

# CITY OF COSTA MESA

Department of Public Services  
INTER OFFICE MEMORANDUM

**TO:** Tom Hatch, Chief Executive Officer

**FROM:**  Ernesto Munoz, Interim Director, Public Services Department

**DATE:** November 9, 2011

**SUBJECT:** Analysis of Alternatives Proposed by the Tree Maintenance Contracting Committee

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The Public Services Department has reviewed the alternatives for contracting Tree Maintenance Services as outlined in the November 4, 2011 memorandum from the Contracting Committee. The following analysis is provided on each of the four alternatives as requested.

**Alternative 1: Retain existing service levels at existing cost.**

Currently about 95% of the tree maintenance work is contracted out to private companies. This work includes tree trimming every 3-5 years, and root pruning. The remaining work including small planting and removals, watering of medians, minor tree pruning, and customer service responses is completed by park maintenance personnel. Currently, the Maintenance Services Manager serves as the City Arborist.

**Pros:** Retaining the existing Tree Maintenance Contract ensures that all services currently provided by West Coast Arborist, including value added services beyond the requirements of the contract, will continue to be provided at the current price. Customer service responses, evaluation of tree removal requests, storm response, tree planting, removal of smaller trees, and support for the Parks and Recreation Commission are not currently contracted, but would continue under this alternative.

**Cons:** Retaining the existing organizational structure will not allow for the evaluation of proposals, which may offer alternative, innovative technologies or pricing that is more beneficial to the City. Retaining service levels through the existing organizational structure will require continued staff support and will not yield a potential reduction of salaries and pension liabilities.

**Alternative 2: Contract all services with a private entity.**

The City could contract out all work to a private entity, including the current contract work and work provided by in-house staff. However, the Committee recognizes the City may still require a contract administrator to ensure work is properly supervised and completed and that customer service levels are met in accordance with the contract.

Pros: Service levels may be maintained by contracting all the functions. This alternative may reduce permanent staffing costs, and would allow the City to reduce or increase levels of service as needed or upon contract expiration to meet budgetary constraints.

Cons: This alternative will necessitate appropriate qualified staff to manage and oversee the contract, which may reduce its cost effectiveness. In addition, this may reduce responsiveness to customer complaints unless specifically negotiated into the contract. This alternative will eliminate support for Parks and Recreation Commission reports and presentations, unless these services are specifically negotiated into the contract.

**Alternative 3: Contract with another public entity.**

The Committee recognizes many other cities currently contract out tree maintenance work to private companies, similar to much of the work for the City of Costa Mesa. The Committee did not find an example of other agencies that have merged services. City staff could contact other agencies to determine if this is a more viable option.

Pros: Service levels may be maintained by contracting all the functions under this service with another public entity. This alternative may reduce permanent staffing costs, and will allow the City to reduce or increase levels of service as needed or upon contract expiration to meet budgetary constraints.

Cons: This alternative will necessitate appropriate qualified staff to manage and oversee the contract, which may reduce its cost effectiveness. In addition, this may reduce responsiveness to customer complaints unless specifically negotiated into the contract. This alternative will eliminate support for Parks and Recreation Commission reports and presentations, unless specifically negotiated into the contract.

**Alternative 4: Reduce existing service levels at a reduced cost.**

The Committee recognizes the City could reduce the scope of work/tree trimming cycle from a 3-5 year cycle to a 5-7 year cycle and reduce the quantity of root pruning to reduce costs. However, the Committee does not know how these

changes will affect the current tree inventory. Therefore, the Public Services Department should address the potential effect of these changes.

Pros: Overall budgeted costs for this service area will be reduced through a reduction in services; primarily the lengthening of the interval between the trimming of City parkway and park trees, and the reduction of root pruning performed. This would yield annual savings.

Cons: Reducing the level of service in this area will increase the likelihood of having to perform 'customer service trimming' to satisfy residents at a higher cost per trim than more efficient grid trimming. Customer complaints would likely increase requiring more staff time to track and resolve the complaints. Increasing the trimming interval may result in an increase in limb and/or tree failure, due to a longer time span between inspections and hazard reduction/corrective pruning. Service reduction may result in an increase in claims related to limb and tree failure that result in damage to private property. Decreasing the quantity of root pruning will also increase the City's liability associated with damaged parkway concrete improvements.

- c Tamara Letourneau, Interim Assistant CEO  
Peter Naghavi, Interim Assistant CEO  
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