

CITY COUNCIL REGULAR SESSION

Resolution authorizing execution of a General Services contract with Total Landscape Corporation for an initial eighteen-month term in an amount not to exceed \$96,082.56, plus all applicable taxes, including an option to renew for an additional two years in an amount not to exceed \$119,268.88 plus all applicable taxes and any State-mandated prevailing wage increase and/or City-approved special or unanticipated market condition that does not exceed the Consumer Price Index (CPI-U, Seattle-Tacoma-Bellevue) for the most recently completed calendar year.

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Parks & Community Services Department

EXECUTIVE SUMMARY

This Resolution authorizes execution of a General Services contract for landscape maintenance services with Total Landscape Corporation.

RECOMMENDATION

Move to adopt Resolution No. 9623
If approved, effective date: 06/17/2019

BACKGROUND/ANALYSIS

In August 2018, the Washington State Department of Labor & Industries (L&I) increased the prevailing wages for the Landscape Construction trade because of a legislative change that altered how prevailing wages are determined. King County wages for the Landscape Construction-Laborer classification increased from \$17.87/hour to \$37.67/hour. Bellevue Parks & Community Services Department contracts with private landscape companies for over 60 percent of the park and streetscape landscape maintenance, so the prevailing wage increase had a significant impact on contracting costs for the City. In fact, the City's landscape maintenance contracts increased an average of 111 percent after the new wage rate went into effect. Bellevue, along with the Association of Washington Cities, and a number of other public agencies, expressed concerns with the new much higher wage rate and requested L&I reconsider its determination.

On March 11, 2019, L&I responded to these concerns by issuing an emergency rule, breaking out landscape maintenance work into a separate category from Landscape Construction. Previously, Landscape Construction included both higher-rate construction work along with simpler landscape maintenance tasks. Separating out the maintenance tasks into a new trade allowed L&I to set a rate of pay commensurate with those specific maintenance duties. L&I set the new Landscape Maintenance trade prevailing wage at \$17.87/hour for King County. After consulting with the City Attorney's Office and Purchasing, Parks decided to terminate those contracts that were subject to the higher Landscape

Construction rate and request proposals for new contracts to take advantage of the new lower Landscape Maintenance rate that better reflects the actual work being performed.

On April 8, Parks notified the affected contractors that certain existing contracts would be terminated June 30, 2019. Requests for proposals were issued May 6 with submittals due May 30. The new contracts for landscape maintenance services will start July 1, 2019. There will be no interruption in regular maintenance services. Terminating the existing contracts and entering into Natural Resource and Resource Management maintenance contracts at the new Landscape Maintenance prevailing wage rate will result in an approximate cost savings of \$998,000 over the remainder of the two-year term, concluding December 31, 2020.

The scope of work for the new contracts remains the same. Parks utilizes landscape contractors to perform routine maintenance services at parks, arterial streetscapes, and facilities throughout the City of Bellevue. This contract will be for services at nine sites: 1) 121st Ave SE, 2) Advanta, 3) Factoria Trail, 4) Newport Hills, 5) Lake Heights Neighborhood ID Landscapes, 6) SE 16th Street, 7) Surrey Downs NEP Beds, 8) Neighborhood Traffic Calming Sites, and 9) Enatai Mercer Slough Trailhead Landscape.

Landscape maintenance contracts include mowing, shrub pruning, weed control, hard surface cleaning, leaf removal, and garbage disposal.

POLICY & FISCAL IMPACTS

Policy Impact

Bellevue City Code

BCC 4.28 provides for the fair and equitable treatment of all persons involved in the purchasing process. Council approval is required where the total value of the contract exceeds \$90,000.

Comprehensive Plan, Parks, Recreation & Open Space Element

PA-29. Design, construct, operate, and maintain parklands and facilities to preserve the ecology of natural systems on parklands.

Fiscal Impact

This action will obligate the City to an amount up to \$ 96,082.56, plus all applicable taxes for execution of a new General Services contract serving nine sites and City facilities, commencing July 1, 2019 and concluding December 31, 2020.

If approved, the City will execute this contract for an initial eighteen-month period. Upon satisfactory performance, the City will have the option to renew the contract for an additional two years for an amount not to exceed \$119,268.88 plus all applicable taxes and any State-mandated prevailing wage increase and/or City-approved special or unanticipated market condition that does not exceed the Consumer Price Index (CPI-U, Seattle-Tacoma-Bellevue) for the most recently completed calendar year.

This expenditure was anticipated in the 2019-2020 adopted budget. Additional funding for the renewal option will be requested in a subsequent budget process.

OPTIONS

1. Adopt the Resolution authorizing execution of a General Services contract with Total Landscape Corporation for an initial eighteen-month term in an amount not to exceed \$96,082.56, plus all applicable taxes, including an option to renew for an additional two years in an amount not to exceed \$119,268.88 plus all applicable taxes and any State-mandated prevailing wage increase and/or City-approved special or unanticipated market condition that does not exceed the Consumer Price Index (CPI-U, Seattle-Tacoma-Bellevue) for the most recently completed calendar year.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

Proposed Resolution No. 9623

AVAILABLE IN COUNCIL LIBRARY

Contract with Total Landscape Corporation