



STAFF REPORT

Date: Tuesday, May 24, 2016
To: Bryan H. Montgomery, City Manager
From: Kevin Rohani, P.E. Public Works Director/ City Engineer

Approved and Forwarded to City Council:


Bryan H. Montgomery, City Manager

SUBJECT: Contract Agreement Extension for Landscape Maintenance Services with Terracare Associates

Background and Analysis

Contracted parks and street landscape maintenance services are needed to assist the Oakley Parks and Landscape Division with maintaining 32 parks and the equivalent of 56 acres in street landscape areas. These contracts are secured through a competitive bidding and award process. A Request for Proposals was prepared and after a thorough review and selection process a maintenance contract was originally awarded to Terracare Associates in October of 2013.

Due to the amount of labor needed and capital investment required to be properly equipped to maintain park and landscape areas, the City's park and landscape maintenance agreements are structured with an initial three-year term with flexible provisions to offer two-year extensions. This structure is to create opportunities for longer-term relationships when the contractor has performed excellent service and quality at a competitive price.

The existing agreement with Terracare Associates approved by City Council expires October 31, 2016. The City has the option of renewing the agreement for an additional two years to run through October 31, 2018.

As part of the existing contract provisions, the City may consider a one-time CPI increase by the contractor for the requested two-year extension, not to exceed 5%. Terracare Associates is requesting a 2.9% increase in compensation for the contract services extension. The improved regional economy has created an environment of higher cost for contractor services. This is an issue that all municipal organizations face in their operations. Staff believes the requested 2.9% CPI increase by Terracare Associates is very reasonable in today's economic environment, considering the high quality of service they provide for the community.

Staff recommended Terracare Associates be awarded the current contract in 2013 based on review of proposals, qualifications, reference checks, and competitive

pricing. Staff believes Terracare Associates has provided excellent service and quality at a very competitive price, and recommends extension of the agreement for two years incorporating the requested CPI increase.

Fiscal Impact

Sufficient funds for park and street landscape maintenance services have been proposed in the FY 2016-17 budget. The contract extension and CPI increase represent an annual base expenditure of \$617,552.00 for the maintenance services attached.

Staff Recommendation

It is recommended that the City Council approve a two year contract extension for landscape maintenance services between the City and Terracare Associates and authorize the City Manager to execute the following Amendment:

Amend the park and landscape maintenance contract to extend the agreement for two years and incorporate a one-time 2.9% CPI increase.

Attachments

- 1) Resolution
- 2) Agreement Amendment

RESOLUTION NO. __-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY APPROVING AN AMENDMENT EXTENDING THE TERM OF THE CURRENT PARK AND LANDSCAPE MAINTENANCE SERVICES AGREEMENT WITH TERRACARE ASSOCIATES AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT

WHEREAS, Terracare Associates has been providing park and landscape maintenances services under an existing agreement with the City that was approved by City Council in 2013; and

WHEREAS, contract is set to expire on October 31, 2016 unless amended as provided in the existing agreement; and

WHEREAS, park and landscape maintenance services are needed by the Oakley Parks and Landscape Division to assist with maintaining numerous parks and street landscape areas; and

WHEREAS, based on the quality of services provided by Terracare Associates to date, Staff requests approval to extend this professional services agreement with Terracare Associates for park and landscape maintenances services for an additional two years; and

WHEREAS, the total annual base cost for the contract, with a 2.9% CPI increase, for the maintenance services is \$617,552.00, with all other terms of the agreement to remain.

NOW, THEREFORE, BE IT RESOLVED, that the **City of Oakley** City Council hereby authorizes the City Manager to execute an Amendment to the current Agreement between the City of Oakley and Terracare Associates extending the term of the park and landscape maintenance services agreement to October 13, 2018.

PASSED AND ADOPTED by the City Council of the City of Oakley at a meeting held on the 24th of May, 2016 by the following vote:

AYES:
NOES:
ABSENT:
ABSTENTIONS:

APPROVED:

ATTEST:

Kevin Romick, Mayor

Libby Vreonis, City Clerk

Date

**AMENDMENT TO AGREEMENT BETWEEN
THE CITY OF OAKLEY AND TERRACARE ASSOCIATES
FOR LANDSCAPE MAINTENANCE SERVICES**

This Amendment is entered into by and between the City of Oakley, a municipal corporation (hereinafter referred to as "City"), and Terracare Associates, a California Corporation (hereinafter referred to as "Contractor"), effective as of the 24th day of May, 2016.

RECITALS

- A. On October 10, 2013, City and Contractor executed an Agreement for Landscape Maintenance Services (hereinafter referred to as the "Agreement"); and, Section 1 1.1 of the agreement allowed for the City to extend the date of the contract to October 31, 2018; and
- B. During the performance under said Agreement the City Staff considered options of extending the contract two more years versus rebidding contracts. Staff recommended extending the contract two more years; and
- C. City and Contractor now desire that the following amendments be made to the Contractor's services:
 - a. Extend the date of the agreement by two years to, October 31, 2018; and
 - b. Incorporate a one-time 2.9% CPI increase to the payment provisions.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements contained herein, City and Contractor mutually agree and covenant as follows:

- 1. Except as provided herein, the terms used in this Amendment shall have the same meaning as the same terms have in the Agreement.
- 2. The Agreement is hereby amended as follows:
 - A. The end date for the maintenance contract dated October 10, 2013 and amended May 24, 2016, shall be extended to an end date of the agreement to October 31, 2018.
 - B. Attached is the amended summary of service locations and base compensation schedule. Based on these services, the total approved not to exceed fee for the Agreement to perform landscape maintenance services, shall be Six Hundred Seventeen Thousand, Five Hundred Fifty Two Dollars and No Cents Annually. (\$617,522.00)
- 3. Except as provided herein, all other terms and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the City of Oakley, a municipal corporation in the State of California, has authorized the execution of this Amendment in duplicate by its City Manager and attestation by its City Clerk under authority of Resolution No. -16, adopted by the Council of the City of Oakley on the 24th day of May, 2016, and the parties have caused this Amendment to be executed in duplicate.

CITY:

City of Oakley, a municipal corporation
In the State of California

By: _____
Bryan H. Montgomery, City Manager

CONTRACTOR:

Terracare Associates, a California Corporation

By: _____

Name/Title:

ATTEST:

Libby Vreonis, City Clerk

APPROVED AS TO FORM:

Derek P. Cole, City Attorney

TERRACARE ASSOCIATES

ZONE 3 Park/ Landscape Area	ANNUAL COST	Coding
3 – 2 STREETScape	\$ 14,659	171-31-002-5380
3 – 7 STREETScape	\$ 2,470	176-31-007-5380
3 – 15 Holly Creek Park	\$ 10,636	184-31-015-5380
3 – 17 STREETScape HARVEST PARK	\$ 14,193	186-31-017-5380
3 – 17 Creekside Park	\$ 24,583	186-31-017-5380
3 – 19 Laurel Crest	\$ 26,672	188-31-019-5380
3 – 20 STREETScape + MARSH CREEK GLENN PARK	\$ 12,445	189-31-020-5380
3 – 21 STREETScape	\$ 12,039	190-31-021-5380
3 – 22 Cypress Grove Pk	\$ 32,625	191-31-022-5380
3 – 23 STREETScape + LIVE OAK RANCH PARK; HEARTWOOD PARK; RIATA PARK; SHADY OAK PARK; SIMONI RANCH OPEN SPACE	\$ 139,735	192-31-023-5380
3 – 26 Parks: MANRESSA; LAKEWOOD; SYCAMORE; LAKESIDE; LEEWARD and SUMMER LAKE	\$ 112,373	195-31-026-5380

ZONE 1 AREA	ANNUAL COST	Coding
EMPIRE AVE MED.	\$ 13,268	132-33-232-5380
MAIN STREET @ Neroly STREETScape	\$ 1,852	132-33-234-5380
NEROLY ROAD STREETScape	\$ 2,566	132-33-243-5380
LAUREL ROAD ROW + LR EXT STREETScape	\$ 36,297	132-33-237-5380
O'HARA AVE STREETScape	\$ 9,940	132-33-244-5380
LAUREL BALL FIELDS PARK	\$ 54,930	132-33-235-5380
FREEDOM BASIN PK	\$ 54,178	132-33-236-5380
CROCKETT PARK	\$ 15,304	132-33-233-5380
CIVIC CENTER; CIVIC CENTER PARK	\$ 15,046	132-33-238-5380
Shopping Ctr/Main St. (Note: Not part of a LLD Zone)	\$ 11,731	761-83-002-5380
TOTAL	\$ 617,552.00	XXXXXXXXXXXXXX