



## Legislation Details (With Text)

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<b>Title:</b>	Action on Amendment No. 1 to the Agreement for Performance of Services with Davey Tree Surgery Company [Council Pillar: Deliver and Enhance High Quality Efficient Services and Infrastructure]				
<b>Sponsors:</b>					
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<b>Attachments:</b>	1. Original Agreement and Council Reprt, 2. Letter dated 12/31/2019 from Davey Tree Surgery Company, 3. Amendment No. 1 - Davey Tree				

Date	Ver.	Action By	Action	Result
1/14/2020	1	Council and Authorities Concurrent Meeting	Approved	

## REPORT TO COUNCIL

### SUBJECT

Action on Amendment No. 1 to the Agreement for Performance of Services with Davey Tree Surgery Company [Council Pillar: Deliver and Enhance High Quality Efficient Services and Infrastructure]

### BACKGROUND

The City of Santa Clara's Electric Department, Silicon Valley Power (SVP), requires tree trimming and removal services to reduce threats to the integrity of SVP's electric distribution system from tree and related vegetation contact with power lines. In recognition of this hazard, the City Manager's Directive #74 directs the Electric Department to utilize a tree trimming program to protect the distribution lines. SVP has utilized a tree trimming company specializing in working near electrical infrastructure to implement a tree trimming program.

In October of 2017, staff issued a Request for Proposal for tree trimming and two bids were received. By Council action on December 5, 2017 (Attachment 1), Davey Tree Surgery Company (Davey) was selected for a three-year agreement to provide tree trimming services for SVP near electrical infrastructure. Davey has performed well under this agreement.

During 2017 and 2018, numerous wildfires occurred throughout the State of California. In 2019, Pacific Gas and Electric Company initiated several Public Safety Power Shutoff (PSPS) events throughout their service territory. Based on the wildfire-related events of the past several years, the California Legislature implemented multiple legislative measures to reduce the risk of wildfires. One of the latest is Senate Bill 247 (SB-247), titled "Wildland fire prevention: vegetation management," which was signed into law by the Governor on October 1, 2019. While the City of Santa Clara is not in a high wildfire zone, SB-247 affects Santa Clara because it establishes the base prevailing wage for all qualified electrical line clearance tree trimmers performing work to no less than the prevailing

wage for a first period apprentice electrical utility lineman.

### **DISCUSSION**

SB-247 and the new prevailing wage requirement for qualified tree trimmers working near electrical infrastructure has increased the cost of labor for electric utilities hiring tree trimming services. In December 2019, Davey notified SVP of its negotiations with the International Brotherhood of Electrical Workers (IBEW) Local 1245, which represents tree trimmers, related to implementation of SB-247. Based on changes in both the law and the newly-negotiated agreement with the IBEW Local, Davey has proposed an amended Exhibit B, Fee Schedule (Attachment 2). There are otherwise no additional changes to the Agreement. In order to avoid an interruption of tree trimming services, staff recommends agreeing to Davey's proposed changes to the fee schedule, which would take effect for all services performed on and after January 1, 2020.

In anticipation of the Agreement with Davey ending in December 2020, staff will soon begin a Request for Proposal (RFP) process to obtain competitive bids for a new tree trimming agreement to take effect in mid-2020, to ensure that there are no disruptions in services.

### **ENVIRONMENTAL REVIEW**

This action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

### **FISCAL IMPACT**

With the increase in costs, available budget for FY 2019/20 will only cover work for approximately 6 months instead of the full year. However, budget amendment is not necessary at this time, as staff will soon begin a Request for Proposal (RFP) process to obtain competitive bids for a new tree trimming agreement. Revised budget appropriation will be requested at time of contract award.

### **COORDINATION**

This report has been coordinated with the Finance Department and City Attorney's office.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of the agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

### **RECOMMENDATION**

Authorize the City Manager to execute Amendment No. 1 to the Agreement for Services with Davey Tree Surgery Company.

Reviewed by: Manuel Pineda, Chief Electric Utility Officer

Approved by: Deanna J. Santana, City Manager

### **ATTACHMENTS**

1. Original Agreement and Council Report
2. Letter dated 12/31/2019 from Davey Tree Surgery Company and amended Exhibit B.

### 3. Amendment No. 1