

COUNCIL ACTION FORM

SUBJECT: RENEWAL OF CONTRACT FOR ELECTRIC DISTRIBUTION LINE CLEARANCE PROGRAM FOR FY 2011/2012

BACKGROUND:

This contract includes nearly all of the requirements for tree trimming services for the Electric Services Department during the 2010/2011, 2011/2012, and 2012/2013 fiscal years. It would not cover large storm-related emergency situations.

On May 25, 2010, City Council awarded a contract to Asplundh Tree Expert Co., of Fairfax, Iowa, for tree trimming services for the Electric Services Department. This contract contained two renewal options. The period from July 1, 2011 through June 30, 2012, is the first renewal option subject to Council approval of funding for the Line Clearance Program. Hourly rates for FY 2011/2012 are shown on the attached sheet. Council should note that the labor rates shown represent a 2% increase from FY 2010/2011 in accordance with the contract terms initially established.

The approved FY 2011/2012 operating budget includes \$285,000 for this program. The program is monitored by the Electric Distribution Division to ensure the established level of service is maintained and expenditures are in accordance with the budget guidelines.

ALTERNATIVES:

- 1) Approve the contract renewal with Asplundh Tree Expert Co., Fairfax, IA, for the Line Clearance Program for Electric Distribution for the one-year period from July 1, 2011, through June 30, 2012. Payments will be based on hourly rates, unit prices bid, and actual work performed. Total cost for FY 2011/2012 shall be for the not to exceed amount of \$285,000. The renewal option for FY 2012/2013 is exercisable at the Council's discretion.
- 2) Do not renew the agreement and instruct staff to seek new competitive bids.

MANAGER'S RECOMMENDED ACTION:

An on-going tree trimming program can help 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, approving the contract renewal with Asplundh Tree Expert Co., Fairfax, IA, for the Line Clearance Program for Electric Services' Distribution Division for the one-year period from July 1, 2011, through June 30, 2012. Payments will be based on hourly rates, unit prices bid, and actual work performed. Total cost for FY 2011/2012 shall be for the not to exceed amount of \$285,000. The renewal option for FY 2012/2013 is exercisable at the Council's discretion.

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|  | ASPLUNDH TREE EXPERT COMPANY FAIRFAX, IOWA FY 2011 / 2012 RATES | |
| | HOURLY RATE | |
| LABOR DESCRIPTION | STRAIGHT TIME | TIME & ONE-HALF |
| Working Foreman | \$30.05 | \$43.27 |
| Trimmer A | \$27.01 | \$38.89 |
| Trimmer B | \$25.99 | \$37.42 |
| Trimmer C | \$23.88 | \$34.38 |
| Trimmer D | \$22.47 | \$32.35 |
| Ground Person | \$19.93 | \$28.70 |
| Line Permitter | \$27.01 | \$38.89 |
| EQUIPMENT DESCRIPTION | RATE PER CREW HOUR | |
| Hydraulic aerial device | \$11.50 | |
| Manual aerial device | \$11.50 | |
| Chip truck | \$5.44 | |
| Brush Tractor | \$30.90 | |
| Truck&Trailer for Brush trac. | \$8.14 | |
| Hydro Axe | \$45.00 | |
| Truck&Trailer for Hydro Axe. | \$8.14 | |
| Pick-up Truck | \$7.50 | |
| Power saw | \$0.45 | |
| Brush Chipper | \$4.07 | |
| Hand pruning equip. | No Charge | |
| Ropes and body belts | No Charge | |
| MATERIALS & SUPPLIES | BID PRICE | |
| Banvel CST per gal | \$33.50 | |
| Garlon 4 per gal | \$37.00 | |
| Tree Paint: Maintain A per case of 12 13 Oz.cans | \$43.00 | |
| Other supplies Cost plus % | 10% | |