Tree Service Contracts
Bid #10023410-13-Q

Budget and Finance Committee

Presented by:
Park and Recreation Department
Purchasing and Contracting Department
Transportation and Storm Water Department

March 13, 2013
• Action is to request approval to award three tree service contracts that will exceed $1 million in total cost over five-year period (initial one-year term plus four one-year options to renew):
  – Atlas Environmental
  – Aztec Landscaping
  – West Coast Arborists

• Contracts result from a shared solicitation of tree services across multiple departments
• Consolidation of all tree service contract work was desired by Purchasing and Contracting to achieve economies of scale and reduce costs
• Comparison of proposed tree service contracts and existing/expiring tree service contracts results in an estimated cost savings to be as much as 43% per labor hour on average
• Solicitation for tree services began March 2012 and ended July 2012
• Award proposed in eight sections
<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Recommended Award by Sections Bid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlas Environmental</td>
<td>A. Tree Trimming – Public Rights of Way</td>
</tr>
<tr>
<td></td>
<td>C. Tree Trimming – Parks and Building Grounds</td>
</tr>
<tr>
<td></td>
<td>G. As-Needed Hourly Services</td>
</tr>
<tr>
<td></td>
<td>H. Emergency Call-Out</td>
</tr>
<tr>
<td>Aztec Landscaping</td>
<td>B. Tree Trimming – Open Space</td>
</tr>
<tr>
<td>West Coast Arborists</td>
<td>D. Tree Preservation/Root Barriers</td>
</tr>
<tr>
<td></td>
<td>E. Tree Removal</td>
</tr>
<tr>
<td></td>
<td>F. Tree Planting</td>
</tr>
<tr>
<td></td>
<td>Optional Tree Inventory</td>
</tr>
</tbody>
</table>
• Purchasing Process:
  – Contracts competitively bid per Municipal Code §22.3001
  – Lowest responsive bid in each section recommended for award
  – Vendor required to pay living wage per Municipal Code §22.4201
  – Contract pricing may change annually
    • Living wage rate adjusts each year based on CPI
    • Inflation adjustment
    • Amount not to exceed 5% annually
Tree Service Contracts

• **Purchasing Process:**
  - Contract term is up to five years total: initial one-year term plus up to four one-year options to renew
  - Contracts are phase funded – FY 2013 to FY 2018
  - Contracts have not yet been awarded as at least one will exceed $1 million in the initial contract term; the other contracts will exceed $1 million in cumulative expenditures in one of the option years
  - Municipal Code §22.3211(d) requires Council approval for contracts exceeding this threshold
<table>
<thead>
<tr>
<th>Vendor</th>
<th>FY 2013 Amount</th>
<th>Total Contract Amount FY 2013-2018</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlas Environmental</td>
<td>$1,356,819</td>
<td>$13,014,040</td>
<td>70%</td>
</tr>
<tr>
<td>Aztec Landscaping</td>
<td>$223,400</td>
<td>$3,584,859</td>
<td>20%</td>
</tr>
<tr>
<td>West Coast Arborists</td>
<td>$122,816</td>
<td>$1,914,573</td>
<td>10%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$1,703,035</strong></td>
<td><strong>$18,513,472</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
Budgeted Tree Contract Funding Sources

FY 2013-2018

- $8,671,919 / 47%
- $7,376,253 / 40%
- $1,142,964 / 6%
- $608,607 / 3%
- $713,729 / 4%

Note: This chart represents projected multi-year costs. Funds will be requested through the normal budget process each fiscal year.
• User Departments:
  – Library
  – Park and Recreation
  – Public Utilities
  – Real Estate Assets
  – Transportation and Storm Water

• Community Outreach:
  – Community Forest Advisory Board – January 2013
  – Maintenance Assessment District Committees
• Requested Actions:
  – Authorize award of three tree service contracts anticipated to exceed $1 million
  – Authorize expenditure of funds associated with the contracts for future fiscal year contingent upon future budget approvals