



DATE: October 28, 2025

TO: Mayor and City Council

FROM: Director of Maintenance Services

SUBJECT: Adopt a Resolution Authorizing the City Manager to Negotiate and Execute a Landscape Maintenance Contract with Los Loza, Inc. in a Not-to-Exceed Amount of \$3.2 Million Over Five Years for Mission Blvd/Route 238 Phases 1, 2, and 3, Linear Park, and Jackson St/Route 92 and Appropriate \$120,000 Yearly for the Term of the Contract

RECOMMENDATION

That the City Council adopts a resolution (Attachment II), authorizing the City Manager to negotiate and execute a landscape maintenance contract with Los Loza, Inc. (Los Loza) in a not-to-exceed amount of \$3.2 million over five years for maintenance along Mission Blvd/Route 238 Phases 1, 2, and 3, Linear Park, and Jackson St/Route 92 and appropriate \$120,000 yearly for the term of the contract.

SUMMARY

As part of its purchasing practices, the City periodically issues requests for quotes (RFQ) to ensure the City is getting competitive and quality services from its vendors. In August 2025, staff issued an RPQ to solicit quotes for contracted landscape maintenance along Mission Blvd/Route 238 Projects (Phases 1, 2, and 3), Linear Park, and Jackson St/Route 92 . Staff received and evaluated a total of four (4) bids. Los Loza submitted the most responsive bid at \$562,800 annually. This proposed contract will supersede the current median landscape contract (Route 238 Phase 1, 2, and Linear Park) which is expiring, and add the additional scope of new median landscaping added as part of two separate CIP projects that have recently been completed, Route 238 Phase 3 and Jackson St./Route 92, from Mission Blvd. to Santa Clara St.

While staff considered other landscape maintenance options, it was determined that continuing to utilize an external contractor is the most feasible option from a budgetary perspective, especially when compared to estimated (\$1.4-2.25 million) annual cost if City staff completed the work. Maintenance Services FY26 baseline budget has \$445,000 earmarked for the existing contract, leaving an annual General Fund appropriation request of \$120,000 (\$600,000 over the full contract term) needed to award this maintenance contract. Staff recommends awarding the contract to Los Loza in a total not-to-exceed amount of \$3.2 million over five years, which is inclusive of CPI increases and contingency.

FISCAL IMPACT

This item will have an additional cost of \$120,000 annually to the General Fund for the five years of the contract. All four of the quotes from contractors (see table below) came in higher than the Maintenance Department's current budget of \$445,000 for the maintenance of Route 238 Phase 1 and 2 and Linear Park. Staff recommends going with the second lowest quote due to performance concerns about the company with the lowest quote, which are described below.

Given the City's current fiscal situation, staff is taking seriously any increased cost to the General Fund. After evaluation, staff feels that reliable landscape maintenance on this main corridor is an important core service for safety and cleanliness. At the same time as completing the RFQ for landscaping, staff completed a Request for Proposals for janitorial services, which is also appearing on the October 28, 2025 agenda. That item will result in a reduction to general fund costs that is greater than the increase in costs from this item.

Staff evaluated the option of completing this work using staff hours, rather than contracting the work. Based on the scope of work detailed in the RFQ, staff estimate that this maintenance program would require approximately 8,000 to 12,500 labor hours annually, equivalent to 4.0 to 6.0 full-time staff positions. Per FY24 User Fee Study adopted through Reso 24-187, at an average fully burdened rate of \$180 per staff hour, the in-house cost would range from \$1.44 million to \$2.25 million per year. This does not include updated user rates for FY26 or additional capital costs for specialized trucks, equipment, materials/supplies and tools, nor the recruitment and training of certified personnel (e.g., arborist, pesticide applicator, irrigation specialist).

Moreover, the scope of work is too extensive for current staff to complete the work during operating hours or overtime. Given these costs and resource requirements, staff determined that continuing the practice of contracting the work is substantially more cost-effective and ensures access to specialized expertise, consistent service levels, and reduced operational risk for the City.

BACKGROUND AND DISCUSSION

On August 13, 2025, staff released RFQ 26-005 to solicit quotes for qualified contractors to provide landscape maintenance along Route 238 Phase 1, 2, and 3, Linear Park, and Jackson St./Route 92. Combined, the six different capital improvement projects invested over \$130 million throughout the City, including:

- Pavement improvement: new pavement, striping, roadway markings, signage
- Lighting upgrades: underground utility wires, new streetlight poles and traffic signals, upgrading lighting
- Alternative transportation mode accessibility: new sidewalks, new and protected bike lanes, walking paths, seating

- Landscape enhancements: new trees, plants, plant material, mulch, irrigation, pavers, and a revitalized gateway monument sign
- Traffic safety: new medians and bulb outs

To adequately maintain these investments, the RFQ included the following work:

- Maintaining two (2) city gateway monuments, four (4) entry walls, and 3,000 linear feet of decorative fencing
- Landscape maintenance of almost 770,000 square feet (~18 acres) including removing trash/debris, removing weeds, shrub pruning, and fertilizer and mulch applications
- Tree trimming for over 1,500 trees
- Irrigation maintenance for 90 utility meters, backflows, and irrigation controllers
- Sidewalk, bike lane, and pavers cleaning and maintenance
- Bioretention maintenance activities and state mandated reporting

On September 19, 2025, staff received and evaluated four (4) quotes, summarized below.

Vendor		Monthly Bid	Yearly Bid
Brightview Services	Landscape	\$40,451	\$485,412
Los Loza, Inc.		\$46,900	\$562,800
New Image Company	Landscape	\$52,917	\$635,004
Bayscape Management		\$61,438	\$737,256

While Brightview was the lowest bidder, staff is recommending awarding the contract to Los Loza, the second-lowest bidder, due to BrightView's prior performance issues. In previous City contracts, including the original Route 238 Phase 1 and 2 maintenance contract, Brightview did not consistently adhere to the specifications, performance standards, and service quality expectations outlined in the RFQ. Based on this history, staff determined that awarding the contract to Los Loza better aligns with the City's standards for reliability, responsiveness, and quality of work.

Los Loza submitted a complete and responsive bid in an annual amount of \$562,800. Staff recommends awarding the contract to Los Loza in this annual amount subject to CPI increases, for five years. Staff also recommends a 7.5% contingency given the large amount of plant material and trees that make up the total contract inventory, and the volume of motorists and pedestrians along the arterial routes as it relates to vehicle accidents, vandalism and general damages. Thus, the total not-to-exceed amount will be \$3.2 million, as outlined below.

Cost	FY26	FY27	FY28	FY29	FY30	Total
Contract	\$562,800	\$579,684	\$597,075	\$614,987	\$633,436	\$2,987,982
Contingency	\$42,403	\$42,403	\$42,403	\$42,403	\$42,403	\$212,015
Total Contractual Costs	\$605,203	\$622,087	\$639,478	\$657,390	\$675,839	\$3,200,000
<i>Current Appropriated Budget</i>	<i>\$445,000</i>	<i>\$445,000</i>	<i>\$445,000</i>	<i>\$445,000</i>	<i>\$445,000</i>	<i>\$2,225,000</i>
<i>Annual Appropriation Request</i>	<i>\$120,000</i>	<i>\$120,000</i>	<i>\$120,000</i>	<i>\$120,000</i>	<i>\$120,000</i>	<i>\$600,000</i>

Los Loza is a Hayward-based landscaping company that has experience providing the level of service required to maintain the City's Bay Friendly certification. Likewise, Los Loza has been previously awarded other city contracts and has demonstrated superb ability to provide high-quality landscape maintenance, quick response times in cases of emergencies, and excellent customer service.

ECONOMIC IMPACT

The Route 238 Projects, Linear Park, and Route 92 Projects provide positive economic benefits for nearby businesses and increased property values for residential areas. These projects also provide safety benefits to pedestrians, bicyclists, and vehicles with more efficient lighting, installation of medians, curb ramps, and bike lanes, and pavement improvement. Maintenance of these projects will continue providing environmental, recreational, and safety benefits, including water conservation, removal of blight, and beautifying the City.

SUSTAINABILITY FEATURES

This item will continue the sustainability features constructed in the Projects, specifically:

1. Water – maintain drought tolerant plans and irrigation controllers to conserve water.
2. Environment – maintain native and climate appropriate plants and trees, including trimming, removal and replacement.
3. Bicycle/Pedestrian Improvements – remove trash and debris within bicycle paths and walkways to provide safe alternatives to driving.

STRATEGIC ROADMAP

This item supports the maintenance of over \$130 million in capital improvement projects which supported various Council Strategic Priorities and Projects, specifically Invest in Infrastructure/City Property, Enhance Quality of Life.

NEXT STEPS

If Council approves this item, the City Manager will negotiate and execute a landscape maintenance contract with Los Loza, Inc., in a not-to-exceed amount of \$3.2 million over five years for maintenance along Route 238, Linear Park, and Route 92. Likewise, staff will appropriate \$120,000 annually from the General Fund to the Landscape Division during the contract term length.

Prepared by: Manny Grewal, Management Analyst

Recommended by: Todd Rullman, Director of Maintenance Services

Approved by:



Jayanti Addleman, Interim City Manager