


CITY OF LOS ANGELES
INTER-DEPARTMENTAL MEMORANDUM

2014 JUL 23 PM 3: 26
CITY ADMINISTRATIVE OFFICER

Date: July 22, 2014

To: Honorable Eric Garcetti, Mayor
Attention: Mandy Morales, Legislative Coordinator

From: Jon Kirk Mukri, General Manager
Department of Transportation 

Subject: **RECOMMENDED CONTRACT AWARDS FOR THE CONTINUED
MANAGEMENT AND PERFORMANCE OF LANDSCAPING AND
MAINTENANCE SERVICES FOR LADOT BIKE PATH AND TRANSIT
FACILITIES**

SUMMARY

The Department of Transportation (LADOT) requests authority to execute contracts with ShelterClean Services, Inc. (incumbent) for the continued provision of management and landscaping / maintenance services for LADOT bike path and transit facilities.

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. AUTHORIZE the General Manager, Department of Transportation, to enter into a five-year contract with ShelterClean Services, Inc., for the management and performance of maintenance and landscaping services for eleven (11) City bike path facilities, with a total cost not-to-exceed \$3,000,000, subject to the approval of the City Attorney as to form and legality.
2. AUTHORIZE the General Manager, Department of Transportation, to enter into a five-year contract with ShelterClean Services, Inc., for the management and performance of maintenance and landscaping services for seven (7) City transit facilities, with a total cost not-to-exceed \$2,140,000, subject to the approval of the City Attorney as to form and legality.

DISCUSSION

As will be discussed in this section, the request for proposals (RFP) Evaluation Committee ranked the combined Economy of Scale proposal submitted by ShelterClean Services, Inc. as the best and most cost-effective for the City. The "Economy of Scale" proposal submitted by ShelterClean Services, Inc. is the lowest cost option and is

\$538,960.14 less expensive than the next lowest cost proposal submitted by Conejo Crest.

Responses to the RFP

Three firms – Conejo Crest, ShelterClean Services, Inc. (ShelterClean), and Woods Maintenance Services, Inc. (Woods) – submitted proposals by the RFP due date of May 9, 2014. As indicated in the table below, Conejo Crest submitted an “Economy of Scale” proposal for the combined bike path and transit facilities. ShelterClean submitted “Standalone” proposals for the bike path and transit facilities individually plus the “Economy of Scale” proposal for the combined bike path and transit facilities. Woods submitted a proposal only for the bike path facilities.

RFP Responses by Firm

Proposer	Bike Path Only	Transit Facilities Only	Economy of Scale (Combined)
Conejo Crest			X
ShelterClean	X	X	X
Woods	X		

All three proposers received passing scores for the City's MBE/WBE/OBE Good Faith Outreach Effort requirement and their proposals were deemed responsive to the RFP.

Evaluation of Proposals

LADOT formed an Evaluation Committee (Committee) with three members that included two project management staff from LADOT and a representative from the Los Angeles County Metropolitan Transportation Authority (Metro). A Chair was elected by the Committee members prior to the interviews. All three firms were invited to the interviews that took place on June 5, 2014, and all proposals were evaluated based on the following criteria:

RFP Evaluation Criteria

<u>Evaluation Criteria</u>	<u>Points</u>
1. Qualification of Proposer	20
2. Qualification of Proposed Staff	20
3. Management Plan	20
4. Cost Effectiveness	40
Total	100 (per rater)

Based on the evaluation criteria established for this RFP, ShelterClean's "Economy of Scale" combined proposal for the bike path and transit facilities was unanimously ranked as the best proposal by the evaluation panel. The following summarizes the Committee members' individual scores and the Committee's ranking of the proposers.

Evaluation Scores and Ranking

Proposer	Rater 1	Rater 2	Rater 3	Total	Rank
ShelterClean "EOS"	92	91	93	276	1
Woods "B"/ ShelterClean "T"	84	84	86	254	2
Conejo Crest "EOS"	82	80	84	246	3

"EOS" = "Economy of Scale"; "B" = Bike Path Facilities; "T" = Transit Facilities

ShelterClean

ShelterClean is a California incorporation based in Sun Valley. The firm submitted two "Standalone" proposals for bike path and transit facilities individually plus a combined "Economy of Scale" proposal for both bike path and transit facilities. ShelterClean stated its specialties as: Maintenance, installation, repair and refurbishing of street furniture, management, administration, maintenance of bus stops and transit centers, graffiti removal, installation of outdoor advertising specifically in bus shelters, street kiosks, malls and shopping centers. ShelterClean has been successfully maintaining and managing LADOT's transit facilities since 1998 (for three consecutive five-year contracts) and bike path facilities since 2009. ShelterClean subcontracts with TruGreen LandCare, a specialized landscaping and irrigation company based in Canoga Park for landscaping and irrigation work for LADOT facilities.

ShelterClean's staffing plan proposed a senior and an assistant inspector to serve as the bike path facilities inspectors and these critical staff would be directly supervised by the proposed project director located in its local Sun Valley office. For transit facilities, ShelterClean proposed to continue using its current full-time Facilities Manager for facility maintenance and management if the firm were chosen as contractor. The proposed Facilities Manager has worked on the project since 2004 and has been effective and efficient in managing the TruGreen landscaping team and other subcontractors. ShelterClean's proposed project director has 30+ years of experience in the transit field, including LADOT-type facilities, and has good connections with landscaping and maintenance subcontractors.

The Committee was impressed with ShelterClean's thorough proposed management plan for both bike path and transit facilities. The proposed management plan delineated work to be performed in detail with respect to each task specified in the RFP, including duties of the Facility Inspectors and Facilities Manager and daily and weekly inspection and maintenance schedules for LADOT facilities, as specified in the RFP.

Woods Maintenance

Woods is a landscape maintenance company based in North Hollywood since 1976. The firm submitted one proposal exclusively for bike path facilities. In addition to its routine landscape specialty, Woods stated that it has been actively involved with graffiti removal activities and has established a division for this specific purpose. It currently has multiple contracts with the City of Los Angeles for pressure washing of tunnels and graffiti removal at libraries. It also has contracts with other public agencies for maintenance and street sweeping activities.

The company's bike path facilities management plan includes the proposed assignment of two senior staff as inspectors, which would cover the facilities geographically. It also has stated that its employees are well trained and the company is licensed on all aspects of the maintenance activities. All work is proposed to be done in-house with no subcontractors. Interestingly, the firm proposed to hire TruGreen Landscaping technicians and employees, the current subcontractor for bike path landscape maintenance under ShelterClean, if it were awarded the bike path contract.

Conejo Crest

Conejo Crest is a landscape specialist firm based in Van Nuys. The firm submitted a combined "Economy of Scale" proposal for both bike path and transit facilities. Conejo Crest stated its specialties as: Landscape maintenance for small entities, such as home owner associations (HOA's) in local communities, arboretum in local municipalities, and local hospitals in Los Angeles. The provision of management service to bike path and transit facilities would be a new addition to Conejo Crest's portfolio of properties. This lack of experience raised concerns by Committee members that the firm lacked not only maintenance experience and expertise caring for LADOT-type facilities, but it also had insufficient experience in providing service with facilities that cover large geographic footprints. If the firm were hired, the Committee was concerned that the number and size of LADOT's bike path and transit facilities would overwhelm the firm which might lead to an overall degradation of service quality.

Another perceived weakness of Conejo Crest's proposal was that the firm proposed to hire only one project manager to oversee both sets of LADOT facilities. The proposed staffing plan exacerbated the Committee's concerns about Conejo Crest's lack of experience in managing facilities that cover large geographic footprints (such as LADOT facilities). Along with the proposed project manager, other proposed staff did not demonstrate sufficient knowledge and/or experience in managing LADOT-type facilities. Nevertheless, the firm demonstrated its technological edge in adopting new mechanisms and technologies in controlling its irrigation system for their projects.

Cost Effectiveness

ShelterClean's "Economy of Scale" cost proposal was rated as the most cost effective contract option for the City. In addition to the previously discussed strengths of ShelterClean's proposal, including its extensive experience and a strong proposed management plan, ShelterClean's combined cost proposal was also significantly lower than the other two potential contract options. The combined ShelterClean proposal was \$538,960.14 less expensive than the combined proposal submitted by Conejo Crest and \$669,558.99 less expensive than a shared contract award with Woods (bike facilities) and ShelterClean (transit facilities).

The following table summarizes the total five year proposed costs for each of the three contract options (fixed costs only; excludes as-needed variable costs).

**Proposed Total Cost for Contract Options
For
Standalone and Combined Bike Path and Transit Facilities**

Contract Option	Bike Path Facilities	Transit Facilities	Total Cost	Cost Difference
ShelterClean ("EOS")	\$2,383,670.76	\$1,639,684.85	\$4,014,355.61 4,023,355.61	Lowest Cost
Conejo Crest ("EOS")	\$2,974,577.50	\$1,578,738.25	\$4,553,315.75	\$538,960.14 (+13.4%)
Woods "B" / ShelterClean "T"	\$2,905,214.00	\$1,778,700.60	\$4,683,914.60	\$669,558.99 (+16.7%)

\$529,960.44
\$669,558.99

"EOS" = "Economy of Scale"; "B" = Bike Path Facilities; "T" = Transit Facilities

The total proposed costs included in the table above reflect proposed fixed costs only. The proposers also included an hourly cost rate to address as-needed variable costs. The estimated not-to-exceed total five year contract amounts under the recommended ShelterClean "Economy of Scale" proposal (including estimated variable costs) is \$3,000,000 for bike path facilities and \$2,140,000 for transit facilities.

Attachment A tabulates the five-year proposed cost from each proposer for its "Standalone" and/or "Economy of Scale" options on a facility-by-facility basis.

BACKGROUND

ShelterClean is the incumbent contractor for the management and maintenance of the City's bike path and transit facilities. The existing five year contract between ShelterClean and LADOT expires on September 30, 2014.

Outreach to Other City Departments

Prior to releasing a new RFP for the next contract, LADOT solicited interest from other City departments to perform the work. LADOT, on November 5, 2013, sent out a communication to eight (8) City departments / bureaus (Bureau of Engineering, Bureau of Sanitation, Bureau of Street Services, General Service Department, Harbor Department, Los Angeles World Airport, Department of Recreation & Parks, and Department of Zoo) for their interest in providing service for LADOT facilities. On the same day, three City departments (Bureau of Sanitation, Los Angeles World Airport and Department of Recreation & Parks) responded that they did not have sufficient staff to the work on LADOT facilities. The remaining five City departments / bureaus did not respond at all. On January 16, 2014, LADOT staff met with SEIU's Local 721 union representative and shared LADOT's efforts to solicit work interest from other City departments and the outcome of those efforts.

LADOT RFP

LADOT released a request for proposals (RFP) on March 4, 2014 to solicit proposals from firms for the management and performance of landscaping and maintenance services for seven (7) transit facilities (including five Metrolink stations in Chatsworth, Northridge, Sun Valley, Sylmar, Van Nuys, the Warner Center Transit Hub, and the Encino Park-and Ride Lot) and eleven (11) bike path facilities (Orange Line, Chandler Boulevard, Arroyo Seco, Ballona Creek, Harbor Park, L.A. River (West Valley Segment), L.A. River, San Fernando Road Phase I, San Fernando Road Phase II, Browns Creek and Will Rogers State Beach). As part of the RFP's terms, proposers had the option to submit separate proposals for either bike path and/or transit facilities, and they could also submit an "Economy of Scale" proposal outlining any savings to the City that would result if their firm were awarded contracts for both the bike path and transit facilities.

LADOT made a concerted outreach effort for the RFP. Immediately after releasing the RFP, LADOT sent out a letter of solicitation on March 5, 2014 to 111 firms to solicit their interest in receiving the RFP. Simultaneously, LADOT placed the RFP on the City's Business Assistance Virtual Network (BAVN) website. LADOT also advertised the RFP in five local newspapers: Metropolitan News – Enterprise, Daily News, LA Opinion, Los Angeles Sentinel, and Los Angeles Daily Journal.

On April 3, 2014, LADOT held a pre-proposal conference to highlight significant issues concerning maintenance and landscaping services for the bike path and transit facilities

stipulated by the RFP and to answer questions from prospective proposers. Representatives from LADOT were in attendance to answer questions pertaining to the RFP as well as the City's contract requirements, including MBE/WBE/OBE Outreach Effort, the Contractor Responsibility Ordinance, the Equal Benefits Ordinance, and the Worker Retention and Living Wage Ordinance.

The due date for submitting proposals was set for May 2, 2014, and later extended to May 9, 2014. Subsequent to the pre-proposal conference, LADOT issued three RFP addenda to all prospective proposers to ensure questions they raised were adequately addressed.

Bike Path Facilities

LADOT's Bikeways Section is responsible for the implementation of new bike paths, as part of the effort to build out the citywide bikeways network, as guided by the City's Bicycle Plan. Bike paths and its amenities require routine and special maintenance, including the maintenance of landscaping and irrigation systems, as well as sweeping, clearing and cleaning of the bike path surface. ShelterClean Inc. maintains eleven (11) of LADOT's bike paths on a five-year contract which will expire on September 30, 2014.

In an effort to provide long-term maintenance for bike path facilities, LADOT has solicited the Department of Recreation and Parks' (RAP) interest in performing the maintenance work and asked for a cost estimate. However, RAP declined to provide the service, due to lack of staff.

Hence, LADOT's Bikeways Section partnered with LADOT's Transit Bureau to issue a combined RFP for the aforementioned eleven (11) bike path facilities and seven (7) transit facilities.

Transit Facilities

In October 1992, Metrolink began its regional commuter rail service between the five counties and the Union Station terminal in Downtown Los Angeles. Metrolink is owned and operated by the Southern California Regional Rail Authority (SCRRA), a joint powers agency composed of members from five Southern California counties: Los Angeles, Orange, Riverside, San Bernardino and Ventura. To accommodate Metrolink passengers, LADOT developed and opened two Metrolink stations in 1992: Chatsworth station (a newly built station) and Van Nuys station (an existing Amtrak station). In February 1994, two additional Metrolink stations were developed and opened in Northridge and Sylmar/San Fernando. Finally in April 2001, the fifth Metrolink station was developed and opened in Sun Valley. These facilities provide inter-modal transfers between train, bus, shuttle, taxi, bicycle and automobile.

In addition to the Metrolink stations, the City, in cooperation with other public and private agencies, developed the Warner Center Transit Hub in the western San Fernando

Valley area. The Warner Center Transit Hub, which opened in 2005, serves as the western terminus of the Metro Orange Line. The City also operates the Encino park-and-ride lot, a parking facility and transfer location for San Fernando Valley commuters using LADOT's Commuter Express bus service on weekdays. In January 2013, LADOT began leasing a park-and-ride lot for Commuter Express passengers at the Saint Stephen's Lutheran Church in Granada Hills. Under the terms of this no cost lease, LADOT agreed to maintain the parking lights and provide periodic asphalt sealing and re-striping at this park-and-ride lot.

LADOT's transit facilities are currently managed and maintained by ShelterClean under a five year contract that expires on September 30, 2014.

FINANCIAL IMPACT

Bike Path Facilities

Funding has been included in the City's apportionment of Transportation Development Act Article III (TDA) funds and Proposition C, which are apportioned each fiscal year and include a stipulated amount for maintenance. Therefore, there is no impact on the City's General Fund Budget.

Transit Facilities

Funding has been included in the City's adopted FY 2014-15 Proposition A Local Transit Assistance (PALTA) Fund budget. Therefore, there is no impact to the City's General Fund.

JKM:TC:PM

Attachments

- Attachment A: Proposed Cost Comparisons by Proposer
- Attachment B: Draft Contract Agreement for Bike Path Facilities
- Attachment C: Draft Contract Agreement for Transit Facilities

ATTACHMENT A

Proposed Cost Comparisons by Proposers for Bike Path and Transit Facilities

Bike Path Facilities	Total Five Year Cost			
	ShelterClean "Standalone"	ShelterClean "EOS"	Conejo Crest "EOS"	Woods "Standalone"
Orange Line	\$1,502,470.20	\$1,382,992.13	\$1,626,212.00	\$1,560,208.00
Chandler	\$114,790.80	\$106,131.63	\$103,639.50	\$99,333.00
Arroyo	\$80,415.00	\$71,125.00	\$55,549.00	\$61,386.00
Ballona Creek	\$109,102.00	\$95,887.00	\$116,844.00	\$58,162.00
Browns Creek	\$48,656.00	\$42,954.00	\$127,077.00	\$120,835.00
Harbor Park	\$42,636.00	\$38,370.50	\$18,941.00	\$17,771.00
LA River / West Valley	\$72,891.00	\$63,034.25	\$352,463.00	\$401,362.00
LA River	\$235,378.00	\$205,749.00	\$140,367.50	\$113,074.00
San Fernando Road / Phase 1	\$177,585.00	\$162,886.00	\$204,163.50	\$232,986.00
San Fernando Road / Phase 2	\$181,575.00	\$164,041.00	\$175,793.00	\$202,956.00
Will Rogers State Beach	\$56,578.00	\$50,500.25	\$53,528.00	\$37,141.00
Total Annual Cost	\$2,622,077.00	\$2,383,670.76	\$2,974,577.50	\$2,905,214.00

Transit Facilities	Total Five Year Cost		
	ShelterClean "Standalone"	ShelterClean "EOS"	Conejo Crest "EOS"
Chatsworth Station & Depot	\$570,440.00	\$524,018.45	\$447,681.88
Chatsworth Metro	\$24,224.80	\$22,118.75	\$21,110.80
Northridge Station	\$147,575.00	\$135,170.85	\$139,130.16
Sun Valley Station	\$167,546.00	\$153,061.30	\$125,722.16
Sylmar Station	\$341,292.00	\$313,064.50	\$354,177.79
Sylmar Metro	\$38,908.60	\$35,287.25	\$34,633.60
Van Nuys Station	\$216,959.00	\$198,852.80	\$186,534.08
Warner Center Transit Hub	\$174,773.80	\$159,794.50	\$151,782.34
Encino Park & Ride	\$96,981.40	\$89,316.45	\$117,965.44
Total Annual Cost	\$1,778,700.60	\$1,630,684.85	\$1,578,738.25