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City Council Agenda Item
Meeting of May 3, 2016

TO: The Honorable Mayor and Members of the City Council
FROM: James R. O'Connor, City Manager
DATE: April 19, 2016

SUBJECT: **Grounds Maintenance Division Mowing Services**
REQUESTED BY: City Manager/Public Works Director

The following is requested as it relates to the above-referenced agenda item:

- Request Council review and approval based on the attached supporting documentation.
- No action required. (Information only)
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DEPARTMENTAL CORRESPONDENCE

TO: James R. O'Connor, City Manager
DEPT: City Manager

FROM: Monte K. Falls, PE, Director
DEPT: Public Works *MKFALLS 4/18*

DATE: April 18, 2016

RE: **Grounds Maintenance Division
Mowing Services**

Background:

In advance of the 2013/2014 budget preparation we developed specifications for mowing the City's Medium Maintenance areas and Low Maintenance area (Dodgertown). These areas include non-irrigated medians, rights-of-way and large open spaces. We received bids from five landscape contractors on April 2, 2013, with a low bid of \$49,200 and a high bid of \$184,128. The cost to provide this work in-house at that time was estimated to be \$127,740 and included two full time positions.

This contract was awarded to the low bidder and the contractor began working in June of 2013. Subsequently, the Grounds Maintenance Division eliminated two full time Groundskeeper positions. The mowing contract had three one-year renewals and will expire on May 31, 2016.

Our original in-house cost estimate was based on the historical use of two workers utilizing "belly pan" mowers on tractors to complete the work. The contractor, however, has been able to accomplish the work on the Medium Maintenance areas with the full-time equivalent of one employee, using a 72" riding mower. This mower has a much faster operating speed than the "belly pan" mower.

On March 3, 2016, a new mowing bid was advertised, and a pre-bid meeting was conducted on March 10, 2016. Twenty-eight vendors downloaded the bid document and the bid opened on March 22, 2016. There were two responses to the Medium Maintenance portion of the bid, with a low of \$62,016 and a high of \$110,229 (for the first year). There were four responses to the Low Maintenance Area (Dodgertown) portion of the bid with a low of \$8,800 and a high of \$14,700 (see attached bid tabulation).

Utilizing the same manpower and equipment that the current contractor is employing we can perform the Medium Maintenance work in-house for approximately \$62,000. The breakdown for this is:

Personnel (w/benefits)	\$55,891.17
Equipment Maintenance	\$1,558.00
Depreciation	\$2,280.00
Fuel (truck and mower)	\$2,000.00
Total	\$61,735.17

Funding:

The Fiscal Year (FY) 2015-16 Budget contains \$49,200 for the mowing services contract which expires May 31, 2016. After the contract ends the mowing services account will have \$16,400 remaining. Our proposal to use in-house forces for the Medium Maintenance areas (\$62,000) and a contractor for the Low Maintenance area (\$8,800) will result in a total annual amount of \$70,800, which is \$21,600 over the budgeted amount. For the remainder of the FY 2015-16 we will need \$23,600 to complete the mowing work as proposed. This \$23,600 is \$7,200 over our remaining budget of \$16,400. With anticipated savings in Grounds Maintenance fuel costs we are confident that we can absorb the additional \$7,200 in FY 2015-16. However, the budget for FY 2016-17 will have to increase by \$21,600 to cover the mowing work whether we perform some of it in-house as proposed or do it all with contractors.

Recommendation:

Low Maintenance Area (Dodgertown):

As we do not have the specialized equipment required to mow the old Dodgertown golf course property, and since that property is for sale, we recommend awarding the Dodgertown portion of the bid to the low bidder, A Quality Bush Hog Services, for \$8,800.00. This is the subcontractor that is currently performing the work.

Medium Maintenance Areas:

Since the low bid and the in-house cost are essentially the same (\$62,000) for the Medium Maintenance portion of the contract we recommend performing the work in house as it gives us greater control and the ability to be more flexible for special events and emergencies, resulting in a better overall product. Performing the work in-house would necessitate hiring an additional full time employee (Groundskeeper).

Analysis:

Strengths: Performing work on the Medium Maintenance areas in-house will give us greater control of the work and more flexibility in scheduling, which will yield a better product. Using a contractor to service the Low Maintenance area (Dodgertown) will be the most cost effective since we do not have the specialized equipment required and the property is currently for sale.

Weaknesses: None

Opportunities: Performing the Medium Maintenance work in-house will give us the opportunity to have greater quality control. It will also require less time from the Division Manager to oversee the work, as the in-house staff are familiar with all of the work areas.

Threats: None

Attachment

Cc: Cynthia Lawson, Finance Director
John O'Brien, Purchasing Manager

NH:MKF/ntn

CITY OF VERO BEACH

BID TABULATION

BID 050-16/ JO MOWING AND TRIMMING SERVICES

OPENED MARCH 22, 2016 @ 2:30PM

BIDDER	Bankers Maintenance & Inspections	A Quality Bushog Services	Dunn's Tractor Services	DGC Environmental Services
Addendum #1	no	yes	yes	yes
Bid Bond	Cashier Check	no	Not Required*	yes
Drug Free Work Place Form	yes	yes	yes	yes
Noncollusion Affidavit	yes	yes	yes	yes
Bid Proposal Form	yes	yes	yes	yes
Equal Opprotunity Statement	yes	yes	yes	yes
Certificaition Regarding Debarment	yes	yes	yes	yes
Local Vendor	yes	no	yes	yes
Annual Amount Dodgertown Golf Course	\$9,792	\$8,800	\$14,700	\$11,740
Annual Amount Year 1 Mainland & Barrier Island	\$62,016	nq	nq	\$110,229
Annual Amount Year 2 Mainland & Barrier Island	nq	nq	nq	\$109,999
Annual Amount Year 3 Mainland & Barrier Island	nq	nq	nq	\$109,500
Percentage Cost of Fuel	nq	30%	nq	20%

* Bid Bond not required for bids less than \$25,000