TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER DEPARTMENT: COMMUNITY SERVICES

DATE: JULY 12, 2004 CMR: 344:04

SUBJECT: APPROVAL OF A CONTRACT WITH LORAL LANDSCAPING, INC. IN THE AMOUNT OF $86,972 FOR EMBARCADERO MEDIANS LANDSCAPE AND IRRIGATION IMPROVEMENTS

RECOMMENDATION
Staff recommends that Council:
1. Approve and authorize the Mayor to execute the attached contract with Loral Landscaping, Inc. in the amount of $86,972 for the improvement of irrigation systems with solar and electric controllers and landscape improvements in the Embarcadero Road medians.
2. Authorize the City Manager or his designee to negotiate and execute one or more change orders to the contract with Loral Landscaping, Inc. for related, additional but unforeseen work which may develop during the project, the total value of which shall not exceed $8,697.

DISCUSSION
Project Description
The work to be performed under the contract is for the improvement of irrigation systems with water-conserving controllers; and landscape improvements, using plant materials which are low maintenance, have low water requirements, and are visually attractive.

Bid Process
A notice inviting formal bids for the Embarcadero Medians Improvement Project was sent on April 20, 2004 to 8 contractors and posted on the City’s website. The bidding period was 28 days. A pre-bid meeting was held on May 4, 2004; 2 bidders attended the meeting. Bids were received from 2 qualified contractors on May 18, 2004, as listed on the attached bid summary (Attachment A). Bids ranged from a high of $123,456 to a low bid of $86,972. Contractors not responding indicated that they did not submit a bid because 1) did not have the crews available in July, 2) do not bid in the City of Palo Alto because of excessive rules and regulations, 3) the size of the project was too small for the
travel involved, and 4) they thought they would not be competitive. Staff has reviewed all bids submitted and recommends that the bid of $86,972 submitted by Loral Landscaping, Inc. be accepted and that Loral Landscaping, Inc. be declared the lowest responsible bidder. The bid is 28 percent below the staff estimate of $121,306. The change order amount of $8,697 which equals 10 percent of the total contract is requested.

Staff checked references supplied by the contractor for previous work performed and found no significant complaints. Staff also checked with the Contractor's State License Board and found that the contractor has an active license on file.

**RESOURCE IMPACT**
Funds for the recommendation are available in Capital Improvement Project 10009, Median Improvements.

**POLICY IMPLICATIONS**
This recommendation does not represent any change to existing City policies.

**ENVIRONMENTAL REVIEW**
This contract is not a project as defined by the California Environmental Quality Act (CEQA); and is not subject to CEQA requirements.

**ATTACHMENTS**
Attachment A: Bid Summary
Attachment B: Contract

PREPARED BY: _____________________________
KATE ROONEY
Project Manager

DEPARTMENT HEAD: _________________________________
RICHARD JAMES
Director, Community Service Department

CITY MANAGER APPROVAL: ________________________________
EMILY HARRISON
Assistant City Manager