



**Contract and Award Letter
Purchase Resolution – Exhibit “A”**

TO: Board of Contracts and Awards
FROM: Geoffrey M. Smyth, P.E., Interim Director, Environmental Services
 Lisa Kenny, Community Trees Program Coordinator, Office of Environmental Policy and Sustainability
COPY: City Council, City Manager, City Clerk, EIC Coordinator, LEAP Coordinator, and Stan Rowden II, Sr. Buyer, Finance/Purchasing
SUBJECT: Tree Procurement Contracts
 Request for Bid Specification No. ES24-0051F – September 24, 2024 City Council
DATE: August 28, 2024

Initial
GMS

RECOMMENDATION SUMMARY: The Environmental Services Department (ES) recommends awarding contracts to the following contractors: SuperTrees Inc, Canby, OR (Primary), in the amount of \$586,926, plus applicable taxes; and Urban Forest Nursery Inc., Mount Vernon, WA (Secondary), in the amount of \$32,760, plus applicable sales tax, for a combined total of \$619,686, plus a 20 percent contingency, for a projected contract total of \$743,623, budgeted from the ES Stormwater Fund 4301 and the Internal Services Fund 5800, to secure 800-1,000 street trees annually to support the City’s community tree incentive programs and internal tree planting projects for a five-year term.

STRATEGIC POLICY PRIORITY:

- Strengthen and support a safe city with healthy residents.
- Ensure all Tacoma residents are valued and have access to resources to meet their needs.
- Assure outstanding stewardship of the natural and built environment.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

This recommendation supports the Tacoma Comprehensive Plan goal of 30 percent tree canopy by providing healthy trees for equitable planting, improving air quality, reducing heat, and addressing health disparities in underserved neighborhoods. It supports the Council adopted (2019) Urban Forest Management Plan (RES40492), (2019) Climate Emergency Resolution (RES40509) and the (2021) Climate Action Plan (RES40878), by enhancing community health, ensuring all residents benefit from green spaces, and reflecting the City’s commitment to environmental stewardship.

BACKGROUND: These multi-year contracts are a partnership with nurseries to ensure Tacoma has access to the quantity and quality of trees necessary to support growing interest in the City’s tree planting programs. They will ensure a reliable supply of high-quality trees while promoting accountability, efficiency, and adaptability in the face of evolving urban forestry needs and climate considerations for the next five years. The contracts align with several policies including the Urban Forest Management Plan (UFMP) and the Climate Action Plan (CAP), which outline strategies to plant 2,000 trees and support partner plantings of 8,500 trees annually to meet the City’s 30 percent tree canopy goal. Contingency funds allow for two



percent annual price adjustments and trees to support additional programs, subject to City approval and mutual agreement.

Trees from these contracts support City programs like Grit City Trees, the Community Tree Program, community planting projects, and occasional tree replacements for internal projects. The tree incentive programs focus on addressing environmental and health disparities in underserved neighborhoods.

ISSUE: The City’s Urban Forestry Program’s current business process for tree orders entails conducting an annual, informal three quote process (competitive estimates), and initiating a Purchase Requisition (PR)/Purchase Order (PO) request annually. This process conflicts with the dynamic field of urban forestry work, more specifically tree production, where quality standards need to be upheld and or where unforeseen extreme weather events such as drought can lead to crop failures of ordered species.

ES is adapting our process from annual competitive estimates to a formal multi-year bid to solve the following issues:

- Securing enough quality tree stock to support City programs.
- Reducing administrative time for City staff and nurseries.
- Procuring street tree species known to be urban-tolerant with more desirable street-tree growing characteristics.
- Including contingency for crop failures due to extreme weather like drought/heat.
- Changing to a formal bid process, as the current demand for trees has exceeded ES’s ability to stay below the informal competitive estimate threshold.

A multi-year procurement contract will:

- Secure long-term availability over the next three years, due to unprecedented state and federal funding a huge demand for trees is expected. This contract will secure a consistent supply of trees to meet program demands.
- Enhance vendor accountability to include tree warranties and protocols for replacements or credit in case of tree species die-off within a specified timeframe.
- Improve operational efficiency by streamlining ordering, receiving, and payments.
 - Nurseries will prepare production for tree quantity and species.
 - In the case of crop failure, vendors can negotiate substitutions easily.

The City has outlined a species list to ensure trees received support species diversity, stormwater goals, and climate resilience.



ALTERNATIVES: There are two potential alternatives if the proposed contracts are not awarded. The first is to continue current practice of annual request for estimates. This requires purchases under \$50,000 annually and does not meet the demand of Tacoma’s tree planting programs and does not address the inefficient and administratively time-consuming challenges this process poses. The second is to conduct annual procurement up to \$200,000 through the City’s Informal Bid process. This would address the demand for trees above the \$50,000 threshold; however, administrative time remains high and procurement provides uncertainty of tree quality and species availability.

COMPETITIVE SOLICITATION: Request for Bids Specification No. ES24-0051F opened on August 6, 2024. Twenty-One companies were invited to bid in addition to normal advertising of the project. Two submittals were received. Bidders supplied bid item pricing for each designated tree category (Accessible Trees, Powerline Friendly, Small, Medium, and Large). The lowest responsible and responsive bidder is recommended for award by species, meeting the specifications outlined in the bid documents.

SuperTrees Inc submitted a bid that resulted in the lowest evaluated submittal based on satisfying outlined benchmarks (estimated quantities, minimum and maximum number of species, and target percentage of evergreen) with species ranking and EIC participation goal consideration. The table below reflects the amount of the total award.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Baseline</u> <u>Amount</u>	<u>Contingency</u>	<u>Submittal</u> <u>Amount</u>
SuperTrees Inc	Canby, OR	\$586,926	\$111,543	\$698,469
Urban Forest Nursery Inc.	Mount Vernon, WA	\$32,760	\$14,872	\$47,632

Pre-bid Estimate: \$625,000

The recommended combined award is one percent below the pre-bid estimate and the combined award including the recommended contingency is 20 percent above the pre-bid estimate.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: This contract supports goals within the City’s Urban Forest Management Plan and Climate Action Plan by contributing to a healthy, sustainable urban forest.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: Not applicable - Supply purchase - EIC Regulations are not yet established

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP) COMPLIANCE: Not applicable to this contract. As this is for a supplies purchase and no labor will be provided.



FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Internal Services Fund 5800	598435	5210500	\$281,250
Stormwater Utility Fund 4301	521935	5210500	\$462,373
TOTAL			Up to \$743,623

* General Fund: Environmental Services.

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES General Fund 5800	598400	6311010	(\$281,250)
Stormwater Utility Fund 4301	521900	4343243	(\$368,773)
WA Department of Natural Resources (Grant Rev)	521900	4334230	(\$93,600)
TOTAL			Up to (\$743,623)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: No impact to current biennium. Tree purchases planned for 2025 through 2029.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. N/A