



staff report

TO: Honorable Mayor and Members of the City Council

ATTENTION: Jeffrey L. Stewart, City Manager

FROM: Len Gorecki, Director of Public Works
Bernardo Iniguez, Public Works Manager

SUBJECT: Consideration and possible action to authorize the City Manager to execute Amendment No. 3 to Agreement File No. 230, in a form approved by the City Attorney, with West Coast Arborists, Inc., to reduce the term and increase the compensation for tree maintenance services.

DATE: June 13, 2016

EXECUTIVE SUMMARY

This action would authorize the City Manager to execute Amendment No. 3 to Agreement File No. 230 (Amendment) with West Coast Arborists, Inc. (WCA). The purpose of the Amendment is to reduce the term of the Agreement by one year and increase the compensation for tree maintenance services.

RECOMMENDATION TO CITY COUNCIL

- 1) Authorize the City Manager to execute Amendment No. 3 to Agreement File No. 230, in a form approved by the City Attorney; or
- 2) Alternatively, discuss and take other action related to this item.

FISCAL IMPACT

Tree maintenance service rates will increase by approximately 31% effective July 1, 2016. Funds for these services are available in the Fiscal Year 2016-2017 Budget in Account Nos. 011-42329-9000 (General Fund - Tree Management), 125-42329-3910 (Measure R – Bike Trail Tree Management), and the respective building and grounds maintenance account for each park facility.

DISCUSSION

In November 1994, the City entered into Agreement File No. 230 with WCA for tree maintenance services. WCA's services include street tree grid pruning, park facility tree pruning, service request tree pruning, tree planting, tree and stump removal, and emergency clearing of trees as requested by the Public Works Department. In June 1998, Amendment No. 1 extended the term for a period of 10 years, through June 30, 2008, and in June 2008, Amendment No. 2 extended the term for an additional 10 years, through June 30, 2018.

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On February 17, 2016, WCA requested a meeting with the Public Works Department to discuss a prevailing wage impact to WCA's rates. The meeting was held on February 22, 2016. WCA informed the Public Works Department that for many years, union organizations debated with the State's Department of Industrial Relations (DIR) that the work performed by WCA for public agencies consisted of "construction work" and, therefore, should be subject to construction laborer rates. WCA stated they entered into a new Collective Bargaining Agreement with the Laborers Union on June 1, 2015, and that the State's Department of Industrial Relations subsequently issued a new prevailing wage determination which set the rates at a level higher than the wages for a landscape maintenance laborer. WCA then stated they would be submitting a formal rate increase request to the City.

On March 21, 2016, WCA provided their formal rate increase request. WCA states in their request that the new prevailing wages are higher than those previously used and that they will increase beyond the Consumer Price Index beginning July 1, 2016. Furthermore, WCA indicates that the new wage classification includes pre-determined wage increases for the next 3 consecutive years. Based on these developments, WCA requested a price adjustment of 31% to help offset the newly imposed wage rates. Following are the current unit prices and the proposed unit prices effective July 1, 2016:

Description	Unit	Current	Proposed Effective July 1, 2016
Grid Tree Pruning	Each	\$45.75	\$59.90
Service Request Tree Pruning	Each	\$45.75	\$59.90
Tree and Stump Removal	Diameter Inch	\$15.30	\$20.00
Tree Only Removal	Diameter Inch	\$10.70	\$14.00
Stump Only Removal	Diameter Inch	\$4.60	\$6.00
Plant 15-gallon tree	Each	\$93.75	\$122.80
Plant 15-gallon Box Tree w/Root Barrier	Each	\$111.05	\$145.50
Plant 24" Box Tree	Each	\$187.55	\$245.70
Plant 24" Box Tree w/Root Barrier	Each	\$228.25	\$299.00
Tree Watering	Day	\$304.70	\$399.00
Crew Rental – 3 Man Crew	Hour	\$111.54	\$146.10
Emergency Crew Rental	Hour	\$234.45	\$307.05

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As part of the Public Works Department’s discussion with WCA, we informed WCA we would be recommending approval of the price adjustment. However, we also informed WCA we would be reducing the term of the Agreement by one year, setting an expiration date of June 30, 2017, instead of June 30, 2018. This will allow Public Works ample time to prepare a request for proposals for tree maintenance services and award a new contract for these services to take effect by July 1, 2017.

Although the unit prices will increase, the budgeted amounts for tree maintenance services in the Fiscal Year 2016-2017 Operating Budget will remain the same. Therefore, a budget amendment is not necessary.

ATTACHMENTS

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**AMENDMENT NO. 3 TO
AGREEMENT FILE NO. 230 BETWEEN
THE CITY OF BELLFLOWER AND
WEST COAST ARBORISTS, INC.
FOR TREE MAINTENANCE SERVICES**

THIS AMENDMENT NO. 3 ("Amendment") is made and entered into this 13th day of June 2016 by and between the CITY OF BELLFLOWER, a general law city and municipal corporation ("CITY"), and West Coast Arborists, Inc., a California corporation ("CONTRACTOR").

1. Pursuant to Section 1 (Term) of Agreement File No. 230 ("Agreement"), the term is amended to read as follows:

"This Agreement commenced on July 1, 2008, and remains and continues in effect until tasks described herein are completed, but in no event later than June 30, 2017, unless sooner terminated pursuant to the provisions of this Agreement."

2. Exhibit B (Payment Schedule) is replaced in its entirety with the attached Exhibit B, which is incorporated by reference.

3. This Amendment may be executed in any number or counterparts, each of which will be an original, but all of which together constitutes one instrument executed on the same date.

4. Except as modified by this Amendment, all other terms and conditions of Agreement File No. 230 remain the same.

IN WITNESS WHEREOF the parties hereto have executed this contract the day and year first hereinabove written.

CITY OF BELLFLOWER

WEST COAST ARBORISTS, INC.

Jeffrey L. Stewart, City Manager

Patrick O. Mahoney, President

ATTEST:

Mayra Ochiqui, City Clerk

Taxpayer ID No. 95-3250682

APPROVED AS TO FORM:

Karl H. Berger, City Attorney



March 21, 2016

City of Bellflower
ATTN: Bernardo Iniguez, Public Works Manager
16600 Civic Center Drive
Bellflower, CA 90706

RE: TREE MAINTENANCE SERVICES AGREEMENT

Dear Mr. Iniguez,

West Coast Arborists, Inc. (WCA) and the City of Bellflower have forged a very productive and cohesive working relationship over the past 22 years. Together our organizations have endured both good and bad times with the ever fluctuating economy of our state. Despite current economic trends; the integrity, health and preservation of the City's urban forest remains our common goal.

For many years, union organizations debated with the State's Department of Industrial Relations (DIR) and our firm that the work we performed for public agencies consisted of construction work and therefore, they demanded that we pay our field employees construction laborer rates which averaged between \$40-\$50 per hour.

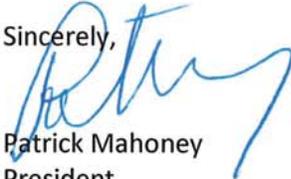
After much careful thought, WCA agreed to enter into a Collective Bargaining Agreement (CBA) with the Laborers Union on June 1, 2015. Subsequently, on August 22, 2015, a new prevailing wage determination was issued by the DIR. The new rates stem from our CBA with the Laborers Union and although not as high as the construction laborers rates as originally proposed by the DIR; they are, however, more than the wages for Landscape Maintenance Laborer.

There are benefits to the new prevailing wage; it will allow the cities to continue to afford contracted tree maintenance services at a reasonable cost, help support the State's initiative to increase the lower tiered wages, provide a decent wage for the municipal tree care industry, and allow us to continue to operate at a competitive rate.

However, the new prevailing wages are higher than previously used and will increase beyond the Consumer Price Index beginning July 1, 2016. The new wage classification includes pre-determined wage increases for the next three (3) consecutive years. **Based on this development, WCA respectfully requests a price adjustment of 31% to help offset these imposed wage rates beginning July 1, 2016.** Attached to this letter is our proposed price schedule.

We appreciate your ongoing efforts to make this Agreement successful for both parties. Should you have any questions, or require additional information please do not hesitate to contact me at (800) 521-3714.

Sincerely,


Patrick Mahoney
President

City of Bellflower

Proposed Schedule of Compensation for FY2016-2017

Tree Maintenance Services
provided by West Coast Arborists, Inc.

Item	Description	Unit	Current Prices	Prices for FY 16-17
1	Grid Tree Pruning	Each	\$ 45.75	\$ 59.90
2	Service Request Tree Pruning	Each	\$ 45.75	\$ 59.90
3	Tree and Stump Removal	Dia. Inch	\$ 15.30	\$ 20.00
4	Tree Only Removal	Dia. Inch	\$ 10.70	\$ 14.00
5	Stump Only Removal	Dia. Inch	\$ 4.60	\$ 6.00
6	Plant 15-gallon tree	Each	\$ 93.75	\$ 122.80
7	Plant 15-gallon tree w/ Root Barrier	Each	\$ 111.05	\$ 145.50
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9	Plant 24" box tree w/ Root Barrier	Each	\$ 228.25	\$ 299.00
10	Tree Watering	Day	\$ 304.70	\$ 399.00
11	Crew Rental - 3 man crew	Hour	\$ 111.54	\$ 146.10
12	Emergency Crew Rental	Hour	\$ 234.45	\$ 307.05

Proposed prices for FY 16-17 reflect a 31% increase to offset the State-mandated prevailing wage determination for current Tree Maintenance Laborer