



## Agenda Report

21-57

Agenda Date: 2/23/2021

### REPORT TO COUNCIL

#### SUBJECT

Action on Amendment No. 2 to the Agreements with West Coast Arborists, Inc. and Bay Area Tree Specialists to Perform Citywide Tree Trimming, Planting, Removal, and Emergency Services and Associated Budget Amendment

#### COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

#### BACKGROUND

DPW maintains over 11,000 street trees in front of residential properties. The Department utilizes contractors to provide tree trimming, removal, planting, and emergency services to supplement the work performed by a small in-house tree maintenance crew of two staff.

On June 12, 2018, Council approved agreements for citywide tree maintenance services with four contractors for a combined amount of \$2,313,000 over a three-year term. Council also authorized the City Manager to amend the agreement's not-to-exceed amounts as long as the cumulative total did not exceed \$2,313,000. After further considering the contract terms, Chiso's Tree Services chose not to sign the agreement approved by Council and Commercial Tree Care backed out of providing tree trimming services because of cost concerns for that item of work but continued to provide removal services. Because of this, the City Manager executed amendments to the agreements with the other three contractors on February 27, 2020 to redistribute the work within the Council approved authority limits. Below is a summary of the original contract values that were approved by Council in 2018 and the updated values that were amended in 2020.

Vendor	Contract Value Approved 6/12/18	Contract Value Amended on 2/27/20
West Coast Arborists, Inc.	\$410,000	\$1,058,000
Commercial Tree Care	\$1,273,000	\$750,000
Bay Area Tree Specialists	\$405,000	\$505,000
Chiso's Tree Services	\$225,000	\$0
<b>Cumulative Value of Contracts</b>	<b>\$2,313,000</b>	<b>\$2,313,000</b>

DPW has responded to 120 emergency tree calls since May of 2020. Emergency tree services can include removing a hanging branch from the canopy before it falls, clearing a main branch that has fallen, and removal of an entire tree when the risk of imminent failure could impact private property or public safety. This last year the majority of emergency tree service calls occurred during periods of high winds and extreme heat.

As a result of the emergency tree service calls and routine inspections of trees by DPW's City Arborist, there has been an increase in the number of both emergency and non-emergency tree removals performed by City contractors and in-house tree maintenance crews.

## **DISCUSSION**

Over the past summer, staff noticed that just about half of the emergency tree calls were related to the Modesto Ash tree species. The age of most Modesto Ash trees in Santa Clara is between 60-70 years. According to the International Society of Arboriculture (ISA), the expected life span of this tree is 50 -150 years and trees planted in the urban forest environment typically have a life span on the lower end of the spectrum because of poor soil quality, irregular irrigation and limited room for root growth. Given the high volume of emergency calls concerning Modesto Ash trees in the City, DPW sought assistance from an outside professional to evaluate the Modesto Ash trees and provide maintenance and removal recommendations to minimize the potential risk to property and the public.

On August 28, 2020 DPW released a Statement of Qualifications (SOQ) request on the City's e-procurement system, BidSync, to hire a qualified contractor to inspect, evaluate, and assign risk ratings to help staff prioritize the care of the remaining Modesto Ash trees in the City. Plan-It Geo LLC (Plan-It) was selected through a competitive process to inspect, evaluate, and assign risk ratings to help staff prioritize the care of the remaining Modesto Ash trees in the City.

ISA has developed standard tree risk assessment protocols for tree professionals to use while performing tree risk assessments. Plan-It followed these standards and based on the risk assessment, a priority level was assigned to each tree along with subsequent maintenance recommendations, which included monitoring, trimming and removing.

Based on that priority list prepared by Plan-It and further evaluation by the City Arborist, it was determined that 90 Modesto Ash Trees should be removed and another 265 should be pruned over the course of the next four months. The City will also be planting new trees in place of the removed trees, to the extent possible. Plan-It also recommended that the City remove an additional 87 Modesto Ash trees by the end of FY 2021/22. The 534 Modesto Ash trees that were recommended for trimming/pruning at priority level 6 will be placed on the DPW tree trimming process cycle, although not all of trees will be pruned in FY 2021/22.

The table below is an estimated cost summary of what is required for FY 2020/21 to complete the recommended tree work based on current contract prices in place through June 30, 2021.

Type of work	Number of trees	Unit Cost	Total Cost
Modesto Ash tree removal and replacement	90	\$3,800	\$342,000
Modesto Ash tree trimming	265	\$349	\$92,485
Total			\$434,485

## **Funding for Additional Tree Work**

The FY 2020/21 DPW contractual services budget for tree trimming, planting, removal, and emergency services is \$604,185 and during this FY over 50 percent of this funding allocation has been spent, with plans to spend the remaining budget on the scheduled pruning of trees previously identified as necessary by the City Arborist. Because of this, additional funding of \$435,000 is

required to complete the recommendations by Plan-It, which were unanticipated, and additional funding in the amount of \$50,000 is also being requested so there is adequate funding to cover future emergency service work through the remainder of the fiscal year.

DPW has analyzed the General Fund - Street Divisions budget and identified budget savings through position vacancies, conference, travel and training, and rent expenses to fund approximately \$285,000 of the work. To fund the remaining \$200,000 necessary for all of the tree work identified, budget amendments are recommended to transfer \$146,800 from the Public Buildings Capital Fund by reallocating funds from the Civic Center Campus Renovation (Multi-Department) project and to transfer \$53,200 from the unrestricted fund balance in the Electric Utility Fund. The electric utility funding will be used for trees that could affect or are in conflict with the City's electrical system.

#### Tree Contractor Amendments

The Modesto Ash tree work will be assigned to Bay Area Tree Specialists because they have the lowest unit costs of the three vendors DPW has under contract. West Coast Arborists will continue to be assigned tree trimming for other tree species, removals, and provide the additional emergency service work as necessary. The current agreements with tree contractors will expire on June 30, 2021. The agreements with Bay Area Tree Specialists and West Coast Arborists will need to be amended to increase the not-to-exceed spending authority to perform the work that has been identified. The agreement with Commercial Tree Care has a sufficient available balance to last through June 30, 2021. Below is a summary of the total contract values requested for Amendment No. 2

Vendor	Spending authority under Amendment No. 1	Increase in spending authority under Amendment No. 2	Total Spending Authority under Amendment No. 2
Bay Area Tree Specialists	\$505,000	\$435,000	\$940,000
West Coast Arborists, Inc.	\$1,058,000	\$50,000	\$1,108,000

#### Tree Removal Notifications

The locations of the 90 Modesto Ash trees that will be removed are provided in Attachment 1. In advance of any removals, a letter will be sent to the property owners at each address notifying them that their Modesto Ash trees have been identified for removal due to deficiencies (Attachment 2). Residents will have the opportunity to call DPW with any questions prior to the removal. The contractor performing the removal will also post a sign on each Modesto Ash approximately seven days in advance of removal to inform the community and provide an opportunity to ask questions

#### **ENVIRONMENTAL REVIEW**

The action being considered is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15301 "Existing Facilities," as the activity consists of the repair, maintenance or minor alteration of existing facilities involving no or negligible expansion of the use beyond that presently existing.

#### **FISCAL IMPACT**

Additional funding of \$485,000 is necessary to support the tree work identified by the risk

assessment. Of this amount, \$285,000 can be absorbed within the Public Works Department General Fund budget through savings generated this fiscal year. To fund the remaining \$200,000, budget amendments are recommended to transfer \$146,800 from the Public Buildings Capital Fund by reallocating funds from the Civic Center Campus Renovation (Multi-Department) project and to transfer \$53,200 from the unrestricted fund balance in the Electric Utility Fund. The Civic Center Campus Renovation project addresses needed capital renovations and improvements at City Hall. With COVID-19, these renovation efforts have been put on hold. While the reduction in the City Hall funding will impact future improvements, the tree needs are considered a higher funding priority. A transfer of \$53,200 from the unrestricted fund balance in the Electric Utility Fund is recommended to support the Electric Utility's portion of the tree work.

### Budget Amendment FY 2020/21

	Current	Increase/ (Decrease)	Revised
<b>General Fund</b>			
<u>Revenues</u>			
Transfer from the Electric Utility Fund	\$0	\$53,200	\$53,200
Transfer from the Public Buildings Capital Fund	863,289	\$146,800	\$1,010,089
<u>Expenditures</u>			
Parkways & Boulevards - Street Tree Program Contractual Services	\$604,185	\$200,000	\$804,185
<b>Electric Utility Fund</b>			
<u>Expenditures</u>			
Transfer to the General Fund	\$0	\$53,200	\$53,200
Unrestricted Ending Fund Balance	61,984,060	(53,200)	61,930,860
<b>Public Buildings Capital Fund</b>			
<u>Expenditures</u>			
Transfer to the General Fund	\$863,289	\$146,800	\$1,010,089
Civic Center Campus Renovation (Multi-Department)	1,194,200	(\$146,800)	\$1,047,400

### COORDINATION

This report has been coordinated with the Finance Department and the 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 any 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>>.

**RECOMMENDATION**

1. Approve and authorize the City Manager to execute Amendment No. 2 to the agreement with Bay Area Tree Specialists to increase the spending authority by \$435,000 for an amount not-to-exceed \$940,000 over the three-year term of the agreement;
2. Approve and authorize the City Manager to execute Amendment No. 2 to the agreement with West Coast Arborists, Inc. to increase the spending authority by \$50,000 for an amount not-to-exceed \$1,108,000 over the three-year term of the agreement; and
3. Approve the related FY 2020/21 budget amendment in the General Fund to recognize a transfer from the Electric Utility Fund in the amount of \$53,200 and a transfer from the Public Buildings Capital Fund in the amount of \$146,800 and to increase the Public Works Department appropriation by \$200,000; in the Electric Utility Fund, establish a transfer to the General Fund and reduce the Unrestricted Ending Fund Balance in the amount of \$53,200; in the Public Buildings Capital Fund, increase the transfer to the General Fund and reduce the Civic Center Campus Renovation (Multi-Department) by \$146,800.

Reviewed by: Craig Mobeck, Director of Public Works

Approved by: Deanna J. Santana, City Manager

**ATTACHMENTS**

1. Modesto Ash Tree Removal Locations
2. Letter to Property Owners of Modesto Ash Trees to be Removed
3. Amendment No. 2 to Agreement with Bay Area Tree Specialists
4. Amendment No. 2 to Agreement with West Coast Arborists, Inc.
5. Agreement and Amendment No. 1 with Bay Area Tree Specialists
6. Agreement and Amendment No. 1 with West Coast Arborists, Inc.