

COUNCIL WORKSHOP ITEM

ITEM: Tree and Stump Removal Contract
DATE: March 11, 2004
PREPARED BY: David H. Barber, P.E., Director of Public Works
Kerstin G. von der Heide, Village Forester
PURPOSE: Review recommendation and place on agenda for Council approval and award of contract
BID AMOUNT: \$108,137.50 **ACCOUNT:** 001.335.0000.5443

DISCUSSION:

Three bids were received on Thursday February 19, 2004, for a two-year Tree and Stump Removal contract. A fourth contractor submitted a “no-bid” letter, and the current contractor decided to not re-bid. All three bidders attended the required pre-bid conference, proposed prices for two years, submitted a letter of capability of obtaining a performance bond or letter of credit, and supplied insurance information and the required signatures. In that tree removal is so important for safety reasons, the contract requires a performance bond or letter of credit in the amount of the contract, and includes provisions for liquidated damages for failure to complete the work on time. The actual term of the contract is for one year with the option to renew for a second year provided the Village is satisfied with the service and is contingent upon sufficient Village funds. The purpose of the contract is for the removal of trees and stumps from parkways, Village properties, and unimproved right-of-ways and alleys. These removals are necessary because of tree death, hazardous conditions, and infectious diseases such as Dutch elm disease.

The following table summarizes the prices. The estimated quantities listed are based on the average number of trees and stumps removed in the past and anticipated removal needs. Because of this, the numbers for trees and stumps are not equal and may differ as a result of in-house removals, storm damage losses, and tree removals in unimproved right-of-ways where stumps are not removed. For the past twelve fiscal years, the contracts have averaged 292 trees and 253 stumps annually.

Bergquist

Item	Estimated Quantity	Year 1		Year 2	
		Unit Price	Extended Cost	Unit Price	Extended Cost
Tree removal 4" - 19" diameter	2,270 inches (200trees)	12.40	28,148.00	12.70	28,829.00
Tree removal over 19" diam.	2,710 inches (100 trees)	20.45	55,419.50	21.80	59,078.00
Stump removal	260 (each)	94.50	24,570.00	98.00	25,480.00
TOTAL Both Tree and Stump Removal			108,137.50		113,387.00

Winkler's

Item	Estimated Quantity	Year 1		Year 2	
		Unit Price	Extended Cost	Unit Price	Extended Cost
Tree removal 4" - 19" diameter	2,270 inches (200trees)	19.52	44,310.40	20.17	45,785.90
Tree removal over 19" diam.	2,710 inches (100 trees)	32.91	89,186.10	34.00	92,140.00
Stump removal	260 (each)	149.52	38,875.20	154.52	40,175.20
TOTAL Both Tree and Stump Removal			172,371.70		178,101.10

Kramer

Item	Estimated Quantity	Year 1		Year 2	
		Unit Price	Extended Cost	Unit Price	Extended Cost
Tree removal 4" - 19" diameter	2,270 inches (200trees)	20.00	45,400.00	21.50	48,805.00
Tree removal over 19" diam.	2,710 inches (100 trees)	44.00	119,240.00	46.50	126,015.00
Stump removal	260 (each)	165.00	42,900.00	175.00	45,500.00
TOTAL Both Tree and Stump Removal			207,540.00		220,320.00

Bergquist Tree Experts has the lowest bid. Bergquist has had numerous contracts with the Village in the last decade for a variety of services including removals and pruning, all of which have been successfully completed. With a reduced budget in the last 2 fiscal years, staff has removed fewer trees than the average of 292. Last year, staff left trees that were half dead but not hazardous in the parkway, not only to limit funds used for removals but also to control the number of areas needing a replacement tree planting. However, trees that were half dead last year are more than likely to be completely dead this year, and removal numbers are expected to be closer to the average this year. Because of this, staff is requesting the contract be awarded in the amount of \$108,137.50 for the first year. This dollar amount is higher than the \$86,790 estimated by staff in the proposed budget; staff based their future increases and estimates on the current contract and since the current Contractor decided to not re-bid, prices came in higher than the estimate.

Finally, staff is aware that Council has not yet approved a budget, and, therefore, will work within the budget authority granted by Council. Staff will ensure that the awarded contractor will allow the Village to reduce and/or raise the bid quantities during the term of the contract. Staff will continue to prioritize removals considering safety, budget and replacement options. In the proposed budget for FY2004/05, tree and stump removal services are funded in the Tree Services Account (001.335.0000.5443). The proposed budget for this account is \$265,000. In that several contracts are included in this account, all will be monitored and adjusted in order to fully execute the Tree and Stump Removal contract.

RECOMMENDATION:

The recommendation to the Village Council is to award the Tree and Stump Removal contract to Bergquist Tree Experts at a dollar amount of \$108,137.50 for FY2004/05 with the option to renew for \$113,387.00 for FY2005/06 contingent upon sufficient Village funds.