



DATE: December 16, 2024

TO: Mayor and Members of the City Council

VIA: Stefan Chatwin, City Manager
Marlene Subhashini, Assistant City Manager

FROM: Derek Schweigart, Parks and Recreation Director
Frank Fanara, Parks Maintenance Manager

DEPARTMENT: Parks and Recreation

SUBJECT: AGREEMENTS WITH LORAL LANDSCAPING INC. FOR STREET MEDIAN MAINTENANCE FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$771,221 FOR CUL-DE-SAC MAINTENANCE FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$208,108 FOR A THREE-YEAR PERIOD FROM JANUARY 1, 2025, TO DECEMBER 31, 2027, WITH OPTIONAL ANNUAL EXTENSIONS THROUGH DECEMBER 31, 2029; AND APPROPRIATION OF \$96,600 TO ACCOUNT NUMBER 001-0520-452-4251

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution:

1. Awarding an agreement for street median maintenance to Loral Landscaping Inc. for a total not-to-exceed amount of \$771,221 (\$252,000 annually plus 2% escalation) for a three-year period from January 1, 2025, to December 31, 2027, with optional annual extensions through December 31, 2029;
2. Awarding an agreement for cul-de-sac maintenance to Loral Landscaping Inc. for a total not-to-exceed amount of \$208,108 (\$68,000 annually plus 2% escalation) for a three-year period from January 1, 2025, to December 31, 2027, with optional annual extensions through December 31, 2029;

3. Finding the award of the agreements for landscaping maintenance exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15301 (Class 1-Existing Facilities); and
4. Authorizing a supplemental appropriation of \$96,600 to account number 001-0520-452-4251 for Parks Maintenance Contract Services for Fiscal Year 2024-25 for street median and cul-de-sac maintenance.

EXECUTIVE SUMMARY

The City received three proposals from qualified vendors for street medians and cul-de-sacs maintenance services covering a three-year period (January 1, 2025, through December 31, 2027), with optional annual extensions through 2029. Staff recommend awarding both agreements to Loral Landscaping Inc., the lowest-cost bidder for both services.

Loral Landscaping Inc. provided the lowest cost proposal in the amount of \$252,000 per annum plus 2% escalation for street median maintenance, and a proposal of \$68,000 per annum plus 2% escalation for cul-de-sacs maintenance.

Loral Landscaping is the current contractor for street medians and cul-de-sacs maintenance and service has been satisfactory. They are familiar with the City's service areas, landscaping and needs, reducing the need for onboarding and oversight. Loral Landscaping has submitted a cost competitive bid, however, from the bids received, there is still an increase in both services, particularly cul-de-sac maintenance. Combined annual cost for both contracts are \$320,000; however, there is only \$223,400 appropriated in the FY 2024-25 budget. Therefore, Staff requests a supplemental appropriation of \$96,600 to cover the difference.

BACKGROUND

On October 21, 2024, the City Council authorized the Requests for Proposals (RFP) for Median and Cul-de-Sac Maintenance agreements for the period of January 1, 2025, to December 31, 2027, with optional extensions through December 31, 2029.

Medians. Contractual street median maintenance is required and planned based on the development and completion of Foster City's street median landscape master plan. The contractual maintenance for fourteen acres of landscaped and hardscaped street median areas and easements includes:

- Mowing and edging of ground covers.
- Pruning and trimming of trees and shrubs 15 feet tall and under.
- Weed abatement of all landscaped and hardscaped areas.
- Adjacent curb and gutter clean up and weed abatement.
- Trash and general cleanup of all landscaped and hardscaped areas.
- Irrigation programming, checks and repair.

The current street median maintenance contractor is Loral Landscaping Inc. The current agreement amount with Loral Landscaping Inc. is \$167,267 for the period of January 1, 2024 to December 31, 2024.

Cul-de-Sacs. The contractual maintenance for landscaped and hardscaped cul-de-sac areas and easements includes:

- Cul-de-sacs (30)
- Georgian Squares (16)
- Island Bridges (7)
- Walkways (6)
- East Third Ave: Corporation Yard exterior landscape

The current cul-de-sac maintenance contractor is Loral Landscaping Inc. The current agreement amount is \$61,125 for the period of January 1, 2024 to December 31, 2024.

ANALYSIS

Medians. Following issuance of the RFP, three contractors inquired about the Street Median Maintenance Agreement and were given the Street Median Maintenance Specifications and Scope of Work. Of these three contractors, all submitted proposals by the deadline.

Summary of Median Maintenance Proposals

- **Loral Landscaping Inc.: \$252,000**
- K&K JL Services: \$274,500
- New Image Landscape company: \$477,576

Based on the submittal of a reasonable and responsible proposal, staff recommends approving the Median Maintenance service agreement with Loral Landscaping Inc. in the amount of \$252,000 annually for a three (3) year period from January 1, 2025 to December 31, 2027. The agreement includes a 2% annual cost increase, which will apply both during the initial one-year period and to each subsequent year if the optional annual extensions are exercised through December 31, 2029.

Cul-de-sacs. Following issuance of the RFP, Four contractors inquired about the Cul-de-Sac Maintenance Agreement and were given the Cul-de-sac Maintenance Specifications and Scope of Work. Three of the four contractors submitted proposals by the deadline.

Summary of Cul-De-Sac Maintenance Proposals

- **Loral Landscaping Inc.: \$68,000**
- K&K JL Services.: \$225,500

- New Image Landscape company: \$477,576

Based on the submittal of a reasonable and responsible proposal, staff recommends approving the Cul-de-sac Maintenance service agreement with Loral Landscaping Inc. in the amount of \$68,000 annually for a three (3) year period from January 1, 2025, to December 31, 2027. The agreement includes a 2% annual cost increase, which will apply both during the initial one-year period and to each subsequent year if the optional annual extensions are exercised through December 31, 2029.

This proposal reflects rising labor costs due to inflation, expanded scope of work to include newly completed areas, and increased material expenses such as fertilizer, disposal, and pre-emergent applications. Additionally, insurance costs have risen, and improved tracking has revealed higher-than-budgeted labor hours. Irrigation repairs have also exceeded expectations, with aging components like timers, valves, and sprinkler heads requiring frequent attention, which is expected to continue. This agreement addresses these challenges while ensuring effective and sustainable maintenance services.

CEQA/ENVIRONMENTAL REVIEW PROCESS

The award of the agreement for street median maintenance and cul-de-sac maintenance is categorically exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15301 (Class 1-Existing Facilities) because the services that will be provided will be maintenance of existing landscaping involving negligible or no expansion of existing or former use.

FISCAL IMPACT

There is \$223,400 appropriated in the FY 2024-2025 budget for street median and cul-de-sac maintenance. However, for FY 2024-2025, the total cost of the two proposed agreements with Loral Landscaping, Inc. for these services is \$320,000, which exceeds the currently appropriated amount of \$223,400. Therefore, due to the increase in the contract amount, staff requests a supplemental appropriation of \$96,600 in account number 001-0520-452-4251. Amounts necessary for future fiscal years will be incorporated in the City's future budgets.

Cul-de-sac	Yearly Cost w/ 2% escalation
Year 1	\$68,000.00
Year 2	\$69,360.00
Year 3	\$70,747.20
TOTAL	\$208,107.20
Median	
Year 1	\$252,000.00
Year 2	\$257,040.00
Year 3	\$262,180.80
TOTAL	\$771,220.80

CITY COUNCIL VISION, MISSION, AND VALUE/PRIORITY AREA

Facilities and Infrastructure

ATTACHMENTS:

Attachment 1- Resolution

Attachment 2 - Agreement for Street Medians Maintenance

Attachment 3 - Agreement for Cul-De-Sacs and Easements Maintenance

Attachment 4 - Loral Landscaping Inc. Bid Submittal Street Median Maintenance

Attachment 5 - Loral Landscaping Inc. Bid Submittal Cul-De-Sac Maintenance