

**Date:** October 25, 2017

**To:** Board of Directors

**From:** Neil McFarlane *Neil McFarlane*

**Subject:** RESOLUTION 17-10-79 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING CONTRACTS WITH VALLEYSAPES, INC., JN MAINTENANCE LLC, TEUFEL NURSERY, INC., AND PAC-GREEN NURSERY AND LANDSCAPE LLC FOR LANDSCAPE MAINTENANCE AND ON-CALL SERVICES

**1. Purpose of Item**

The purpose of this item is to request that the TriMet Board of Directors (Board) authorize the General Manager to execute contracts with ValleyScapes, Inc. (ValleyScapes), JN Maintenance LLC (JN), Teufel Nursery, Inc. (Teufel), and Pac-Green Nursery and Landscape LLC (Pac-Green) for landscape maintenance and on-call services (Services).

**2. Type of Agenda Item**

- Initial Contract
- Contract Modification
- Other \_\_\_\_\_

**3. Reason for Board Action**

Board approval is required for goods and services contracts obligating TriMet to pay in excess of \$500,000.

**4. Type of Action**

- Resolution
- Ordinance 1<sup>st</sup> Reading
- Ordinance 2<sup>nd</sup> Reading
- Other \_\_\_\_\_

**5. Background**

TriMet has over 200 landscaped locations that are serviced on an on-call/as-needed basis. TriMet uses contracted services for the maintenance of these landscaped locations. With these contracts, TriMet will move to an ongoing/monthly maintenance schedule and occasional on-call services. This will allow for a more holistic approach to landscape maintenance, and will provide more consistent results on a regular basis. The maintenance services are divided into four zones:

1. Blue Line (West Region) – Hatfield to 11<sup>th</sup> Terminus, and WES Line;

2. Orange Line (Milwaukie Region) – SW 5<sup>th</sup> & Jackson to Park Avenue Garage;
3. Yellow Line (North/NE Portland Region) – Expo Center to Rose Quarter, Blue Line – Rose Quarter to Gateway, and Red Line – Gateway to Cascades; and
4. Blue Line (SE Portland/Gresham Region) – 102<sup>nd</sup> to Cleveland, and Green Line – SE Main to Clackamas Town Center.

The current contracts were the result of a Request for Proposals (RFP), awarded to three separate contractors. The current contracts expire on November 16, 2017.

Monthly services to be provided include, but are not limited to: turf and bed care, shrub and groundcover pruning, tree pruning (under 14'), removal of organic debris and trash, weeding and removal of invasive plants, blowing hardscapes, and maintaining automatic irrigation (spring turn on, summer monitoring and adjusting, and late-fall shut-down). On-call services can include, but are not limited to, replacement plantings, clearing and grub work, and general landscaping.

Contracted firms provide all the labor, tools, machinery, materials, transportation, and equipment necessary for, and reasonably incidental to, the completion of all work associated with these Services.

## **6. Procurement Process**

Prior to issuance of the solicitation, Procurement and Contracts staff reached out to 30 certified Disadvantaged Business Enterprise (DBE), Minority owned Business Enterprise (MBE), Woman owned Business Enterprise (WBE), Emerging Small Business (ESB) and Service Disabled Veteran Business Enterprise (SDVBE) firms informing them of this opportunity and encouraging them to participate. In addition to the outreach, staff decided to make four separate awards to four different contractors to maximize the number of opportunities for certified firms.

On August 30, 2017, TriMet issued an Invitation to Bid (ITB) for the Services. On September 27, 2017, TriMet received five bids as follows:

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**Bid Results – Landscape Maintenance and On-Call Services (BO180008LJ)**

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	<b>ValleyScapes</b>	<b>Environmental Business Solutions, Inc.</b>
<b>Zone #1</b>	\$1,822,220.00	\$2,552,300.00
<b>Zone #2</b>	\$669,850.00	\$855,400.00
<b>Zone #3</b>	\$796,040.00	\$1,133,600.00
<b>Zone #4</b>	\$823,290.00	\$1,707,300.00

	<b>Teufel</b>	<b>JN Maintenance LLC</b>
<b>Zone #1</b>	\$1,084,320.00	No Bid
<b>Zone #2</b>	\$1,066,230.00	No Bid
<b>Zone #3</b>	\$481,800.00	No Bid
<b>Zone #4</b>	\$620,370.00	\$1,566,475.00

	<b>Pac Green Nursery &amp; Landscape</b>
<b>Zone #1</b>	\$1,871,520.00
<b>Zone #2</b>	\$1,968,300.00
<b>Zone #3</b>	No Bid
<b>Zone #4</b>	No Bid

Recommended awardees per zone are highlighted. The ITB allowed firms to bid on all zones or a combination thereof. It also required the bidders to provide their zone preferences. This information combined with the intent to award four separate contracts determined the recommended awardees. Pac-Green is a certified DBE, WBE, and ESB firm. JN is in the process of becoming certified as a MBE firm. ValleyScapes is not a certified firm. Environmental Business Solutions, Inc. is a certified ESB firm, however they are not being recommended for award.

Following receipt of bids, but prior to the issuance of the Notice of Intent to Award, staff performed a responsibility determination and determined that all vendors were responsive and responsible.

The proposed contracts with ValleyScapes, Teufel, JN, and Pac-Green will have a base term of one-year with four one-year options, for a maximum five-year term. Contract pricing is based on firm fixed rates for monthly maintenance services, and hourly rates for on-call (task order based) work in addition to a 10% mark-up for materials and equipment. No price

increases are allowed during the base term of the contract and any rate increases during the renewal terms (option years) will be subject to TriMet approval, and will be capped at the Consumer Price Index All-Urban Workers, for the Portland-Salem area. The estimated contract amounts are:

***ValleyScapes***

- Initial one-year base term – \$ 133,970
- 5-year contract total – \$ 669,850

***Teufel***

- Initial one-year base term – \$ 96,360
- 5-year contract total – \$ 481,800

***JN***

- Initial one-year base term – \$ 313,295
- 5-year contract total – \$1,566,475

***Pac-Green***

- Initial one-year base term – \$ 374,304
- 5-year contract total – \$1,871,520

***Total of All Contracts = \$4,589,645 (4.77% higher than the ICE)***

The actual contract amounts will be based on the agency's requirements, which will vary annually according to the frequency of maintenance activities and the number of on-call task orders performed by each firm.

The total amount of the four contracts of \$4,589,645.00 is within 5% of TriMet's independent cost estimate (ICE) for this procurement of \$4,380,674.00 for a 5-year contract term. The ICE was based on pricing from TriMet's current contracts, plus escalation.

**7. Diversity**

- ValleyScapes is not a certified firm, but their workforce is 82.65% minority and 3.06% female. The total employee count of the company is 98.
- Teufel is not a certified firm, but their workforce is 71.79% minority and 6.59% female. The total employee count of the company is 273.
- JN is in the process of being certified as a MBE firm and their workforce diversity is 100% minority and no females. The total employee count of the company is 5.
- Pac-Green is a certified DBE, ESB, and WBE firm and their workforce diversity is 80% minority and 10% female. The total employee count of the company is 10.

Teufel Landscape will utilize DBE subcontractors for laying bark dust. The other three vendors will perform their respective zone's landscape maintenance services via the use of their own employees; none of them will use subcontractors.

**8. Financial/Budget Impact**

Landscape maintenance costs are budgeted as an element of the FY2018 Facilities Management department's operating budget.

**9. Impact if Not Approved**

Should the Board choose to not approve these contracts, it could direct Facilities Management to provide landscape maintenance services utilizing additional TriMet staff. However, TriMet is not currently staffed and/or equipped to perform these functions, which go above and beyond the five contracted employees' capabilities, and doing so would mean that TriMet would have to find additional funds to hire enough permanent full-time staff and equipment to perform the functions as solicited, which would be at a greater cost than the proposed contracts.

RESOLUTION 17-10-79

**RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING CONTRACTS WITH VALLEYSAPES, INC., JN MAINTENANCE LLC, TEUFEL NURSERY, INC., AND PAC-GREEN NURSERY AND LANDSCAPE LLC FOR LANDSCAPE MAINTENANCE AND ON-CALL SERVICES**

**WHEREAS**, TriMet has authority under ORS 267.200 to enter into contracts with ValleyScapes, Inc., JN Maintenance LLC, Teufel Nursery, Inc., and Pac-Green Nursery and Landscape LLC for landscape maintenance and on-call services (Contracts); and

**WHEREAS**, the total amount of the Contracts shall exceed \$500,000; and

**WHEREAS**, the TriMet Board of Directors (Board), by Resolution dated November 25, 2009, adopted a Statement of Policies requiring the Board to approve goods and services contracts obligating TriMet to pay in excess of \$500,000;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Contracts shall be in conformance with applicable laws.
2. That the General Manager is authorized to execute the Contracts in an amount not to exceed the following:

<i>ValleyScapes, Inc.</i>	-	\$ 669,850.00
<i>Teufel Nursery, Inc.</i>	-	\$ 481,800.00
<i>JN Maintenance LLC</i>	-	\$1,566,475.00
<i>Pac-Green Nursery &amp; Landscape LLC</i>	-	\$1,871,520.00

Dated: October 25, 2017

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Presiding Officer

Attest:

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Recording Secretary

Approved as to Legal Sufficiency:

  
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Legal Department