



City of Chula Vista

Staff Report

File#: 18-0174, **Item#:** 11.

- A. RESOLUTION NO. 2018-112 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA WAIVING THE COMPETITIVE BIDDING REQUIREMENTS AND APPROVING AN EXTENSION TO THE LANDSCAPE MAINTENANCE CONTRACT BETWEEN THE CITY AND AZTEC LANDSCAPING, INC. FOR EASTLAKE MAINTENANCE DISTRICT ZONES A, B, AND D AND OPEN SPACE DISTRICT 31 IN THE AMOUNT OF \$216,704; OPEN SPACE DISTRICTS 2, 18, AND 23 IN THE AMOUNT OF \$87,072; OLYMPIC PARKWAY (I-805 TO SR125), EASTLAKE LANDSWAP, OLYMPIC PARKWAY (SR125 TO HUNTE PARKWAY), AND OTAY RANCH VILLAGE 2 SANTA VENETIA (CFD 13M) IN THE AMOUNT OF \$255,197; APPROVING A CHANGE ORDER FOR REINSTATING SERVICES IN OPEN SPACE DISTRICT 7 AND ADDING SERVICES IN DIRECT ACCESS RAMP WEST IN AN AMOUNT NOT TO EXCEED \$18,000
- B. RESOLUTION NO. 2018-113 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA WAIVING THE COMPETITIVE BIDDING REQUIREMENTS AND APPROVING AN EXTENSION TO THE LANDSCAPE MAINTENANCE CONTRACT BETWEEN THE CITY AND TERRACARE ASSOCIATES, LLC FOR OPEN SPACE DISTRICT 20 ZONES 2, 3, 4, 5 AND 6 IN THE AMOUNT OF \$568,111; OPEN SPACE DISTRICTS 14, 15, AND 24 IN THE AMOUNT OF \$185,309; AND MCMILLIN OTAY RANCH VILLAGE 6 - CFD 08M AREA 1, AND OTAY RANCH VILLAGE 6 - CFD 08M AREA 2 IN THE AMOUNT OF \$385,901
- C. RESOLUTION NO. 2018-114 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA WAIVING THE COMPETITIVE BIDDING REQUIREMENTS AND APPROVING AN EXTENSION TO THE LANDSCAPE MAINTENANCE CONTRACT BETWEEN THE CITY AND BRIGHTVIEW LANDSCAPE SERVICES FOR OPEN SPACE DISTRICTS 1, 17, AND 20 (ZONE 7) IN THE AMOUNT OF \$166,643; TELEGRAPH CANYON ROAD I-805 TO LA FITNESS AND OTAY RANCH VILLAGE 1 WEST SOUTH SLOPES (CFD 99-2) IN THE AMOUNT OF \$159,487

RECOMMENDED ACTION

Council adopt the resolutions.

SUMMARY

The City is in the process of streamlining its contract management processes. As part of this realignment process, the Public Works Department intends to extend through June 30, 2019 multiple Open Space contracts which are due to expire on June 30, 2018. The extension will unify the expiration dates of two batches of contracts with different ending dates. The unification of contract expiration dates will better utilize the City's resources and reduce contract management redundancies.

DISCUSSION

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The City entered into a contract with Aztec Landscaping, Inc. to provide landscape maintenance services, with effect from October 1, 2014, for the following Open Space Districts and Community Facilities Districts (combined "the D2 Group"): D2, D18, D23, D31, Olympic Parkway, Village 2, ELMD Zone A, ELMD Zone B, ELMD Zone D, and EL Landswap. The term of the D2 Group contract was from October 1, 2014 to June 30, 2015 with the option to extend the contract for three (3) one-year periods effective July 1, 2015. The D2 Group contract was extended for three one-year periods - from July 1, 2015 to June 30, 2016, from July 1, 2016 to June 30, 2017, and from July 1, 2017 to June 30, 2018 respectively. The D2 Group contract cost was \$513,835 for Fiscal Year 2014/2015. With the application of yearly San Diego Consumer Price Index for Wage Earners (CPI-W) to the successive option-year renewals, the D2 Group contract cost increased to \$542,692 for Fiscal Year 2017/2018.

Aztec Landscaping, Inc. provided landscape maintenance services to Open Space District 7 (OSD7) under the D2 Group contract before the construction of the Interstate 805 Freeway (I-805) Direct Access Ramp (DAR) across East Palomar Street at which time that work was suspended. The construction of the DAR has since been completed and has yielded a reconfigured OSD7 and a new landscape area on the west side of the I-805 (DAR West). Staff recommends that the suspension of OSD7 under this contract and a change order be approved along with this extension for the addition of DAR West. The maintenance cost for OSD 7 (estimated at \$6,490 per year) will be borne by the District's assessment revenues while the maintenance cost for DAR West (estimated at \$6,490 per year) will be provided by Public Works' General Fund.

The City entered into a contract with Blue Skies Landscape Maintenance, Inc. which was acquired on July 1, 2017 by Terracare Associates, LLC to provide landscape maintenance services, with effect from October 1, 2014, for the following Open Space Districts and Community Facilities Districts (combined "the D 14 Group"): D14, D15, D20 Zone 2, D20 Zone 3, D20 Zone 4, D20 Zone 5, D20 Zone 6, D24, Village 6 McMillin, and Village 6 OR. The term of the D14 Group contract was from October 1, 2014 to June 30, 2015 with the option to extend the contract for three (3) one-year periods effective July 1, 2015. The D14 Group contract was extended for three one-year periods - from July 1, 2015 to June 30, 2016, from July 1, 2016 to June 30, 2017, and from July 1, 2017 to June 30, 2018 respectively. The D14 Group contract cost was \$1,077,126 for Fiscal Year 2014/2015. With the application of yearly San Diego Consumer Price Index for Wage Earners (CPI-W) to the successive option-year renewals, the D14 Group contract cost increased to \$1,110,847 for Fiscal Year 2017/2018.

The City entered into a contract with Brickman Group which was acquired on July 1, 2017 by BrightView Chargers, Inc. dba BrightView Landscape Services to provide landscape maintenance services, with effect from October 1, 2014, for the following Open Space Districts and Community Facilities Districts (combined "the D1 Group"): D1, D17, and D20 Zone 7, Telegraph Canyon Road I-805 to LA Fitness, and Otay Ranch Village 1 West (South Slopes). The term of the D1 Group contract was from October 1, 2014 to June 30, 2015 with the option to extend the D1 Group contract for three (3) one-year periods effective July 1, 2015. The D1 Group contract was extended for three one-year periods - from July 1, 2015 to June 30, 2016, from July 1, 2016 to June 30, 2017, and from July 1, 2017 to June 30, 2018 respectively. The D1 Group contract cost was \$321,969 for Fiscal Year 2014/2015. With the application of yearly San Diego Consumer Price Index for Wage Earners (CPI-W) to the successive option-year renewals, the contract cost increased to \$343,235 for Fiscal Year 2017/2018.

Per the City of Chula Vista's Municipal Code 2.56.070.B.3 (City Council Waiver), "the City Council may waive the competitive bidding requirements if determined by resolution of the City Council that the competitive bidding requirements as applied to that contract are impractical, impossible or that City interests would be materially better served by applying a different purchasing procedure approved by the Purchasing Agent as being consistent with good purchasing practices".

Extending the D2 Group, D14 Group, and D1 Group contracts for one (1) additional year will permit staff to streamline its contract management processes for all Open Space maintenance contracts, and allow all Open Space maintenance contracts to have unified bid and expiration dates commencing July 1, 2019. This is likely to result in a significant decrease in and more efficient use of staff time associated with contract management operations. Further, the annually adjusted unit prices for the D2 Group, D14 Group, and D1 Group contract extensions would be comparable to prices received in competitive bid contracts for similar work. Based on the above, Staff has determined that the City's interest would be materially better served by extending these contracts for an additional one-year term. The Purchasing Agent has approved extending these contracts in the manner described and has determined that these extensions are consistent with good purchasing practices.

ENVIRONMENTAL REVIEW

Environmental Notice

The Project qualifies for a Categorical Exemption pursuant to the California Environmental Quality Act State Guidelines Section 15301 Class 1 (Existing Facilities) and/or Section 15304 Class 4 (Minor Alterations to Land).

Environmental Determination

The Director of Development Services has reviewed the proposed project for compliance with the California Environmental Quality Act (CEQA) and has determined that the project qualifies for a Categorical Exemption pursuant to State CEQA Guidelines Section 15301 Class 1 (Existing Facilities) and/or Section 15304 Class 4 (Minor Alterations to Land). Thus, no further environmental review is required.

BOARD/COMMISSION RECOMMENDATION

Not Applicable.

DECISION-MAKER CONFLICT

Staff has identified the property holdings of the City Council and has found that Councilmember John McCann has property holdings within 500 feet of Open Space District 1. Staff has also found that both Councilmembers John McCann and Patricia Aguilar have property holdings within 500 feet of Open Space District 20 Zone 7.

However, to the extent any decision would have a reasonably foreseeable effect on the value of the real property located within 500 feet of the property line of members' real property holdings, the effect would be nominal, inconsequential, or immaterial/insignificant and thus not material pursuant to California Code of Regulations Title 2, section 18702. Therefore, pursuant to California Code of Regulations Title 2, section 18700, no conflict exists. Staff is not independently aware, and has not

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been informed by any City Council member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

LINK TO STRATEGIC GOALS

The City's Strategic Plan has five major goals: Operational Excellence, Economic Vitality, Healthy Community, Strong & Secure Neighborhoods, and a Connected Community. This action supports the goal of a Healthy Community, which includes maintaining community open space for public enjoyment.

CURRENT YEAR FISCAL IMPACT

All Open Space landscape maintenance costs will be borne by the respective property owners in each Open Space District or Community Facilities District; maintenance costs were included in the fiscal year 2019 budget that was recently approved by the City Council. The costs of DAR West landscape maintenance will be borne by the Public Works Department (General Fund).

ONGOING FISCAL IMPACT

The annual contract cost of Open Space District or Community Facilities District landscape maintenance will be included in the annual budget for each Open Space District or Community Facilities District. The annual contract cost of DAR West landscape maintenance will be absorbed by the Public Works Department in fiscal year 2019. Future funding requests from the General Fund will be considered as part of the annual budget process.

ATTACHMENTS

Open Space landscape maintenance maps
Maintenance Contracts

Staff Contact: Sam Oludunfe