

COUNCIL ACTION FORM

SUBJECT: CONTRACT RENEWAL FOR 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. 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, 2021 through June 30, 2022, is the second and last renewal period.**

The contract includes a rate provision which increases rates at fixed percentages above the previous fiscal year contracted rates at time of renewal. The bid from Wright Tree Services included increases for this contract period of 2.75% for labor and 0% for equipment. The increases were considered during the original evaluation of bids. A comparison of FY 2020/21 rates and proposed FY 2021/22 rates is shown on Attachment 1.

The benefits of having a contract for these services in place include the following:

- 1) Consistency of work and quality from a single contractor.
- 2) Reduction in the City's exposure to market forces regarding prices and availability for labor and travel.
- 3) Saved City staff time obtaining quotes, evaluating bids, and preparing specifications and other procurement documentation.

The approved operating budget for FY 2021/22 includes \$347,378 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 received and accepted by the City.

City staff has been satisfied with Wright Tree Service's performance in the prior years of the contract and recommends renewal of the contract.

ALTERNATIVES:

1. a. Approve contract renewal for Electric Distribution Line Clearance Program with Wright Tree Services, Des Moines, IA, for the for the one-year period from July 1, 2021 through June 30, 2022.


b. Approve contract with Wright Tree Services of Iowa and the performance bond in the amount of \$347,378.00.
2. Cancel the renewal of the contract and instruct staff to rebid these services.

CITY MANAGER'S RECOMMENDED ACTION:

An ongoing tree trimming program helps mitigate the number of customer interruptions resulting from extreme weather events. Having a yearly contract establishes a fixed price 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 2021-2022**

	Wright Tree Service, Inc. West Des Moines, IA			
	HOURLY RATE			
LABOR DESCRIPTION	Rate for 2019-2020	Rate for 2020-2021	Rate for 2021-2022	Time and One-half
Working Foreman	\$37.94	\$38.97	\$40.04	\$60.05
Trimmer A	\$34.73	\$35.76	\$36.74	\$55.11
Trimmer B	\$31.51	\$32.54	\$33.43	\$50.14
Trimmer C	\$29.92	\$30.95	\$31.80	\$47.69
Trimmer D	\$28.31	\$29.34	\$30.14	\$45.21
Ground Person	\$23.49	\$24.52	\$25.19	\$37.78
Line Permitter	\$34.73	\$35.76	\$36.74	\$55.11
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%