



Board Report

File #: 2024-0203, **File Type:** Contract

Agenda Number: 22.

**OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
MAY 16, 2024**

**SUBJECT: LANDSCAPE AND IRRIGATION MAINTENANCE SERVICES FOR REGIONS 1, 2
AND 3**

ACTION: APPROVE CONTRACT AWARDS

RECOMMENDATIONS

AUTHORIZE the Chief Executive Officer to:

- A. AWARD a firm fixed unit rate Contract No. OP91244-20008370, for Regions 1 and 2, to Woods Maintenance Services, Inc. to provide landscape and irrigation maintenance services in the not-to-exceed (NTE) amount of \$16,988,820 for the three-year base term, and \$12,761,800 for the one, two-year option term, for a total combined NTE amount of \$29,750,620, effective July 1, 2024, subject to resolution of any properly submitted protest(s), if any; and
- B. AWARD a firm fixed unit rate Contract No. OP91244-20018370 for Region 3 to Parkwood Landscape Maintenance, Inc. to provide landscape and irrigation maintenance services in the NTE amount of \$6,451,745 for the three-year base term, and \$4,486,560 for the one, two-year option term, for a combined NTE amount of \$10,938,305, effective July 1, 2024, subject to resolution of any properly submitted protest(s), if any; and
- C. EXECUTE individual contract modifications within the Board approved contract modification authority.

ISSUE

The existing four regional contracts provide combined services for graffiti abatement, and landscape and irrigation maintenance services.

To ensure continuity of maintenance services, two new contract awards are required effective July 1, 2024. Under these new contracts, landscape and irrigation maintenance services will be performed collectively throughout Metro’s service area, restructured and split geographically into three regions (Attachment C). One contract will provide services for Regions 1 and 2 combined, while the other contract will provide services for Region 3.

BACKGROUND

On September 17, 2015, the Metro Board of Directors awarded four contracts for Regions 1 through 4, to maintain Metro's service area split geographically into four regions. Each contract provided combined services for graffiti abatement, landscape and irrigation maintenance, and trash and overgrown vegetation removal services.

On May 20, 2021, in lieu of new contract awards, the Metro Operations, Safety, and Customer Experience Committee directed staff to: extend the existing four regional contracts on a month-to-month basis with the required additional authority to continue providing the critical maintenance services; survey small businesses to solicit feedback related to doing business with Metro; and re-evaluate Metro's service area to further enhance competition and increase small business participation.

On June 24, 2021, the Metro Board of Directors approved recommendations for a new enhanced Medium-Size Business Enterprise (MSZ) Program and Small Business Enterprise (SBE) Program.

Based on staff's evaluation of Metro's service area and frequency levels, the input received from the small businesses' survey conducted, and the new enhanced MSZ and SBE programs policy, revised solicitations were issued splitting Metro's service area into three geographical regions (see Attachment A). Each region will be maintained by three service-specific contracts for graffiti abatement, landscape and irrigation maintenance, and trash and overgrown vegetation removal services. Staff conducted two Systemwide Metro Connect Industry Forum Outreach events on July 13 and 27, 2022. During these outreach events, staff provided an overview of the upcoming solicitations, explained how Metro's service area was split into three geographical regions and went over the new enhanced MSZ and SBE Programs for competitively negotiated procurements.

On September 1, 2022, a solicitation to provide landscape and irrigation maintenance services for the three regions was issued under the MSZ-I program. On October 3, 2022, proposals were received for each of the regions, however, they were deemed non-responsive to the MSZ-I program requirements and SBE and DVBE goals. The solicitation was canceled.

Based on staff's assessment of the prior solicitations and the lack of proposers qualified to meet the MSZ-I program requirements, a new open competitive solicitation to provide landscape and irrigation maintenance services for the three regions was issued.

DISCUSSION

Under these new landscape and irrigation services contracts, the contractor is required to provide general maintenance and cleanup services of all landscaped areas within Metro's Right-Of-Ways (ROWs), stations, facilities, parking lots, and parcel properties systemwide, including trees under 13 feet in height, shrubs, vines, groundcover, lawns, planter boxes, and routine irrigation system maintenance. Trees 13 feet in height and above are maintained under a separate contract for tall tree trimming services. The contractors are also required to provide optimal water management service to comply with State, County, and local municipal water agency's conservation ordinances. In addition, the contractors will provide as-needed maintenance services, as directed by Metro, such as

the replacement of damaged or misappropriated plant material resulting from circumstances or actions beyond the control of the contractors.

Under the terms of these new contracts recommended for award, the number of bus and rail stations, facilities and locations will increase from 313 to 369, to include 56 additional locations for the Metro K line (Crenshaw/LAX), Union Station Gateway Headquarters Building (USG), Union Station West Portal, and future locations for the Regional Connector, Rail to Rail, Airport Metro Connector (AMC), D line (Purple) Westside Extension, and A Line (Blue) Foothill Extension Phase 2B system expansion projects, as they become operational and upon completion of their respective warranty and maintenance period.

The combined amount for the new contracts recommended for award is 3.5% below the Independent Cost Estimate (ICE) and 18.2% above the existing combined contract amounts for landscape and irrigation maintenance services. The living wage applicable for landscape and irrigation maintenance services has increased by 54%, from \$16.04 to \$24.73 per hour. Based on the expanded scope of services stated above and the increase in the applicable wages, the amounts for the contracts recommended for award are deemed fair and reasonable.

DETERMINATION OF SAFETY IMPACT

The approval of this item will ensure service continuity and meeting Metro maintenance standards by providing regularly scheduled and as-needed landscape and irrigation maintenance services in a timely manner while providing a proactive approach to maintenance needs to ensure delivery of safe, clean, on-time, and reliable services systemwide.

FINANCIAL IMPACT

Funding of \$945,546 for systemwide landscape and irrigation maintenance services for the remainder of FY24 is included under cost center 8370 - Facilities Contracted Maintenance Services, account 50308, Service Contract Maintenance, under various projects.

Since these are multi-year contracts, the cost center manager and Deputy Chief Operations Officer, Shared Mobility will be accountable for budgeting the cost in future years.

Impact to Budget

The current source of funds for this action includes operating eligible sales tax funding, including Propositions A/C, Measures M, STA, and the Transportation Development Act. These fund sources are eligible for bus and rail operations. Use of these funding sources leverages maximum project fund use given approved guidelines and provisions.

EQUITY PLATFORM

Providing ongoing landscape and irrigation maintenance services supports the beautification and cleanliness of Metro facilities, enhancing patrons' experience while utilizing Metro's transit system. Bus and Rail station cleanliness was identified as one of the top areas of concern in the 2022

Customer Experience Survey and the FY23 Metro Budget Survey conducted to develop the Metro Customer Experience Plan 2023 and assist with funds allocation for the FY24 budget.

Prior to the release of this solicitation, two additional Systemwide Metro Connect Industry Forum Outreach events were conducted. The first was on May 31, 2023, and the second was on June 14, 2023. During these outreach events, staff provided an overview detailing policies for the enhanced MSZ and SBE Programs for competitively negotiated procurements.

The Diversity and Economic Opportunity Department (DEOD) established a 22% SBE goal and 3% Disabled Veterans Business Enterprise (DVBE) goal for each Region, and the solicitation was subject to the Local Small Business Enterprise (LSBE) program. Woods Maintenance Service Inc. exceeded the goal by making a 30% SBE and 3% DVBE commitment on both Regions 1 and 2, and Parkwood Landscape Maintenance, Inc., made a 22% SBE and 3% DVBE commitment for Region 3.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The staff recommendation supports Strategic Goal 2: Deliver outstanding trip experiences for all users of the transportation system. Performing ongoing regularly scheduled and as-needed landscape and irrigation maintenance services will ensure safe and clean conditions which result in enhanced customer experience.

ALTERNATIVES CONSIDERED

The Board may elect not to approve the recommendations. This option is not recommended as it would result in a gap in service impacting Metro's system safety, cleanliness, operation, and customer experience.

With the completion of a financial based insourcing/outsourcing study based on a quantitative and qualitative assessment, staff has analyzed insourcing/outsourcing options for landscape and irrigation maintenance services among other services. Based on the findings, landscape and irrigation maintenance services were not recommended for insourcing as this action does not meet the study's qualitative budgetary objectives. Providing this service in-house would require the hiring of additional personnel, training, and acquisition of additional equipment, vehicles, and supplies to support the expanded responsibility. The insourcing/outsourcing study assessment results indicate that this is not a cost-effective option for Metro.

NEXT STEPS

Upon approval by the Board, staff will execute Contract No. OP91244-20008370 for Regions 1 and 2 to Woods Maintenance Services, Inc., and Contract No. OP91244-20018370 for Region 3 to Parkwood Landscape Maintenance, Inc., to provide landscape and irrigation maintenance services, effective July 1, 2024.

ATTACHMENTS

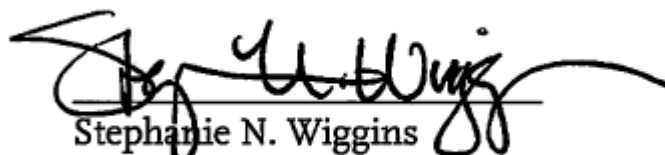
Attachment A - Three Regions' Maps

Attachment B - Procurement Summary

Attachment C - DEOD Summary

Prepared by: Lena Babayan, Executive Officer, Operations Administration (Interim), (213) 922-6765
Carlos Martinez, Director, Facilities Contracted Maintenance Services, (213) 922-6761
Shahrzad Amiri, Deputy Chief Operations Officer, Shared Mobility, (213) 922-3061
Carolina Coppolo, Deputy Chief Vendor/Contract Management Officer (Interim), (213) 922-4471

Reviewed by: Conan Cheung, Chief Operations Officer, Transit Operations, (213) 418-3034



Stephanie N. Wiggins
Chief Executive Officer