

COUNCIL ACTION FORM

SUBJECT: **RENEWAL OF CONTRACT ELECTRIC DISTRIBUTION
LINE CLEARANCE PROGRAM**

BACKGROUND:

This contract includes nearly all of the requirements for tree trimming services for Electric Services as part of the Line Clearance Program during the 2019/20, 2020/21 and 2021/22 fiscal years. Prices for equipment rates and miscellaneous charges are firm throughout the first two years of the contract period and are to be adjusted for FY 2021/22 based on a percentage of increase included in the original bid. Labor rates are to be adjusted for FY 2020/21 and FY2021/22 based on a percentage of increase included in the original bid.

On May 28, 2019, City Council awarded a contract to Wright Tree Services, Des Moines, IA, for these tree trimming services. This contract contained the option to renew the contract for two additional one-year periods. **The period from July 1, 2020 through June 30, 2021, is the first renewal period subject to Council approval of funding for the Line Clearance Program.** There is a rate provision under this contract that increases rates at fixed percentages above the previous fiscal year's contracted rates at time of renewal. **The annual rate increase for this contract period is 3% for labor and 0% for equipment. These increases are in accordance with the contract terms initially established.**

The approved operating budget for FY 2020/21 includes \$337,260 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. Invoices are based on unit prices bid and services actually received and accepted by the City.

ALTERNATIVES:

- 1) Award the contract for the FY2020/21 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 \$337,260, subject to receipt of the required performance bond.
- 2) 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 2020-2021

	Wright Tree Service, Inc. West Des Moines, IA		
	HOURLY RATE		
LABOR DESCRIPTION	Rate for 2019-2020	Rate for 2020-2021	TIME & ONE-HALF
Working Foreman	\$37.94	\$38.97	\$58.45
Trimmer A	\$34.73	\$35.76	\$53.63
Trimmer B	\$31.51	\$32.54	\$48.80
Trimmer C	\$29.92	\$30.95	\$46.42
Trimmer D	\$28.31	\$29.34	\$44.00
Ground Person	\$23.49	\$24.52	\$36.77
Line Permitter	\$34.73	\$35.76	\$53.63
EQUIPMENT DESCRIPTION	RATE PER CREW HOUR		
Hydraulic aerial device	\$16.32		
Manual aerial device	\$16.32		
Chip truck	\$10.15		
Brush Tractor	\$67.30		
Truck&Trailer for Brush trac.	\$16.58		
Hydro Axe	\$64.05		
Truck&Trailer for Hydro Axe.	\$17.60		
Pick-up Truck	\$10.37		
Power saw	\$0.51		
Brush Chipper	\$5.08		
Hand pruning equip.			
Ropes and body belts			
MATERIALS & SUPPLIES	BID PRICE		
Weedone CB			
Banvel CST per gal			
Garlon 4 per gal	\$32.58		
Tree Paint: Maintain A per case of 12 13 Oz.cans	\$100.32		
Other supplies Cost plus %	10%		
PERCENTAGE OF INCREASE, OPTIONAL RENEWAL PERIODS			
Labor FY 2020-2021	2.50%		
Labor FY 2021-2022	2.75%		
Equipment FY 2021-2022	0%		

*Attachment states this is for 3-man crew with bucket truck or climber, wood chipper and pickup w/trailer. It does not state which three labor designations of the four marked are included in this price.