



MANAGER'S MEMO ITEM

ITEM: Parkway Tree Pruning Contract
WORKSHOP DATE: November 8, 2005
PREPARED BY: David H. Barber, P.E., Director of Public Works
 Kerstin G. von der Heide, Village Forester
BID AMOUNT: \$118,219.60 **ACCOUNT:** 001.335.0000.5443
BUDGET AMOUNT: \$84,750.00

PURPOSE: To recommend award of a contract to Kramer Tree Specialists, Inc. to prune parkway trees in an amount of \$118,219.60. Staff is also requesting acceptance of the unit prices for 2006-07 and 2007-08 with the limit of work contingent upon approved funds.

BACKGROUND:

The purpose of the Parkway Tree Pruning contract is to improve tree structure, enhance tree vigor, increase a tree's aesthetic appeal, provide adequate clearance, and maintain safe conditions in the right-of-way. The optimum pruning cycle is every 5 years. Although the Village has maintained an 8-year pruning cycle in recent years, staff is identifying strategies to shorten the cycle. As the pruning cycle extends beyond 5 years, the Village experiences an increase in resident calls for service, pruning requests, and storm damage incidents. There is also a corresponding decrease in tree health and value.

To return to a 5-year cycle, 3856 trees need to be pruned annually. In order to reasonably meet the budget constraints in the tree services account, however, it is expected that 2,646 trees will be pruned in FY2005-06, as designated by areas 1, 2 and 3 on the attached map. In order to move close to the 5-year cycle, as recommended by the Village Forester, an average of 3,540 trees should be pruned in year 2 (sections 4, 5, 6) and 3 (sections 7, 8, 9) Returning to a 5-year cycle, however, will require a commitment of additional financial resources. The extent to which this is feasible will be resolved during the budget process, as Village staff strives to work with the Council in establishing multi-year service objectives.

The Village was required to re-bid this contract because the prior year's contractor opted not to renew for years two and three based on prices submitted prior to being awarded the contract. Increased fuel costs and related expenses made it impossible for the bidder to perform the services at the prices as originally bid.

RESULTS OF BIDDING PROCESS:

Five bids were received for the three-year Parkway Tree Pruning contract. The term of the contract is for one year with the option to renew for a second and third year provided the Village is satisfied with the service and is contingent upon available resources. The table in Attachment B summarizes the bidders and their prices. Language in the contract allows the Village to increase or decrease the stated quantities. If the Village chooses to renew this contract for the second or third year, the unit prices for each diameter class shall be those submitted with this bid.

A review of the prices bid indicates Kramer Tree Specialists, Inc. has submitted the lowest price for all three years.

REFERENCE CHECKS:

Kramer Tree Specialists has performed satisfactorily in providing parkway tree pruning services for the Village from 1996-1999 and 2001-2002, and has also provided tree and stump removal services from 1997-1999.

BUDGET IMPLICATIONS:

BID AMOUNT: \$118,219.60	ACCOUNT: 001.335.0000.5443
BUDGET AMOUNT: \$ 84,750.00 (to be supplemented with \$18,400 from the Tree Removal Escrow account)	

Several contracts are funded in the Tree Services Account. Of the \$290,800 budgeted in this account, \$84,750 was earmarked for tree pruning, determined based on the pricing submitted by the prior year's contractor. When considered along with the other contracts and expenses funded in this account, staff anticipants that, in total, \$309,169 will be required to complete the various tree services as planned, approximately \$18,400 above the budgeted amount.

To meet this deficit, staff proposes that funds being held in the Tree Removal Escrow account (640.000.0000.2402) are released to offset costs of tree planting were funded in the tree services account. The funds being collected in the escrow account are collected when trees are removed in the parkway through the Village's permit process with the approval of the Village Forester and the amount charged is based on the appraised value of the tree. There is currently in excess of \$25,000 in this escrow account. A future budget amendment will be presented to increase the current budget in account 001.335.0000.5443 to cover these additional costs.

ATTACHMENTS:

- Attachment A – Map of pruning sections
- Attachment B – Bid tabulation for Parkway Tree Pruning

STAFF RECOMMENDATION:

Staff recommends awarding the FY2005-06 Parkway Tree Pruning contract to Kramer Tree Specialists, Inc., for \$118,219.60 with renewal for FY2006-07 and FY2007-08 at the unit prices bid in 2005 with the limit of work contingent upon approved funds.

REQUESTED COURSE OF ACTION:

Place this item on the November 15, 2005 Consent Agenda

Attachment A – Map of pruning section



Attachment B – Bid tabulation for Parkway Tree Pruning

Sections 1, 2, 3 <u>Winter 2005/2006</u>	<u>Kramer Tree Specialists, Inc.</u>	<u>Winkler's Tree & Landscaping, Inc.</u>	<u>Bergquist Tree Experts, Inc.</u>	<u>McGinty Bros. Inc.</u>	<u>B. Haney & Sons, Inc.</u>
<u>Tree #</u>	<u>Unit Price</u> <u>Extension</u>	<u>Unit Price</u> <u>Extension</u>	<u>Unit Price</u> <u>Extension</u>	<u>Unit Price</u> <u>Extension</u>	<u>Unit Price</u> <u>Extension</u>
6-24" 2397	\$39.80 \$95,400.60	\$49.76 \$119,274.72	\$49.25 \$118,052.25	\$47.00 \$112,659.00	\$55.40 \$132,793.80
24-36" 224	\$88.50 \$19,824.00	\$69.76 \$15,626.24	\$96.00 \$21,504.00	\$138.00 \$30,912.00	\$89.10 \$19,958.40
>36" 25	\$119.80 \$2,995.00	\$89.76 \$2,244.00	\$120.00 \$3,000.00	\$219.00 \$5,475.00	\$108.90 \$2,722.50
TOTAL	\$118,219.60	\$137,144.96	\$142,556.25	\$149,046.00	\$155,474.70
Sections 4, 5, 6 <u>Winter 2006/2007</u>					
6-24" 1	\$41.80	\$52.76	\$59.00	\$68.00	\$57.62
24-36" 1	\$92.10	\$72.76	\$99.00	\$155.00	\$92.66
>36" 1	\$124.60	\$92.76	\$130.00	\$230.00	\$113.26
Sections 7, 8, 9 <u>Winter 2007/2008</u>					
6-24" 1	\$43.45	\$56.76	\$65.00	\$76.00	\$60.50
24-36" 1	\$95.70	\$75.76	\$105.00	\$168.00	\$97.29
>36" 1	\$129.60	\$95.76	\$140.00	\$237.00	\$118.92