

Agenda Report

TO: CITY COUNCIL DATE: JULY 20, 1998

FROM: CYNTHIA J. KURTZ, ACTING CITY MANAGER

SUBJECT: AUTHORIZATION TO EXTEND CONTRACT NO. 16,386 WITH DAVEY TREE SURGERY COMPANY FOR TREE TRIMMING SERVICES FOR THE WATER AND POWER DEPARTMENT

RECOMMENDATION

It is recommended that the City Council authorize the General Manager to extend Contract No.16,386 with Davey Tree Surgery Company for a period of six months or an amount not to exceed \$176,000, whichever occurs first, pursuant to Specification LD-97-3 Trimming Trees for the Water and Power Department.

BACKGROUND

Trimming trees that are in close proximity to overhead electrical facilities must be performed on a regular basis to prevent plant growth from interfering with power lines. This work helps assure continuity of electrical services and public safety.

In July 1997, the City and Davey Tree Surgery Company entered into Contract No. 16,386. The term of the contract was for one year with year to year extensions, not to exceed three years subject to City Council approval. The original contract year expires on July 22, 1998.

Since the "Livable Wage" ordinance is in the process of being adopted, and the intent of the City Council is to immediately apply this ordinance on contracts, a shorter extension period of six months instead of one year is recommended. This contract can then be renegotiated after six months, and executed under the terms and conditions of the "Livable Wage" ordinance.

To continue maintaining reliable and safe electrical service to the community, the Department seeks approval to extend this contract for the first extension period. The contractor has submitted proposed labor and equipment rates for the extension. The overall price increase is 2.5% for the first optional extension period. Following review of UCLA's consumer price index for FY98, which projects increases of between 2.5% and 3.0%, staff believes cost increase for services is reasonable.

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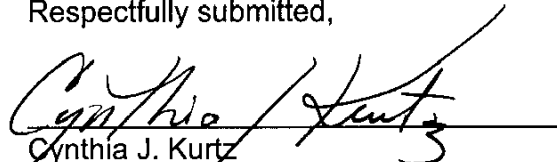
The recommended contract amount of \$176,000 is based on historical costs and anticipated workload. The actual expenditure under the present contract has averaged \$176,000 for a six month period.

Davey Tree Surgery Company has updated its affirmative action submittal. The company is based in Livermore, California, and has a workforce which is 47% minority and 3% female. Under Pasadena's Contract, Davey Tree Surgery Company utilizes a total of seven people in the performance of these services, two of whom are Pasadena residents. The proposed contract is in compliance with the Affirmative Action in Contracting Ordinance P.M.C. 4.09 and the rules and regulations promulgated thereunder.

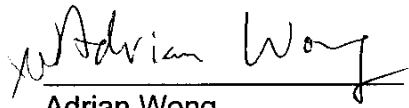
FISCAL IMPACT

This is a six month contract not to exceed \$176,000. Funds for this contract are available from the 1999 and 2000 Fiscal Year Operating Budgets for the Power Division, Account No. 0593, Maintenance of Overhead Lines - Distribution.

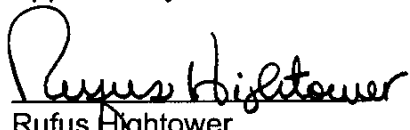
Respectfully submitted,


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AW:jv