



Naperville

CITY COUNCIL AGENDA ITEM

SUBJECT: Recommend the Award of Option Year One to Contract 16-118, Tree Trimming, Tree Removal and Disposal of Debris

TYPE OF VOTE: Simple Majority

ACTION REQUESTED:
Approve the Award of Option Year One to Contract 16-118, Tree Trimming, Tree Removal and Disposal of Debris, to Asplundh Tree Experts Company for an amount not to exceed \$571,000.

BOARD/COMMISSION REVIEW:
N/A

COUNCIL ACTION PREVIOUSLY TAKEN:

Date	Item No.	Action
01/19/15	I 5	Original Award

DEPARTMENT: Electric Utility (Electric)
Finance Department

SUBMITTED BY: Mark Curran, Electric Director
Rachel Mayer, Finance Director

BACKGROUND:
The Electric Utility (Electric) is dedicated to providing safe and reliable electric services to the citizens of Naperville. Routine tree trimming around overhead conductors is an important aspect of reliability. Last year, Electric changed the line clearance tree trimming bid, emphasizing lump sum circuit pricing. This structure puts more onus on the contractor to ensure that their crews are performing in the most efficient manner. The change resulted in a favorable first-year performance and cost savings on six circuits trimmed and all needed service requests being completed. The number of circuits trimmed increased by 50%, and city staff time required to manage the contract decreased by 50% when compared to the previous time and equipment structure. Additionally, Electric received minimal complaints from residents due to strategic scheduling and the notification process of assigned work.

16-118, Tree Trimming Opt Yr.
January 17, 2017
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On January 19, 2015 City Council awarded Bid #16-118, Tree Trimming, Tree Removal and Disposal of Debris, to Asplundh Tree Expert Company for a one year contract with consideration for three additional one year options with a maximum 3.2% increase per year.

DISCUSSION:

Staff is satisfied with the quality of work performed by Asplundh during this contract period and recommends exercising the first option year with a 3.2% increase in unit pricing. Staff reached out to Asplundh to negotiate a lower price increase. However, Asplundh indicated that the maximum increase was necessary to offset increased union labor rates in the option year.

FISCAL IMPACT:

CIP#: N/A

Tree trimming services are expensed to the property services account listed below. A total of \$571,000 has been budgeted for annual tree trimming for overhead lines in CY2017. The requested award of \$571,000 for this contract option is within the budgeted amount.

Account Number	Fund Description	Total Budget Amount
410-3342-533-40-34	Electric Fund	\$653,500

RECOMMENDATION:

Approve the Award of Option Year One to Contract 16-118, Tree Trimming, Tree Removal and Disposal of Debris, to Asplundh Tree Experts Company for an amount not to exceed \$571,000.

ATTACHMENTS:

1. Prior Award



Naperville

CITY COUNCIL AGENDA ITEM

SUBJECT: Recommend the Award of Bid 16-118, Tree Trimming, Tree Removal and Disposal of Debris

TYPE OF VOTE: Simple Majority

ACTION REQUESTED:
 Approve the Award of Bid 16-118, Tree Trimming, Tree Removal and Disposal of Debris, to Asplundh Tree Experts Co. for a one year contract in an amount not to exceed \$571,000 plus three one-year options.

BOARD/COMMISSION REVIEW:
 N/A

COUNCIL ACTION PREVIOUSLY TAKEN:

Date	Item No.	Action
N/A		

DEPARTMENT: Dept. of Public Utilities – Electric
 Finance Department

SUBMITTED BY: Mark Curran, Director of DPU-E
 Rachel Mayer, Finance Director

FISCAL IMPACT:
 CIP #: N/A

Account Number	Fund Description	Total Budget Amount	Available Funds
410-3341-533.40-34	Electric Fund	\$591,000	\$591,000

16-118, Tree Trimming
 January 19, 2015
 Page 2 of 2

BACKGROUND:

The Department of Public Utilities-Electric (DPU-E) will utilize this one year contract with three additional one year option years for the purpose of line clearance tree trimming around transmission and distribution conductors and facilities. There are 69.34 miles of overhead conductors within the City of Naperville to be trimmed.

DPU-E is dedicated to providing safe and reliable electric service to the citizens of Naperville. Routine tree trimming around overhead conductors is an important aspect of reliability. As part of this bid, the City asked for pricing in two ways, time and equipment (T&E) and lump sum circuit trimming pricing plus supplemental T&E. The two alternatives were evaluated to determine the best value for the City.

DISCUSSION:

Advertisement Date:	11/20/2015	Notices Sent:	156
Opening Date:	12/21/2015	Planholders:	22
		Bids Received:	1

BID TABULATION

One bid was received from Asplundh Tree Experts.

Alternative A	Alternative B
Time and Equipment	Circuit Trimming and Supplemental T&E
\$755,862.60	\$918,143.77

The costs associated with Alternative A (\$755,862.60) and Alternative B (\$918,143.77) were both over the amount budgeted for Calendar Year 2016 (\$571,000). Understanding the City’s budget, Asplundh has agreed to a maximum award of \$571,000. Alternative A will provide funds to trim three circuits and supplemental T&E. Alternative B will provide funds to trim five circuits and supplemental T&E. Depending upon the need for supplemental T&E throughout the year, additional circuit miles will be trimmed as funds permit. From a cost perspective, Alternative B provides a better value to the City within budget. More miles of tree trimming can be completed with Alternative B because the pricing structure puts more onus on the contractor to ensure that their crews are performing in the most efficient manner.

Procurement Services contacted the other planholders to find out why they had not submitted bids. One supplier indicated that their firm would not be able to handle a job of this size, a second supplier indicated that they would be unable to perform this particular type of work and a third indicated that they were too busy to perform the work. The remaining planholders did not respond to staff’s inquiries.

RECOMMENDATION:

Approve the Award of Bid 16-118, Tree Trimming, Tree Removal and Disposal of Debris, to Asplundh Tree Experts Co. for a one year contract in an amount not to exceed \$571,000 plus three one-year options.

ATTACHMENTS:

1. N/A