



Legislation Details (With Text)

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**Title:** Receive the report and direct staff to establish a 50/50 Cost Share program for tree replacements and planting.

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Date	Ver.	Action By	Action	Result
5/1/2018	1	City Council	received	Pass

**CITY COUNCIL AGENDA ITEM**

**ACTION REQUESTED:**

Receive the report and direct staff to establish a 50/50 Cost Share program for tree replacements and planting.

**DEPARTMENT:** Department of Public Works

**SUBMITTED BY:** Richard Dublinski, Director of Public Works

**BOARD/COMMISSION REVIEW:**

N/A

**BACKGROUND:**

The Department of Public Works (DPW) is responsible for the various parkway tree planting programs that the City offers to its residents. There are two types of tree planting programs - replacement programs and new tree planting programs. For the past several years, the replacement programs include:

- A free tree replacement program for parkway trees that have died, and
- A replacement tree planting program for Ash trees that have been removed due to the Emerald Ash Borer (CIP Project PA040)

The new planting programs include:

- Parkway tree planting required by Landscape Ordinance (93-14) for newly constructed homes
- Arterial Tree Planting Program (PA020)

City Council approved the award of Bid 18-013, Tree Planting Services, to The Fields on Caton Farm, Inc for an amount not to exceed \$444,250 for a one-year term at the March 21, 2018 City Council meeting. The average cost to purchase and plant a new tree under this contract is \$330. Based on the pricing received and the approved budget of \$444,250, of which \$185,000 will be reimbursed by

developers, the City will be able to plant approximately 1,350 trees. The chart below shows the budget for each program.

Program/Funding	CY18 Budget	Type of Program	Projected # of trees
EAB Replacement (CIP)	\$181,750	Replacement	550
Arterial (CIP)	\$37,500	New Tree	114
Replacement (General)	\$40,000	Replacement	121
Developer (General)	\$185,000	New Tree	561
Total	\$444,250		1,346

As part of the 2018 budget process, the “free tree replacement program” was reduced from \$80,000 to \$40,000 to help contain General Fund cost increases. The process for communication with residents regarding their participation in the 2018 spring free tree replacement program began in the late summer of 2017. As such, the spring planting program for 2018 continued to be free to residents, and a cost share program was not implemented.

At the time of the award, staff indicated that an alternative program with a cost share component for future tree planting programs would be brought forth to obtain council consensus.

**DISCUSSION:**

The goal of the tree replacement program has been to replace all trees that are removed within a year of their removal. The trees are replaced in such a way that residents are offered the opportunity to choose from a variety of trees that will diversify the species of trees throughout the community.

In order to keep with the philosophy of keeping the forest level and the budget consistent, DPW has examined several options:

The first option for meeting budget expectations for the replacement tree program is to continue to offer the free program, based on budget availability. The program would be implemented on a first come, first serve basis and the number of trees replaced would be set by the annual budget available. When a tree is removed, residents would be notified that replacement trees would be planted as funding is available and they would be encouraged to apply early. A waitlist would be created and residents may have to wait longer than a year to receive their replacement tree. Over time, it is anticipated that the waitlist could result in residents waiting years for their replacement trees. The existing budget for replacement trees is \$221,750, which allows for approximately 670 replacement trees. The chart below shows the potential of how many residents could be on a waitlist for a tree replacement over the next three years.

Year	City Expenditure	Total Trees Replaced	Potential Waitlist
2018	\$221,750	670	130
2019	\$221,750	670	260
2020	\$221,750	670	390
2021	\$221,750	670	520

Another option is to implement a cost share program for tree replacement. On average, the City replaces approximately 800 trees per year. At the current pricing, this would require a budget of \$264,000. A 50/50 cost share program, if mandatory, would generate revenue of \$132,000 annually. There would be an administrative component to creating a cost share program that would need to be managed, and a policy or ordinance would need to be in place for residents who were not willing to pay to replace the tree in their parkway.

Staff recommends that the 50/50 Cost Share Program be implemented beginning with the Fall 2018 program. Historically, more trees have been planted as part of the spring planting program, and 750 trees will be planted this spring, including approximately 400 replacement trees. Staff anticipates that in Fall of 2018 approximately 300 replacement trees will be planted at a cost of \$99,000. This would generate \$49,500 in corresponding revenue. Beginning in CY2019, it is anticipated that an average of 800 replacement trees would be planted through both the spring and fall programs, generating \$132,000 in revenue. The chart below shows the City's expenditures once the program is implemented in the Fall of 2018.

Year	City Expenditure	Revenue Received	Trees Replaced
2018*	\$49,500	\$49,500	300
2019	\$132,000	\$132,000	800
2020	\$132,000	\$132,000	800
2021	\$132,000	\$132,000	800

\*2018 numbers reflect Fall planting only.

**FISCAL IMPACT:**

CIP #: PA040 (EAB Program) & PA020 (Annual Tree Planting Program)

Tree planting services are budgeted across several funds including the General Fund, and Capital Improvement Fund. The budgets for the programs are allocated per the table below. If the 50/50 cost share program is implemented, approximately \$49,500 in revenue would be generated in CY2018.

Program/Funding	Construction	Replacement	Arterial	Total
EAB Replacement (CIP)		\$ 181,750		\$ 181,750
Arterial (CIP)			\$ 37,500	\$ 37,500
Replacement (General)		\$ 40,000		\$ 40,000
Developer (General)	\$ 185,000			\$ 185,000
Total	\$ 185,000	\$ 221,750	\$ 37,500	\$ 444,250

In CY2019, DPW's budget will reflect 800 replacement trees and the corresponding revenue.