

COUNCIL ACTION FORM

SUBJECT: CHANGE ORDER – ELECTRIC DISTRIBUTION LINE CLEARANCE PROGRAM

BACKGROUND:

In recent years the City has expended approximately \$271,000 per year for a tree trimming contract to reduce tree caused electric outages across the City. Unfortunately, due to a typographical error, on June 6, 2013 the Council was asked to award a contract to Asplundh Tree Expert Co., Fairfax, Iowa for hourly rates and unit prices bid in an amount not-to-exceed \$171,000 per the bid. The correct amount should have been \$271,000.

The proposed change order will correct this error by adding an additional \$100,000 to the current contract for FY2013/14. This would bring the total contract amount to \$271,000. The City Council should understand that this higher total was included in the approved operating budget for FY2013/14 and is in keeping with prior years' funding levels. This change order is needed in order to prevent funds from being exhausted prior to the year's tree-trimming work being completed.

ALTERNATIVES:

- 1) Approve Contract Change Order No. 1 to Asplundh Tree Expert Co., in the amount of \$100,000. This will bring the total FY2013/14 Electric Distribution Line Clearance Program contract to the not-to-exceed amount of \$271,000, which is consistent with the approved budget.
- 2) Reject Contract Change Order No. 1. This would negatively affect the tree trimming service level for FY 13/14.

MANAGER'S RECOMMENDED ACTION:

This change order is needed to ensure that on-going tree trimming service is provided through the fiscal year. This work helps mitigate the number of customer interruptions resulting from extreme weather events. Alternative No. 1 maintains a fixed price contract for performance of the required tree trimming services at the best price, obtained via the competitive sealed bid process.

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