



Legislation Text

File #: 18-156, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Bid 18-008, Electric Tree Trimming, Tree Removal and Disposal of Debris, to Asplundh Tree Experts, LLC for an amount not to exceed \$1,202,000 and to D. Ryan Tree & Landscape Service, LLC for an amount not to exceed \$200,000 for a total award of \$1,402,000, plus a 3% contingency and for a two-year term

DEPARTMENT: Electric Utility

SUBMITTED BY: Mark Curran, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

The Electric Utility has approximately 69.34 miles of overhead transmission and distribution conductors throughout the City. Trees and other landscaping have been planted in the vicinity of these conductors and routine tree trimming is important to ensure reliability for the system as well as safety of the public. The Utility has developed a four-year rotation schedule for the trimming of trees adjacent to overhead conductors. The Utility's line clearance tree trimming around overhead conductors and underground facilities is outsourced to contractors.

In January 2016, the City Council approved the award of a contract with Asplundh Tree Experts to perform utility line clearance tree trimming for a term of one year with three, one-year options to extend. The contract was extended for the first option year in January 2017. Asplundh elected not to exercise the second option year on the City's contract or those of our neighboring municipalities: St. Charles, Batavia, and Geneva.

There is limited competition for tree trimming around utility lines because it is specialized and dangerous work. Additionally, Naperville and the other municipal electric utilities have to compete with ComEd, which has significantly more work. In an effort to make our bids more attractive and competitive, Naperville partnered with St. Charles, Batavia and Geneva on a joint bid.

DISCUSSION:

Advertisement Date:	01/31/2018	Notices Sent:	87
Opening Date:	02/27/2018	Planholders:	13
		Bids Received:	2

The work was broken into three categories discussed below. Vendors could provide bid responses to

one or more of the work groups.

- Bid A - Tree trimming for storm damage, hazard tree removals, and required trimming on circuits not identified to be trimmed within Bid B;
- Bid B - Tree trimming within specific circuit areas at a fixed cost (9 circuits each in CY18 and CY19); and
- Bid C - Tree and brush clearing around underground electrical equipment, clearing land for facility installations, and mowing woody brush under transmission lines in rights-of-way.

Bids were received from the following vendors:

Vendor	Bid A	Bid B	Bid C
Asplundh Tree Experts	\$860,662.40	\$411,241.00	\$442,406.20
D. Ryan Tree & Landscape Service	No Bid	No Bid	\$367,770.00

The costs associated with the bids are collectively over the amount budgeted for CY18. Understanding the City's budget, Asplundh Tree Experts LLC has agreed to a maximum award of \$601,000 annually for Bids A and B. D. Ryan Tree & Landscape Services LLC has agreed to a maximum award of \$100,000 annually for Bid C. Overall pricing is a 6.5% savings over the previous contract.

Staff contacted other planholders to find out why they did not submit bids. Two vendors indicated that they were too busy and did not have enough personnel to add on additional work this year. Another vendor indicated that our location was outside of their area of work. Two additional vendors did not have enough time to respond to the bid. The remaining planholders did not respond to staff inquiries.

The term of this contract is two years from the date of award, with three one-year options to extend the contract.

FISCAL IMPACT:

The cost for line clearance tree trimming is expensed to the operational services account listed below, with \$701,000 budgeted for this expense in 2018. The requested award of \$701,000 is within budget for 2018 and an additional \$701,000 will be budgeted for this expense in 2019.

Account Number	Fund Description	Total Budget Amount
40251300 531308	Electric Utility Fund	\$821,000