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CITY COUNCIL REPORT

POLICY AGENDA

CITY CLERK DEPT.

TO: Rick Naimark
Deputy City Manager

Deanna Jonovich
Deputy City Manager

AGENDA DATE: ^{2015 APR 24 AM 7: 21} April 28, 2015

FROM: Ray Dovalina, PE
Street Transportation Director

James P. Burke
Parks and Recreation Director

ITEM:5

SUBJECT: STREET LANDSCAPE MAINTENANCE

This report requests City Council approve the consolidation of street landscape design and maintenance activities into the Street Transportation Department and begin the process to pursue outsourcing measures.

THE ISSUE

During the City's Comprehensive Organizational Review Evaluation (CORE), street landscape maintenance was identified as a function currently performed by both the Parks and Recreation Department and the Street Transportation Department.

The Street Transportation Department is responsible for:

- Design and retrofit of landscaping along major streets;
- Removal of litter and vegetation from unimproved right-of-ways (ROW) along major streets;
- Management of contract maintenance of any new street projects along a major arterial (since 2009); and,
- Management of an annual contract of approximately \$1.84 million dollars to provide maintenance of 75.2 miles of landscaping along the outside of freeway walls and 467 acres of landscape in special areas, such as traffic calming devices, washes, and other agreed-upon locations. The current contract calls for weekly/monthly service.

The Parks and Recreation Department is responsible for:

- Maintenance of landscaping along major streets (developed prior to 2009).

Neither department addresses landscape maintenance or clean-up on collector or residential streets or in areas maintained by commercial property owners or homeowner associations.

In 2003, the Parks and Recreation Department had 90 full-time equivalents (FTEs), who performed street landscape maintenance every 11 days, covering 552 acres. Positions fluctuated over the years, but major budget reductions were made beginning in fiscal year 2008-2009. Currently, there are 21 FTEs who maintain 657 acres, or approximately one staff person per 31 acres. The drastic decrease in staffing coupled with the increase in acres maintained by the Parks and Recreation Department has resulted in a complaint-only maintenance schedule.

The table below summarizes different options for addressing the challenge of providing more efficient and effective street landscaping services.

Options for consideration:

Option 1	Service Level	Budget	City Resources	Total Amount	Notes
No change to current level of service in Parks and Recreation	Complaint driven	\$1,230,524	21 FTE		
Option 2		Contract Cost Estimate			
Contract with minimal service level improvements	3 times per year, plus complaint response	\$881,000	Contract Inspection (6 staff) \$350,000 (estimate)	\$1,230,524	
Option 3					
Modest level of improvement	Monthly	\$2,289,513 to \$3,373,286	Contract Inspection \$350,000	\$2,639,513 to \$3,723,286	\$1,408,989 to \$2,492,762 Funding needed

Option 4					
Highest level of improvement	Blend of weekly/monthly	\$4,579,027 to \$6,868,540	Contract Inspection \$350,000	\$5,186,405 to \$6,903,540	\$3,955,881 to \$5,673,016 Funding needed

Based upon the CORE review, staff recommends the consolidation of street landscape maintenance activities into the Street Transportation Department. This measure will allow Parks and Recreation maintenance staff to focus on its core mission of maintaining parks and create an opportunity to achieve greater street landscaping consistency and economies of scale by combining the service in one City department. This combination also allows the City to take advantage of anticipated lower costs through private sector delivery of the service, which is expected to result in a somewhat higher service level for the same budget.

Based upon current City contract rates for similar landscape maintenance services, staff anticipates outsourcing with the current budget will likely result in an increase in the service level to 3 times per year, which is an increase from the current complaint-driven service. This includes the addition of contract management staff needed to assure appropriate oversight and quality assurance (see Option 2 above). Options 3 and 4, above, provide estimates of the cost to enhance the service even further by devoting additional resources not currently budgeted to the program.

If this consolidation and outsourcing approach is approved, the following process will be used:

- Staff will issue an Invitation for Bids (IFB) to determine actual costs to contract all areas of street landscaping along major arterials with various bid tabs for three possible levels of service:
 1. Three times per year, plus complaint response
 2. Monthly
 3. Blend of weekly/monthly
- Based upon bid results, staff will evaluate funding needs and develop options for implementation.
- Staff will return to City Council with bid results and a recommendation for implementation.
- All staff previously performing street landscaping maintenance service will be fully devoted to maintaining parks. Twenty-one vacant positions will be eliminated.

Depending upon bid results, it may be fiscally beneficial to phase-in the contracted firms based upon available funds and resources.

OTHER INFORMATION

With more than 755 miles of arterial streets traveled by 100 to 150 million vehicles per month, street landscaping is one of the most visible City assets.

Landscaping in the ROW provides both aesthetic and tangible benefits. Well-maintained landscaping impacts public perception of an area and improves surrounding property values. The importance of public landscapes was confirmed by City Council adoption of the 2010 Tree and Shade Master Plan, which details the important role trees play in creating a healthier, more livable, and prosperous city. Recent community outreach for City projects such as Reinvent Phoenix and the Complete Streets initiative indicated growing community support for well-designed and maintained ROW landscaping in order to provide shade on streets and sidewalks, and other environmental benefits.

This item was unanimously recommended for Council approval by the Transportation and Infrastructure Subcommittee on February 25, 2015, and discussed by the Finance, Efficiency, Economy, and Sustainability Subcommittee on January 28, 2015.

RECOMMENDATION

Staff recommends City Council approve the consolidation of street landscape design and maintenance activities into the Street Transportation Department and begin the process to pursue outsourcing measures.