

FOR BOARD ACTION

Agenda Item # 6.a.

Meeting Date:

1/31/2006

SUBJECT: Consideration of Bids: Contract Tree Trimming

PREPARED BY: Mark Kotschevar
Manager of Maintenance and Construction

ITEM DESCRIPTION:

The 2006 Electric budget includes \$300,000.00 for contract tree trimming services. This is an annual item in the budget for the routine line clearance tree trimming on RPU's system. The request for bids included two separate services. One is for lump sum work which is made up of five specific feeder maps that are trimmed to a minimum clearance from the conductor specification for a specific price. The second service is for a two year hourly contract that includes personnel and equipment on an hourly basis. The hourly crew work is directed by RPU and is designed to have tree trimming service available year round with the addition of a second crew during the busy summer months. We have used this approach for the past 5 years and have found it to be the best method to date to ensure we have resources available for customer requested and safety related tree trimming.

Bids were received and opened on January 24th, 2006 from three vendors. All the bids were deemed responsive and are summarized on the attached bid tabulation. The low bid for all of the requested work was submitted by Asplundh Tree Expert Co. Asplundh was our contractor for the hourly work during 2004 & 2005 and are proposing to use the same crew for this next two year contract.

The approach we use is to subtract the hourly contract amount from the total trimming budget and use the remaining dollars to complete as much of the lump sum work as possible. With the low bid hourly amount for 2006 being \$190,892.00, this leaves \$109,108.00 available for lump sum work. We currently have a \$15,000 purchase order agreement with Asplundh to continue hourly trimming services from January 1, 2006 until a new contract is in place. This leaves \$94,108.00 available for 2006 lump sum work to meet budget. We would propose to award Drawing 402B, 901K, and 902B for a total of \$93,874.00. The remaining lump sum projects will be completed with the hourly crews. Next year we will bid only the lump sum work and recommend projects up to the approved budget dollars.

UTILITY BOARD ACTION REQUESTED:

It is requested the Board recommend Council approval of a two year contract agreement with Asplundh Tree Expert Co. for: Hourly Line Clearance Tree Trimming (2006 and 2007) not to exceed \$190,892.00 in 2006 and \$200,960.00 for 2007, with the 2007 expenditure subject to Common Council approval of the 2007 electric utility budget.

It is also requested the Board approve a contract agreement with Asplundh Tree Expert Co. for: Lump Sum Line Clearance Tree Trimming for 2006 not to exceed \$93,874.00


General Manager


Date

ROCHESTER PUBLIC UTILITIES

BID PROPOSAL

Honorable Public Utility Board
City of Rochester, Minnesota

Date 1-23-06

Board Members:

The undersigned hereby proposes to furnish the following services in accordance with the attached Specifications and other Proposal Documents. Exceptions to the provisions of these Documents, if any, are attached to and made a part of this Bid Proposal.

HOURLY LINE CLEARANCE TREE TRIMMING

TREE CLEARING 115KV & 161KV TRANSMISSION LINES
34.5KV SUB-TRANSMISSION LINE
13.8KV DISTRIBUTION LINES (3 PHASE & 1 PHASE)
600V SERVICE WIRE

11 Month Crew 2006 Contract Year
 Hourly Price

Tree Trimmer:	\$ <u>30.00</u> /Hr x 1880 Hrs =	\$ <u>56,400</u>
Groundman:	\$ <u>26.65</u> /Hr x 1880 Hrs =	\$ <u>50,102</u>
Aerial Device:	\$ <u>11.50</u> /Hr x 1880 Hrs =	\$ <u>21,620</u>
Chipper:	\$ <u>3.75</u> /Hr x 1880 Hrs =	\$ <u>7,050</u>

5 Month Crew 2006 Contract Year
 Hourly Price

Tree Trimmer:	\$ <u>30.00</u> /Hr x 800 Hrs =	\$ <u>24,000</u>
Groundman:	\$ <u>24.40</u> /Hr x 800 Hrs =	\$ <u>19,520</u>
Aerial Device:	\$ <u>11.50</u> /Hr x 800 Hrs =	\$ <u>9,200</u>
Chipper:	\$ <u>3.75</u> /Hr x 800 Hrs =	\$ <u>3,000</u>

Total Year 2006 Contract \$ 190,892 (Excluding sales tax)

Additional Trimmer \$ 27.25 /Hr

12 Month Crew 2007 Contract Year
Hourly Price

Tree Trimmer: \$ 30.25 /Hr x 2000 Hrs = \$ 60,500
Groundman: \$ 26.90 /Hr x 2000 Hrs = \$ 53,800
Aerial Device: \$ 11.50 /Hr x 2000 Hrs = \$ 23,000
Chipper: \$ 3.75 /Hr x 2000 Hrs = \$ 7,500

5 Month Crew 2007 Contract Year
Hourly Price

Tree Trimmer: \$ 30.25 /Hr x 800 Hrs = \$ 24,200
Groundman: \$ 24.70 /Hr x 800 Hrs = \$ 19,760
Aerial Device: \$ 11.50 /Hr x 800 Hrs = \$ 9,200
Chipper: \$ 3.75 /Hr x 800 Hrs = \$ 3,000

Total Year 2007 Contract \$ 200,960 (Excluding sales tax)

Additional Trimmer \$ 27.25 /Hr

SUMMARY

Total Contract Amount	Total Year 2006 \$ <u>190,892</u>	+	Total Year 2007 \$ <u>200,960</u>	=	Contract Total \$ <u>391,852</u> (Excluding sales tax)
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NOTE 1: The Bidder shall furnish one of the following for insurance verification purposes with the Bid Proposal:

- 1) A Certificate of Insurance stating policies, coverage limits, and term if an existing policy is in effect. or (On File)
- 2) A letter from the Bidder's insurance broker or agent stating the Bidder's ability to obtain the coverage stated in the specification, if awarded the contract.

Accompanying this Proposal is a Bid Bond payable to the City of Rochester in the amount of 5%, which is equal to five percent (5%) of the maximum estimated contract price. It is understood that this Proposal is submitted pursuant to the NOTICE TO BIDDERS, attached hereto, and the Undersigned hereby agrees to the terms and conditions thereof. The Undersigned warrants that this Proposal is submitted in good faith and without collusion or connection with any other person or persons bidding for the same work. In the event that this Proposal is accepted, the Undersigned hereby agrees to enter into a legally executed contract document(s).

BIDDER Asplundh Tree Expert Co.

ADDRESS 8236 Arthur St NE Ste G, Spring Lake Park, MN 55432

PHONE NO. 763-785-2300

BY 

Keith D. Erickson

TITLE Vice President

BID PROPOSAL

Honorable Public Utility Board
City of Rochester, Minnesota

Date 1-23-06

Board Members:

The undersigned hereby proposes to furnish the following services in accordance with the attached Specifications and other Proposal Documents. Exceptions to the provisions of these Documents, if any, are attached to and made a part of this Bid Proposal.

LUMP SUM LINE CLEARANCE TREE TRIMMING

TREE CLEARING 115kV & 161kV TRANSMISSION LINES
34.5kV SUB-TRANSMISSION LINE
13.8kV DISTRIBUTION LINES (3 PHASE & 1 PHASE)
600V SERVICE WIRE

<u>Trimming Section</u>	<u>Lump Sum Price (excluding sales tax)</u>	<u>Hourly Rate for Additional Work in Section</u>
1. DRAWING 402B	<u>60,050</u>	<u>109.75</u>
2. DRAWING 813A	<u>9,685</u>	<u>109.75</u>
3. DRAWING 901H	<u>26,671</u>	<u>109.75</u>
4. DRAWING 901K	<u>27,317</u>	<u>109.75</u>
5. DRAWING 902B	<u>6,507</u>	<u>109.75</u>
TOTAL	<u><u>130,230</u></u>	

NOTE 1: It is understood that the City of Rochester may elect to execute a contract with the lowest evaluated bidder of combinations of sections, or with the lowest evaluated bidder for all sections.

NOTE 2: The Bidder shall furnish one of the following for insurance verification purposes with the Bid Proposal:

- 1) A Certificate of Insurance stating policies, coverage limits, and term if an existing policy is in effect, or
- 2) A letter from the Bidder's insurance broker or agent stating the Bidder's ability to obtain the coverage stated in the specification, if awarded the contract.


This Bid Proposal is based on information obtained from an independent review of work scope and site conditions.

Accompanying this Proposal is a Bid Bond payable to the City of Rochester in the amount of 5%, which is equal to five percent (5%) of the maximum estimated contract price. It is understood that this Proposal is submitted pursuant to the NOTICE TO BIDDERS, attached hereto, and the Undersigned hereby agrees to the terms and conditions thereof. The Undersigned warrants that this Proposal is submitted in good faith and without collusion or connection with any other person or persons bidding for the same work. **In the event that this Proposal is accepted, the Undersigned hereby agrees to complete the work by September 30, 2006, after receipt of a signed Purchase Order and/or other legally executed contract document(s).**

BIDDER Asplundh Tree Expert Co.

ADDRESS 8236 Arthur St NE Ste. G, Spring Lake Park, MN 55432

PHONE NO. 763-785-2300

BY Keith D. Erickson 

TITLE Vice President

BID OPENING - LINE CLEARANCE TREE TRIMMING

January 24, 2006 1:00 PM CST

Lump Sum Work	Asplundh Tree Expert Co.	Hathaway Tree Service	New Age Tree Service
Drawing 402B		No Bid	\$94,580.00
Drawing 813A	\$9,685.00	\$10,825.00	\$10,250.00
Drawing 901H	\$26,671.00	\$26,732.00	\$44,750.00
Drawing 901K		\$62,900.00	\$40,950.00
Drawing 902B		\$8,900.00	\$9,700.00
Hourly rate for work in section	\$109.75	\$99.95	\$90.00
2 - Year Hourly Contract			
Year 2006 hourly rate work		\$249,066.00	\$227,532.00
Year 2007 hourly rate work		\$297,860.00	\$246,120.00
Total 2-year contract		\$546,926.00	\$473,652.00
Additional Trimmer 2006		\$39.95	\$35.00
Additional Trimmer 2007		\$47.95	\$35.50

 = Awarded Projects



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, that the Common Council of the said City is requested to approve a two-year contract agreement with Asplundh Tree Expert Co. and that the Common Council authorize the Mayor and the City Clerk to execute the agreement for

HOURLY LINE CLEARANCE TREE TRIMMING (2006 AND 2007)

The amount of the contract agreement not to exceed ONE HUNDRED NINETY THOUSAND EIGHT HUNDRED NINETY-TWO AND 00/100 DOLLARS (\$190,892.00) in 2006 and TWO HUNDRED THOUSAND NINE HUNDRED SIXTY AND 00/100 DOLLARS (\$200,960.00) in 2007, with the 2007 expenditure subject to Common Council approval of the 2007 electric utility budget, and Asplundh Tree Expert Co. being lowest responsible bidder.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 31st day of January 2006.

President _____

Secretary _____



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a contract agreement with Asplundh Tree Expert Co. and request the Mayor and the City Clerk to execute the agreement for

LUMP-SUM LINE CLEARANCE TREE TRIMMING
for 2006

The amount of the contract agreement to be NINETY-THREE THOUSAND EIGHT HUNDRED SEVENTY-FOUR AND 00/100 DOLLARS (\$93,874.00), and Asplundh Tree Expert Co. being lowest responsible bidder.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 31st day of January 2006.

President _____

Secretary _____