



# CITY OF CARSON

## Legislation Text

File #: 2017-448, Version: 1

### Report to Mayor and City Council

Tuesday, June 06, 2017

Consent

#### **SUBJECT:**

**CONSIDER EXTENDING THE AGREEMENT FOR TREE MAINTENANCE SERVICES TO THE CITY (CITY COUNCIL)**

#### **I. SUMMARY**

On July 1, 2014, the City of Carson entered into an agreement with West Coast Arborist, Inc. (WCA) for tree maintenance services for the City (Exhibit No. 1). The contract was for three years, for the term July 1, 2014, through June 30, 2017, at a total cost of \$978,019.00 (Exhibit No. 2). At the time that the contract was approved, the City and WCA agreed to one (1) additional three year extended term. Staff would like to extend the City's contract with WCA for the three years that the contract allows (Exhibit No. 3). Should the City Council authorize this extension, WCA has agreed to gradually implement the prevailing wage increase that has been mandated by the Department of Industrial Relations.

#### **II. RECOMMENDATION**

Take the following actions:

1. AUTHORIZE one (1) additional three-year extension with West Coast Arborist, Inc. to handle tree maintenance services for the City of Carson.
2. EXTEND the City of Carson's contract with West Coast Arborist, Inc. for the term July 1, 2017, through June 30, 2020, at a total cost of \$3,628,187.
3. AUTHORIZE an additional expenditure of \$107,582 for year one of the contract extension, \$119,416 for year two of the contract extension, and \$132,552 for year three of the contract extension.
4. AUTHORIZE the Mayor to execute the contract extension, following approval as to form by the City Attorney.

### **III. ALTERNATIVES**

1. DO NOT AUTHORIZE one (a) additional three-year extension with West Coast Arborist, Inc. to handle tree maintenance services for the City of Carson.
2. DIRECT Staff to issue a request for proposal (RFP) for City of Carson tree maintenance services
3. TAKE any other action the City Council deems appropriate.

### **1. IV. BACKGROUND**

The City of Carson is responsible for the care of approximately 20,000 trees located in various public parkways, medians, parks and City facilities. On February 4, 2014, the City Council approved the release of a Request for Proposals (RFP) for tree maintenance services. Bid documents were advertised to solicit proposals from potential vendors, and on June 5, 2014, two bids were received and opened by the City Clerk. The firms that responded were West Coast Arborist (WCA) and Great Scott Tree Service. Staff reviewed the bids and found that the lowest bidder, West Coast Arborist, provided the most responsive proposal, was a bona fide contractor, and was licensed by the State of California. On July 1, 2014, the City Council approved a contract with WCA for the term July 1, 2014, through June 30, 2017, at a total cost of \$978,019.00.

At the time that the agreement was initially approved, one (1) additional three year extension was permitted. Should the City Council approve staff's recommendation, WCA has agreed to gradually implement the prevailing wage increase mandated by the Department of Labor Relations (DLR), and WCA's collective bargaining agreement with the Southern California District Council of Laborers and Its Affiliated Local Unions (Laborers Union). This increase was the resolution to an ongoing disagreement between unions and the DLR as to the appropriate classification for workers that maintain trees: Unions viewed this craft as construction work as opposed to maintenance work, which pays significantly less. This new rate, though not as high as Construction Laborers, is much greater than the current classification of Landscape Maintenance Laborer. This ruling impacts labor costs for all municipal tree maintenance service providers, so it is unlikely that competitive bidding will result in any significant cost savings. WCA is proposing that the 33% prevailing wage increase be implemented gradually such that the City pays an 11% increase for each of the next three years instead of paying 33% at the start of Year 1 of the extended contract.

### **V. FISCAL IMPACT**

Should the City Council authorize the three-year contract extension with West Coast Arborist, Inc., an 11% increase in the cost of this service will take place in each of the three years.

The draft FY17-18 budget does not include the increased amounts; therefore, the draft FY17-18 budget will need to be increased by \$107,582 if City Council approves this

contract.

The increases and the total costs are detailed below:

Year 0/Current Contract Cost	\$978,019.00
<u>+ 11% Prevailing Wage Increase</u>	<u>\$107,582.00</u>
Total Cost for Year 1	\$1,085,601
Total Cost for Year 1	\$1,085,601.00
<u>+ 11% Prevailing Wage Increase</u>	<u>\$119,416.00</u>
Total Cost for Year 2	\$1,205,017.00
Total Cost for Year 2	\$1,205,017.00
<u>+ 11% Prevailing Wage Increase</u>	<u>\$132,552.00</u>
Total Cost for Year 3	\$1,337,569.00
Total Cost for Year 1	\$1,085,601.00
Total Cost for Year 2	\$1,205,017.00
<u>Total Cost for Year 3</u>	<u>\$1,337,569.00</u>
<b>Total Contract Extension Cost</b>	<b>\$3,628,187.00</b>

## VI. EXHIBITS

1. Minutes, July 1, 2014, Item No. 10. (pg. 4)
2. West Coast Arborist, Inc. Contract. (pgs. 5-37)
3. Contract Extension - Draft (pgs.38-42)

Prepared by: Christopher Ortiz, Public Works Operations Manager