

Clause embodied in Report No. 10 of the Economic Development and Parks Committee, as adopted by the Council of the City of Toronto at its regular meeting held on November 26, 27 and 28, 2002.

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**Tree Pruning and Removal Services  
Economic Development, Culture and Tourism Department  
City-wide Quotation Request No. 3701-01-0306  
Open Contract No. 47005484 (All Wards)**

*(City Council, at its regular meeting held on November 26, 27 and 28, 2002, adopted this Clause, without amendment.)*

**The Economic Development and Parks Committee recommends the adoption of the following joint report (October 17, 2002) from the Commissioner of Economic Development, Culture and Tourism and the Chief Financial Officer and Treasurer:**

Purpose:

The purpose of this report is to request authority to exercise the option to renew the contract with the current supplier, W.M. Weller Tree Service Ltd., for the provision of tree pruning and removal services for all districts for the periods of January 1, 2003 to December 31, 2003 and January 1, 2004 to December 31, 2004, under the same terms and conditions.

Financial Implications and Impact Statement:

Current spending for 2002 is projected to be \$1,410,000.00. Based on current workload, the total estimated value of this contract is \$1,410,000.00 for the second year option for 2003 and the same again for the third year option for 2004, including all charges and applicable taxes. This will be provided in the appropriate departmental accounts for the required duration of the contract. The total estimated value required for this contract for the three years from January 1, 2002 to December 31, 2004 is \$4,230,000.00 including all charges and applicable taxes.

Recommendations:

It is recommended that:

- (1) the City exercise the options to renew and extend this contract with the current supplier, W.M. Weller Tree Service Ltd., in the estimated amount of \$1,410,000.00 each year, including all charges and applicable taxes for tree pruning and removal services for the period ending December 31, 2004; and

- (2) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Background:

In December 2001, a one-year contract was awarded for 2002 recommending the lowest of four bidders. The provisions of this Contract No. 47005484, allowed for second year and third year renewal options. The contractor's bid price for the second and third year renewal options are the same (not increased) as their bid for the current year. The Commissioner of Economic Development, Culture and Tourism has advised that the contractor's work has been satisfactory in meeting the contract requirements and requests the option to renew the contract for two years until December 31, 2004, the contract be exercised under the same terms and conditions. There are no additional needs that would necessitate changes to the contract.

Comments:

The following are the four quotations submitted for the supply of forestry tree pruning and removal crews.

Description	W.M. Weller Tree Service	Davey Tree Expert Co.	Asplundh Canada Inc.	Trees by Nature
Base hourly rate for fully equipped crew including staff, equipment, etc.				
January 2002 to December 31/02	\$103.50	\$126.45	\$165.98	\$183.00
January 2003 to December 31/03	\$103.50	\$130.20	\$174.98	\$201.30
January 2004 to December 31/04	\$103.50	\$134.10	\$186.00	\$211.36
Available number of crews				
January 2002 to December 31/02	8	2	3	3
January 2003 to December 31/03	8	2	3	5
January 2004 to December 31/04	8	2	3	5
Overtime rate excluding GST				
January 2002 to December 31/02	\$155.25	\$189.65	\$196.49	\$274.00
January 2003 to December 31/03	\$155.25	\$195.30	\$205.61	\$301.95
January 2004 to December 31/04	\$155.25	\$201.15	\$215.91	\$317.04

From the above table, a price comparison of the optional renewal prices for 2003 and 2004 for W.M. Weller Tree Service Ltd. is zero percent for both years.

Although the initial open contract was awarded in the amount of \$495,000.00, current spending for this contract now requires Council approval since it is estimated that total expenditures on this program in 2002 will be \$1,410,000.00. It is anticipated that expenditures for 2003 and 2004 will be at similar levels. Several factors determine the level of work that is undertaken by contractors, including:

- (1) availability of qualified and experienced pruning staff;
- (2) level of storm damage and emergency work;
- (3) status of forestry backlog;
- (4) availability of equipment; and
- (5) prudent mixture of in-house and contracted service delivery.

The current mix of contracted services with in-house maintenance crews is a healthy system allowing forestry supervisors to ensure that they have backup during emergency situations. Forestry staff work well with the contract crews and a harmonious relationship exists.

The Fair Wage and Labour Trades Office has reported favourably on the firm recommended.

Conclusions:

This report requests the authority to exercise the renewal options for this contract under the same price, terms and conditions. Timely approval is required in order to undertake the considerable demand for forestry maintenance.

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