



Report to: General Committee

Meeting Date: February 3, 2020

SUBJECT: Award of Tender 216-T-19 Block Tree Pruning Program – Year 1 of 3 (Part 2)
PREPARED BY: David Plant, Sr. Manager – Parks, Horticulture & Forestry
Ext 4893
Melita Lee, Senior Buyer, Ext 2239

RECOMMENDATION:

1. That the report entitled “Award of Tender 216-T-19 Block Tree Pruning Program – Year 1 of 3 (Part 2)” be received; and,
2. That the contract for Tender 216-T-19 Block Tree Pruning Program – Year 1 of 3 (one grid area) be awarded to the lowest priced bidder, W.M Weller Tree Service Ltd., in the amount of \$241,349.06, inclusive of HST; and,
3. That the estimated costs of \$241,349.06 be funded from account 059-6150-20197-005 (Block Pruning Initiative –Year 1 of 3) with budget available of \$14,533.35; and,
4. That the budget shortfall in the amount of \$226,795.71 (\$241,349.06 - \$14,533.35) be funded from the Life Cycle Replacement and Capital Reserve Fund; and further,
5. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to award the contract for block tree pruning (for one grid area, part of the Block Pruning Initiative – Year 1 of 3).

BACKGROUND:

The City owns approximately 100,000 street trees. This 3-year capital program will address proactive street tree pruning of approximately 70,000 trees through contracted services to improve storm damage resistance and reduce resident complaints. Once the 70,000 trees have been pruned over the 3-year period, the remaining 30,000 trees will be addressed as part of the regular operating budget.

In light of the large volume of work, the City issued the tender soliciting bids for block pruning of 24,059 street trees in seven (7) grid areas with the intent of awarding each grid area to lowest priced bidder.

Due to the award amount exceeding approved budget for year 1, Staff awarded the contracts for six (6) of the seven (7) grid areas with 21,572 trees or 90% of the tendered trees to the following:

Bidder	Bid Price (Inclusive of HST)	# of grid areas
W.M. Weller Tree Service Ltd.	\$ 473,027.50	3
Davey Tree Expert Co.	\$ 530,019.15	3
Total	\$1,003,046.65	6

The award of the six (6) grid areas was done within budget under Staff approval, in order to commence the work immediately.

Under this report, Staff are seeking approval to award the remaining grid area and 2,487 trees or 10% of the tendered trees at a cost of \$241,349.06. The net year 1 shortfall of \$226,795.71 (\$241,349.06 - \$14,553.35) can be attributed to this tender including the high priority areas with the largest tree sizes. Although the first tender is over budget, Staff still anticipate the overall project will come within the \$3,052,800 budget.

Tender Information (216-T-19)

Bid closed on	January 13, 2020
Number picking up bid document	7
Number responding to bid	4

Price Summary

Bidder	Bid Price (Inclusive of HST)	# of grid areas
W.M. Weller Tree Service Ltd.	\$241,349.06	1

FINANCIAL CONSIDERATIONS

Recommended bidders	W.M. Weller Tree Service Ltd. (1 grid area) – lowest priced	
Current budget available	\$1,017,600.00 <u>(\$1,003,046.65)</u> \$ 14,553.35	Block Pruning - Year 1 of 3 (059-6150-20197-005) Award for 6 of the 7 grid areas Balance Remaining
Less cost of award	\$ 241,349.06	Total Award (inclusive of HST)
Budget remaining after award	(\$ 226,795.71)	*

* The budget shortfall in the amount of \$226,795.71 will be funded from the Life Cycle Replacement and Capital Reserve Fund.

Staff anticipate the overall Block Pruning 3-year program will remain within the \$3,052,800 budget and as such, year 3 of the program will be reduced by \$226,795.71 accordingly.

OPERATING BUDGET AND LIFE CYCLE IMPACT

The operating budget will be increased by \$50,000 per year for 3 years, starting in 2021. This phase-in of \$150,000 provides the budget required by 2023, to address the remaining 30,000 trees identified in the background section above.

The budget shortfall of \$226,795.71 will be funded from the Life Cycle Replacement and Capital Reserve Fund. This is a one-time impact and there is no further incremental impact to the Life Cycle Reserve Study.

ENVIRONMENTAL CONSIDERATIONS

Trees collectively enhance ecology in urbanized areas, however, they require regular pruning to clear traffic signs, streetlights, and provide clearance for pedestrians and vehicles. Pruning will reduce the risks associated with poor structure to protect people and properties. The pruning is also to help maintain the health of the tree by removing dead or dying branches.

HUMAN RESOURCES CONSIDERATIONS

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

This project closely aligns with two of the corporation's areas of strategic focus with providing excellent Municipal Services – Parks and Recreation, and our commitment to the Environment.

BUSINESS UNITS CONSULTED AND AFFECTED:

Not applicable.

RECOMMENDED BY:

Morgan Jones
Director, Operations

Brenda Librecz
Commissioner, Community & Fire
Services

ATTACHMENTS:

Not applicable.