount by \$1,023,300, for an annual amount of \$1,929,720, with the option of adding expenditures up to 15 percent (or \$289,458) above the annual contract amount, if necessary, for a total annual amount not to exceed \$2,219,178 with the option of renewing for two additional one-year periods, at the discretion of the City Manager. (Citywide)

# DISCUSSION

City Council approval is requested to enter into an annual contract with Merchants Landscape Services, Inc. (Merchants), and amend the current contract with Azteca Landscape, Inc. (Azteca), to provide grounds maintenance services for the Department of Parks, Recreation and Marine (PRM) for the following service areas:

Northwest Parks and Streets Area 1: Azteca (\$400,200)

Northeast Parks and Streets Area 2: Azteca (\$906,420)\*

Southwest Parks and Streets Area 3: Azteca (\$623,100)
Southeast Parks and Streets Area 4: Merchants (\$640,075)

Southeast Parks and Streets Area 4: Merchants (\$ \*currently under Contract No. 33071

The City Council previously approved contracts for grounds maintenance services at the May 21, 2013 meeting, awarding contracts to Marina Landscape, Inc., and Azteca Landscape, Inc. Effective September 1, 2013, both Marina and the City mutually agreed that Marina would no longer provide grounds maintenance services for the City. Staff recommends contracting with the second lowest bidders to provide grounds maintenance services previously contracted to Marina Landscape, Inc. This approach is the most

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expeditious and is solidly supported by public contracting laws. The City reviewed the submitted bids and communicated with the contractors to ensure compliance with the required bid specifications. While the short start-up time presents challenges for the new contractors, PRM is committed to providing detailed contract monitoring, supervision and communication to ensure this transition is successful.

The bid was advertised in the Press-Telegram on March 16, 2013, and 337 potential bidders specializing in landscaping services were notified of the bid opportunity. Of those bidders, 47 downloaded the bid via our electronic bid system. The bid document was made available from the Purchasing Division, located on the seventh floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 30 local, minority and women-owned business groups. Seven bids were received on April 17, 2013. Of those seven bidders, two were Minority-owned Business Enterprises (MBEs), two were Women-owned Business Enterprises (WBEs), none were certified Small Business Enterprises (SBEs), and none were Long Beach businesses (Local). Merchants Landscape Services, Inc., of Santa Ana, CA (not an MBE, WBE, SBE or Local), and Azteca Landscape, Inc., of Ontario, CA (MBE, WBE), were the second lowest responsible bidders.

#### **Local Business Outreach**

In an effort to align with our outreach goal, Long Beach businesses were encouraged to submit bids for City contracts. The Purchasing Division also assists businesses with registering on the Bids Online database to download the bid specifications. Through outreach, 46 Long Beach vendors were notified to submit bids, of which eight downloaded and none submitted a bid. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Amy R. Webber on September 4, 2013 and by Budget Management Officer Victoria Bell on September 3, 2013.

# TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-00413 and award contracts concurrently is requested on September 17, 2013 to maintain continuity of services.

# FISCAL IMPACT

The combined annual amount of these two contracts is \$2,569,795, with the option of adding expenditures of up to 15 percent (or \$385,469) for supplemental operations, for a total annual contract amount of \$2,955,264. The total annual amount represents an increase of \$497,387 from the grounds maintenance contracts previously approved by City Council on May 21, 2013. The cost of the contracts is budgeted in the General Fund (GP), Tidelands Operations Fund (TF 401), Marina Fund (TF 403), Special Grants Fund (SR 120), and Transportation Fund (SR 182), in the Parks, Recreation and Marine Department (PR). The award of these contracts will provide continued support to our local economy by assisting in the preservation of 18 full-time employees residing within Long Beach.

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# SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

GEORGE CHAPJIAN

DIRECTOR OF PARKS, RECREATION AND MARINE

**JOHN GROSS** 

DIRECTOR OF FINANCIAL MANAGEMENT

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APPROVED:

KK H. WEST CITY MANAGER