



## Item No. 10 Town of Atherton

### **CITY COUNCIL STAFF REPORT – CONSENT AGENDA**

**TO: HONORABLE MAYOR AND CITY COUNCIL  
GEORGE RODERICKS, CITY MANAGER**

**FROM: MICHAEL KASHIWAGI, PUBLIC WORKS DIRECTOR  
STEVE TYLER, SUPERINTENDENT**

**DATE: JUNE 15, 2016**

**SUBJECT: APPROVE A 1-YEAR EXTENSION OF TREE MAINTENANCE  
SERVICE CONTRACT WITH WEST COAST ARBORISTS**

#### **RECOMMENDATION**

Extend the Tree Maintenance Service contract with West Coast Arborists, Inc., for 1 additional year; direct the City Attorney to prepare the appropriate contract; and authorize the City Manager to execute the contract on behalf of the Town.

#### **INTRODUCTION:**

In May 2012, the Town went through a competitive bid process for Tree Maintenance Services. Through this process, West Coast Arborists was determined to be the lowest responsible bidder and was awarded the Town contract. This is for an annual tree trimming contract for Atherton Streets and Parks. The contractor bid an hourly crew rate to provide routine pruning, hazardous tree removal and storm damage cleanup of City trees, up to the contract limit of (at the time) \$70,000.

#### **ANALYSIS:**

West Coast Arborists has been providing tree maintenance services for the Town for the past 4 years. They have been providing competent, cost effective, and very professional services. For this reason, Town staff recommends this contract be extended for an additional year.

Labor costs for work performed for the Town of Atherton are governed and determined by the State of California Department of Industrial Relations. As outlined below, a Department of Industrial Relations (DIR) ruling has significantly changed labor rates for the tree care industry. These rates have been changed as follows:

1. The new DIR determination establishes new prevailing wages that are between 60-115% higher than the previous prevailing wages that were allowed by the DIR.

2. If the City were to rebid or extend this contract, the contractor would be required to use the new (higher) prevailing wages, which would likely lead to increased costs for the same level of service.
3. The DIR has established pre-determined wage increases effective July 1, 2016, July 1, 2017 and July 1, 2018.

Accordingly, West Coast Arborists is requesting the following rate increase for FY 2016/17.

**ATHERTON**

Item/Description	Unit	Current Price	7/1/16 Price
Normal tree work - 2 man crew w/equipment	Hour	\$110.70	\$145.00
After hours tree work	Hour	\$151.70	\$198.70

As a comparison, below are the rates surrounding cities are paying WCA for FY 2016/17.

**REDWOOD CITY**

Item/Description	Unit	FY 2016-17
Normal tree work - 2 man crew w/equipment	Hour	\$160.00
After hours tree work	Hour	\$320.00

**PALO ALTO**

Item/Description	Unit	FY 2016-17
Normal tree work - 2 man crew w/equipment	Hour	\$168.75
After hours tree work	Hour	\$236.25

**CITY OF TRACY**

Item/Description	Unit	FY 2016-17
Normal tree work - 2 man crew w/equipment	Hour	\$150.00
After hours tree work	Hour	\$285.00

**POLICY FOCUS**

Staff is requesting a one (1) year extension to the original 2012 contract for FY 2016/17 with the preceding rate changes. West Coast Arborists is a company that specializes in

municipal tree work only, and does not provide services to commercial or residential properties. Being their services are tailored to municipal uses, many of the surrounding cities (Menlo Park, Redwood City, Palo Alto, and Santa Clara) are contracting with them. This provides a huge benefit to Atherton. On several occasions this past winter, when Atherton requested emergency services for downed trees blocking the roadway, WCA was in the vicinity working for those cities and able to respond in under ½ hour to our urgent need. While not always the case, it certainly is a premium benefit when it happens.

There are no significant policy issues related to this item. Tree maintenance services are a necessary service of the streets, park and facilities departments. Only contract staff can provide tree maintenance services. The Town has traditionally contracted for this service at all of its facilities.

### **FISCAL IMPACT**

West Coast Arborists has requested an increase based on the Department of Industrial Relations ruling from August 2015.

While this increase will affect the number of hours available for tree work for the year, it will not affect the budget amounts for the street or the park operations as a whole. This increase raises the rates charged for tree work performed as follows:

The FY 2016/17 general budget includes \$82,500 in Street and Park operations funds for tree work for a total of about 516 regular crew hours of tree work. West Coast Arborists was the low bidder in 2012 at 540 total crew hours of tree maintenance work at a \$70,000 budget.

### **PUBLIC NOTICE**

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting in print and electronically. Information about the project is also disseminated via the Town's electronic News Flash and Atherton Online. There are approximately 1,200 subscribers to the Town's electronic News Flash publications. Subscribers include residents as well as stakeholders – to include, but be not limited to, media outlets, school districts, Menlo Park Fire District, service providers (water, power, and sewer), and regional elected officials.

### **ATTACHMENTS**

None.