



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 01/16/2024

ITEM NO: 5

DATE: December 21, 2023
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Authorize the Town Manager to Execute a Six-Year Agreement for Services with New Image Landscape Co. for Landscape Maintenance Services for a Total Agreement Amount Not to Exceed \$846,932 Plus Allowable Increase Adjustments Made for Consumer Price Index (CPI) Beginning in Year 2 of Contract

RECOMMENDATION:

Authorize the Town Manager to execute a six-year agreement for services (Attachment 1) with New Image Landscape Co. for landscape maintenance services for a total agreement amount not to exceed \$846,923 (see Table 2), plus allowable increase adjustments made for Consumer Price Index (CPI) beginning in year 2 of contract.

BACKGROUND:

As part of the Operating Budget, landscape maintenance funds are provided for mowing, edging, and landscape maintenance in Town parks, median islands, facilities, right of ways, and the Town's Landscape and Lighting Districts.

The Town has utilized contractual landscape services for routine maintenance to supplement Town staff, allowing the Parks and Public Works staff to focus on providing day to day operational services within the parks system. Staff reviews such maintenance contracts routinely to ensure the contract services align with the Town's needs, the contracts are competitively priced, and the service provider continues to meet the Town's expectations and contract terms.

PREPARED BY: Jim Harbin
Superintendent

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, and Director of Parks and Public Works

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BACKGROUND (continued):

On August 31, 2023, Parks and Public Works staff received written notice from its existing landscape maintenance contractor, Brightview Landscape Services, Inc., terminating service based on Section 4.3 - Termination of Agreement of the Agreement for Services dated June 21, 2022. The reason given for the termination of services was the scope of the contracted services could not be completed for the compensation agreed to in the agreement. The termination of services would take effect on September 30, 2023.

To maintain uninterrupted landscape services and allow staff time to procure a new vendor, the Town entered into a short-term four-month agreement with Jensen Landscape Services, Inc. as they are the former contractor for the Town and familiar with the scope and submitted the second lowest quote on the original Request for Proposal for landscape services. The agreement entered into with Jensen Landscape Services, Inc. is scheduled to expire on February 16, 2024.

DISCUSSION:

Staff prepared a Request for Proposals (RFP) for the following landscape maintenance service categories:

- Median island, roadside, and facilities landscape maintenance
- Turf mowing
- Landscape and Lighting Assessment District (LLD) landscape and mowing maintenance

As a result of the RFP process, five proposals were received on December 20, 2023, with one deemed as non-responsive. The results are summarized in Attachment 2.

Staff determined that New Image Landscape Co. was the most cost competitive firm to provide the requested services. New Image Landscape Co. provides landscape maintenance services to multiple Bay Area cities including the City of San Jose, City of Fremont, and San Benito County.

The agreement term is for five years and four months, beginning March 1, 2024 through June 30, 2029, which allows the end date to align with a fiscal year budget, allows for continuity of service, and maximizes savings by engaging the firm for multiple years. The contract language provides for cancellation should the Town desire to do so during the contract term. To accommodate the potential impacts of inflation on the service, the contract allows for annual increases based on the Consumer Price Index beginning in year two.

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CONCLUSION:

Staff recommends Town Council authorize the Town Manager to execute a six-year agreement for services (Attachment 1) with New Image Landscape Co. for landscape maintenance services for a total agreement amount not to exceed \$846,923 (see Table 2), plus allowable increase adjustments made for Consumer Price Index (CPI) beginning in year 2 of contract.

FISCAL IMPACT:

Annually, multiple programs are included in the Operating Budget for landscape maintenance services, with Parks Services as the main program, and six Landscape and Lighting Assessment District (LLD) programs which receive and pay for the service within each District.

Sufficient funds are provided in the Fiscal Year (FY) 2023/24 Operating Budget to cover the cost of Year 1 of the contract.

The tables below show the annual cost and the total agreement amount for all years prior to any CPI increase adjustments.

Table 1:

Annual Cost	
\$ 31,944	Median Island, Roadside, and Facilities Landscape Maintenance
\$ 97,428	Mowing
\$ 129,372	
	Landscape & Lighting Districts (LLD) Landscape and Mowing
\$ 1,116	<i>Blackwell Drive District</i>
\$ 552	<i>Gemini Court District</i>
\$ 7,308	<i>Kennedy Meadows District</i>
\$ 6,708	<i>Santa Rosa Heights District</i>
\$ 1,680	<i>Hillbrook District</i>
\$ 4,500	<i>Vasona Heights District</i>
\$ 21,864	
\$ 7,562	Unanticipated Services (5%)
\$ 158,798	Total Annual Amount

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FISCAL IMPACT (continued):

Table 2:

Total Agreement Amount Prior to CPI Increase Adjustments	
\$ 10,648	Median Island, Roadside, and Facilities Landscape Maintenance
\$ 32,476	Mowing
\$ 2,521	Unanticipated Services (5%)
\$ 7,288	Total LLDs
	<i>\$372 - Blackwell Drive District</i>
	<i>\$184 - Gemini Court District</i>
	<i>\$2,436 - Kennedy Meadows District</i>
	<i>\$2,236 - Santa Rosa Heights District</i>
	<i>\$560 - Hillbrook District</i>
	<i>\$1,500 - Vasona Heights District</i>
\$ 52,933	Year 1 - 3/1/24-6/30/24 (4 months)
\$ 158,798	Year 2 - 7/1/24-6/30/25
\$ 158,798	Year 3 - 7/1/25-6/30/26
\$ 158,798	Year 4 - 7/1/26-6/30/27
\$ 158,798	Year 5 - 7/1/27-6/30/28
\$ 158,798	Year 6 - 7/1/28-6/30/29
\$ 846,923	Total Agreement Amount

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Agreement for Services including Exhibit A – New Image Landscape Company
2. Bid Summary Sheet