



# CITY OF POMONA COUNCIL REPORT

November 19, 2018

To: Honorable Mayor and Members of the City Council

From: Linda Lowry, City Manager

Submitted by: Meg McWade, Public Works Director

Subject: **Consideration of an Amendment to the West Coast Arborists, Inc. (WCA) Agreement for Tree Related Services, Exercising the First Annual Extension Option and Increasing the Per-Unit Pricing by the Annual Consumer Price Index (CPI) of 3.5% for this Option, and Authorizing the City Manager to Execute up to Two (2) Remaining Annual Extensions to Include Potential CPI Increases**

## OVERVIEW

**Recommendation** – That the City Council:

1. Approve an Amendment to the Agreement with WCA, exercising extension option year one (1) of up to three (3), and increasing the per-unit pricing for tree trimming and related services by 3.5% (Annual CPI); and
2. Authorize the City Manager to execute the Amendment to the Agreement and any extensions and potential CPI increases thereto, subject to approval as to form by the City Attorney.

**Fiscal Impact** – The FY 2018-19 City Budget included an estimated \$25,000 in funds to cover the 3.5% CPI increase of \$25,000 for these services:

<u>Program</u>	<u>Fund</u>	<u>2018-19 Budget</u>	<u>Account</u>
City Street Tree Maintenance	Gas Tax	\$429,510	208-4021-52931-00000
City Parks	General Fund	\$88,856	101-4011-52931-00000
University Corp. Center	Assessment District	\$9,270	254-4072-52931-00000
Phillips Ranch	Assessment District	\$118,090	256-4073-52931-00000
	<b>Totals</b>	<b>\$645,726</b>	

**Previous Related Action** – On November 4, 2013, the City Council approved a five-year contract with WCA, with three, one-year extension options, at the per-unit prices bid for tree related services, not to exceed the annual budgeted amount.

On June 20, 2016, the City Council approved an Amendment to Agreement with WCA, increasing the cost of per-unit pricing for tree trimming and related services by 12%.

## **EXECUTIVE SUMMARY**

This action will approve an amendment to the agreement for Citywide tree services with West Coast Arborists, Inc. (WCA) extending the contract for a single year after the initial contract term expiration on November 3, 2018. The Council action will also provide authority to allow the two remaining annual extensions to be handled administratively including an annual adjustment based on the January Consumer Price Index (CPI) for the Los Angeles area, as published by the Department of Labor's Bureau of Labor Statistics. The requested prices for this extension are outlined in Attachment 1 and reflect the January 2018 CPI increase of 3.5% as shown in Attachment 2.

## **BACKGROUND**

The Parks and Facilities Division is responsible for City tree maintenance services in public rights-of-way and easements (as applicable), and other areas as noted in the Scope of Work. This contract also allows other departments to utilize the contract. WCA is a for-profit California Corporation with over 40 Certified Arborists and over 100 Certified tree workers. WCA currently provides professional tree maintenance and management services for over 200 municipalities and public agencies throughout the states of California, Arizona, and Nevada, including the neighboring cities of La Verne, Upland, Ontario, Walnut, and Montclair. The City of Pomona has contracted with WCA for tree maintenance services, including grid pruning, service request trimming, tree removals, and tree planting since 2000.

The initial term for this Agreement awarded in 2013 was for five years through November 3, 2018, with the option to extend the contract for three additional one-year terms. Staff is recommending the initial annual extension option be authorized along with a Consumer Price Index (CPI) increase. The CPI will offset increasing operational costs due primarily to required wage increases from California Department of Industrial Relations (DIR) prevailing wage requirements, which were approved in 2014 and not anticipated in the original bid. Additionally, as part of the requested City Council action, Staff recommends the remaining two (2) annual extension options be handled administratively with an option to provide a Consumer Price Index adjustment.

Prices in the Los Angeles area, as measured by the CPI for all Urban Consumers per the United States Department of Labor Bureau of Labor Statistics are available at: [https://www.bls.gov/regions/west/news-release/2018/consumerpriceindex\\_losangeles\\_20180214.htm](https://www.bls.gov/regions/west/news-release/2018/consumerpriceindex_losangeles_20180214.htm)

Attachments: 1. Tree Maintenance Service – Unit Prices Schedule  
2. Consumer Price Index, Los Angeles Area - Chart

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