

**COUNCIL ACTION FORM**

**SUBJECT: FY2016-19 ELECTRIC DISTRIBUTION LINE CLEARANCE PROGRAM**

**BACKGROUND:**

This contract will include nearly all of the requirements for tree trimming services for Electric Services during the next three fiscal years. The periods from July 1, 2017, through June 30, 2018, and from July 1, 2018, through June 30, 2019, are renewal options subject to City Council approval of funding. Prices for equipment rates and miscellaneous charges are firm throughout the first two years of the contract period, and are to be adjusted for FY2018/19 based on a percentage of increase included in the original bid. Labor rates are to be adjusted for FY2017/18 and FY2018/19 based on a percentage of increase included in the original bid.

Bid notices were sent to thirteen potential bidders, as well as to one plan room. Prequalification of bidders was required for this contract to ensure that each one had sufficient experience and resources to perform at the level required. Two companies provided prequalification documents detailing their employee safety and training programs and company resources. It was determined that both of those companies were prequalified to bid.

On April 6, 2016, two bids were received and evaluated staff. Staff concluded that the low bid from Wright Tree Services, Des Moines, IA, is acceptable. The bid results are shown on Attachment A. Attachment B shows the cost evaluation, which is based on a crew of four people and required equipment for 48 weeks per year, including annual usage on material and supplies. A forty-eight week time period has traditionally been used in the evaluation, since it provides for a full year of services but allows for inclement weather, crew absences, etc., when no work would be performed.

The approved operating budget for FY 2016/17 includes adequate funding for this program. Services provided under this contract are monitored by Electric Services staff to ensure that expenditures are performed properly and are in accordance with the approved funding level.

**ALTERNATIVES:**

- 1) Award the contract for the FY2016/17 Electric Distribution Line Clearance Program to Wright Tree Services, Des Moines, IA, for hourly rates and unit prices

bid, in an amount not to exceed \$302,587. Renewal options for FY2017-18 and FY2018-19 may be exercised later at the Council's discretion.


- 2) Award the contract for the FY2016/17 Electric Distribution Line Clearance Program to Asplundh Tree Expert Company, Fairfax, Iowa, for hourly rates and unit prices bid, in an amount not to exceed \$302,587. Renewal options for FY2017-18 and FY2018-19 may be exercised later at the Council's discretion. This company has been doing this work for the City during the past several years.
- 3) Reject all bids and attempt to obtain the required services on an as-needed basis.

**MANAGER'S RECOMMENDED ACTION:**

An on-going tree trimming program helps mitigate the number of customer interruptions resulting from extreme weather events. Alternative No. 1 establishes a fixed price contract for performance of the required tree trimming services at the best price, obtained via the competitive sealed bid process. It has proven to be very cost-effective to have a company under contract to provide these services.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

CITY OF AMES, IOWA  
 LINE CLEARANCE PROGRAM  
 FY 2016-2017

	WRIGHT TREE SERVICE, DES MOINES, IOWA		ASPLUNDH TREE EXPERT COMPANY, FAIRFAX, IOWA	
	HOURLY RATE		HOURLY RATE	
LABOR DESCRIPTION	STRAIGHT TIME	TIME & ONE- HALF	STRAIGHT TIME	TIME & ONE- HALF
Working Foreman	\$35.98	\$48.13	\$38.29	\$55.14
Trimmer A	\$32.94	\$43.93	\$35.11	\$50.56
Trimmer B	\$29.89	\$39.73	\$32.14	\$46.26
Trimmer C	\$28.37	\$37.63	\$30.63	\$44.11
Trimmer D	\$26.85	\$35.53	\$29.10	\$41.90
Ground Person	\$22.29	\$29.23	\$24.46	\$35.22
Line Permitter	\$32.94	\$43.96	\$35.11	\$50.56
EQUIPMENT DESCRIPTION	RATE PER CREW HOUR		RATE PER CREW HOUR	
Hydraulic aerial device	\$16.00		\$15.25	
Manual aerial device	\$16.00		\$15.25	
Chip truck	\$9.95		\$8.90	
Brush Tractor	\$65.98		\$32.00	
Truck&Trailer for Brush trac.	\$16.25		\$15.20	
Hydro Axe	\$62.79		\$62.50	
Truck&Trailer for Hydro Axe.	\$17.25		\$15.20	
Pick-up Truck	\$10.17		\$7.90	
Power saw	\$0.50		No Charge	
Brush Chipper	\$4.98		\$5.30	
Hand pruning equip.			No Charge	
Ropes and body belts			No Charge	
MATERIALS & SUPPLIES	BID PRICE		BID PRICE	
Weedone CB	N/A		N/A	
Banvel CST per gal	N/A		N/A	
Garlon 4 per gal	\$32.58		\$31.20	
Tree Paint: Maintain A per case of 12 13 Oz.cans	\$108.00		\$82.50	
Other supplies Cost plus %	10%		10%	
PERCENTAGE OF INCREASE, OPTIONAL RENEWAL PERIODS				
Labor FY 2017-2018	2%		3%	
Labor FY 2018-2019	2%		3%	
Equipment FY 2018-2019	2%		3%	

ATTACHMENT B

CITY OF AMES, IOWA  
 EVALUATED TOTAL COST  
 LINE CLEARANCE PROGRAM FY2016-FY2019

DESCRIPTION	WRIGHT TREE SERVICE, INC	ASPLUNDH TREE EXPERT CO.
<b>FY 2016-2017:</b>		
Estimated Total Labor Costs	\$238,368.00	\$255,302.40
Estimated Total Equipment Costs	\$60,768.00	\$54,624.00
<b>Subtotal:</b>	<b>\$299,136.00</b>	<b>\$309,926.40</b>
Estimated Total Materials & Supplies	\$895.95	\$858.00
<b>Estimated Total Costs</b>	<b>\$300,031.95</b>	<b>\$310,784.40</b>
<b>FY 2017-2018:</b>		
Estimated Total Labor Costs	\$243,135.36	\$262,961.47
Estimated Total Equipment Costs	\$60,768.00	\$54,624.00
<b>Subtotal:</b>	<b>\$303,903.36</b>	<b>\$317,585.47</b>
Estimated Total Materials & Supplies	\$895.95	\$858.00
<b>Estimated Total Costs</b>	<b>\$304,799.31</b>	<b>\$318,443.47</b>
<b>FY 2018-2019:</b>		
Estimated Total Labor Costs	\$247,998.07	\$270,850.32
Estimated Total Equipment Costs	\$61,983.36	\$56,262.72
<b>Subtotal:</b>	<b>\$309,981.43</b>	<b>\$327,113.04</b>
Estimated Total Materials & Supplies	\$895.95	\$858.00
<b>Estimated Total Costs</b>	<b>\$310,877.38</b>	<b>\$327,971.04</b>
<b>FY 2018-2019</b>		
<b>SUMMARY</b>		
Overall Estimated Labor Costs	\$729,501.43	\$789,114.19
Overall Estimated Equipment Costs	\$183,519.36	\$165,510.72
Overall Estimated Materials & Supplies	\$2,687.85	\$2,574.00