



# CITY OF LODI

# COUNCIL COMMUNICATION

**AGENDA TITLE:** Approve Specifications and Advertisement for Bids for Annual Tree Trimming Contract (Power Line Clearing) for Electric Utility Department (\$250,000) (EUD)

**MEETING DATE:** December 18, 2002

**PREPARED BY:** Electric Utility Director

**RECOMMENDED ACTION:** That the City Council approve the specifications for a tree trimming contract for power line clearing and authorize advertisement for bids.

**BACKGROUND INFORMATION:** The Electric Utility Department has utilized a tree trimming contractor for its line clearing requirements since November 1988. The current contract was awarded by the City Council on February 12, 2001 for a one-year five month period with provisions for a year-to-year extension up to a maximum of three additional years. The extension option was agreed to by both parties, the City of Lodi Electric Utility and Arbor Tree Surgery on July 1, 2002, per specifications dated January 17, 2001. A 3% increase in Arbor Tree Surgery's hourly rate was included in this extension.

As of November 1, 2002, Arbor Tree Surgery compensation insurance rates have been increased. They have requested an additional hourly rate increase of 16% for the three (3) person crews and 12% for the two (2) person crew to pay for the increased insurance premium. The current contract only allows for a 3% increase which was granted on July 1, 2002.

Due to the excellent results the Department has experienced with contracting out this service in both significant reduction of outage time to our customers and the cost effectiveness of the program, it is recommended that the program be continued. The bid process is being initialized at this time so that a new contract can be implemented for the remainder of the 2002-2003 fiscal year, thus maintaining the very necessary continuity of the tree trimming program.

The Department contracts out for Tree Trimming (line clearance) utilizing two (2) three person crews and a two person crew year round. Due to changes in rules and regulations, the line clearance effort must be maintained. On January 23, 1997, the California Public Utilities Commission (CPUC) approved the proposed Tree Trimming Rules submitted by Administrative Law Judge Malcolm. This new decision now requires a minimum of 18 inches clearance instead of the 6-inch clearance required between foliage and 12 kV utility lines. To conform to the rules, it is imperative that a new contract be awarded.

The specifications have been prepared for a six (6) month basis with the option to extend yearly thereafter, at the City's sole discretion, for a maximum of three years. It is expected that this contract will provide the City with two (2) three-person crews for six months and a two-person crew for six months, including vehicles, equipment and other expenses for three crews. This level of activity represents the current effort to maintain the 130+ circuit miles of overhead transmission and distribution lines clear of growth on a three-year cycle.

The bid opening date has been set for January 8, 2003.

APPROVED: \_\_\_\_\_

H. Dixon Flynn - City Manager



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**FUNDING:**

The estimated cost of this contract is \$250,000 for the remainder of 2002-2003 fiscal year budget and is included in this fiscal year operating budget. The funding for the 2003-2004 fiscal year will be included in the Department's proposed 2003-2005 budget. Funding for extensions of the contract will be budgeted on a year-to-year basis.

Funding Approval:

  
Vicky McAthie, Finance Director

  
Alan N. Vallow  
Electric Utility Director

**PREPARED BY:** Carl Lindstrom, Electric Utility Superintendent

ANV/CL/ke

C: City Attorney  
Finance Director  
Purchasing Officer  
George Bradley, Street Superintendent

**APPROVED:** \_\_\_\_\_  
H. Dixon Flynn - City Manager