



# CITY COUNCIL AGENDA REPORT

---

MEETING DATE: JULY 5, 2016

ITEM NUMBER: CC-7

**SUBJECT: CONTRACT AMENDMENT – WEST COAST ARBORISTS, INC.**

**DATE: JUNE 23, 2016**

**FROM: PUBLIC SERVICES DEPARTMENT – MAINTENANCE SERVICES DIVISION**

**PRESENTATION BY: BRUCE HARTLEY, MAINTENANCE SERVICES MANAGER**

**FOR FURTHER INFORMATION CONTACT: BRUCE HARTLEY (714) 754-5123**

---

## RECOMMENDATION

1. Approve and authorize the Chief Executive Officer to execute Amendment #2 to the professional services agreement with West Coast Arborists, Inc. to increase by 1.5%, based on the Consumer Price Index, the annual amount of the contract by \$7,050 and the unit pricing schedule for urban forest maintenance tasks (Attachment 1).
2. Authorize the Chief Executive Officer to approve the one (1) year time extensions per the terms and conditions of the existing agreement, upon mutual agreement of both parties.

## BACKGROUND

The City Council awarded a five-year contract, with three optional 1-year term extensions, to West Coast Arborists, Inc. (WCA) on October 1, 2012. The terms of the agreement established unit costs for all tree maintenance tasks required by the City. West Coast Arborists, Inc. has requested a 1.5% price increase per the terms of the contract. This would affect the total price of the contract and the unit price structure reflecting the incorporation of the increase into each of the unit costs.

Additionally, the five-year initial term of the contract will expire in October 2017. The Agreement allows for three one-year term extensions. Approval of extensions requires an amendment approved by the City Council. Staff is requesting City Council to provide authorization to the CEO to approve the one-year term extensions upon mutual agreement of both parties, and only if the compensation increases by the amount of the annual CPI as specified in the Agreement.

## ANALYSIS

The existing Professional Services Agreement allows for the contractor to annually request an increase in the contract price to adjust for changes in the Consumer Price Index (CPI). The CPI for the past year is 1.5% (Attachment 2). WCA has requested the total price of the contract and the unit cost schedule be increased by 1.5% to reflect the CPI increase (Attachment 3). The work performed by WCA is invoiced based on the unit

costs and is limited by the Agreement and the Purchase Order to not exceed the total contract amount.

## **FISCAL REVIEW**

If approved, the CPI increase of 1.5% will result in an increase in the cost of the Urban Forestry Maintenance contract in the amount of \$7,050. This additional funding is included in the FY 16-17 Public Services operating budget.

## **ALTERNATIVES CONSIDERED**

The CPI price increase is included in the terms and conditions of the existing contract. No alternatives were considered.

## **LEGAL REVIEW**

The City Attorney prepared the Agreement and has approved it as to form.

## **CONCLUSION**

West Coast Arborists, Inc. is the City's provider for tree maintenance services. Per the terms of the agreement, an increase in the annual contract based on the Consumer Price Index is allowed. The requested 1.5% increase in the contract is consistent with the published CPI for Orange County and is recommended to be approved. Additionally, the initial 5-year term of the contract will end in October 2017. Staff is requesting that the Council authorize the CEO to approve the one-year term extensions to the contract per the terms of the existing agreement if both parties agree and the services being provided meet the terms and requirements of the City.

---

JAMES ROSS  
Interim Public Services Director

---

BRUCE HARTLEY  
Maintenance Services Manager

Attachments: 1. [Amendment #2](#)  
2. [CPI May 2015 to May 2016 for Los Angeles-Riverside-Orange County area](#)  
3. [WCA Request for CPI Price Adjustment](#)