

Should this item be pulled from the Consent Agenda the following motion is suggested:

POSSIBLE MOTION

I MOVE TO amend the Tree and Brush Clearing Services contract for an amount not to exceed \$275,000 for FY2016.

Memorandum

January 26, 2016

To: Mark Gorman, Municipal Administrator
From: Bryan Bertacchi, Utility Director
Subject: **Tree and Brush Clearing Services Contract Amendment**

Introduction:

In April 2015 the Electric Department solicited bids for Tree and Brush Clearing to maintain clearance to power lines. On June 9, 2015, the Assembly approved the award to Marshall Albertson dba Absolute Tree Care for an amount not to exceed \$175,000 per fiscal year.

Rapid tree growth is one of the highest root causes of unplanned outages on our system and creates negative impacts to our customers and local businesses. Additionally, it places unnecessary stress on our aging infrastructure which could result in costly repairs. The historical low level of tree trimming has not kept pace with the rapid growth of trees along critical lines. Our most recent assessment of tree growth has made it imperative that we increase our focus on this critical task. Tree trimming was increased on the northern portion of the HPR transmission line during 2015 and this greatly reduced outages providing direct evidence of this benefit.

Request:

The Electric Department requests Assembly approval to increase the not to exceed amount of this contract to \$275,000 to allow flexibility to manage the operating budget to the benefit of the rate payers. As an example, due to the low snow year, the electric department may use funds previously anticipated for snow removal in order to increase the current level of tree trimming.

Community Impacts:

Consistent line clearing and maintenance is critical to the reliable operation our electric utility. Maintaining adequate clearance of our lines results in savings in operational costs by reducing outage and crew callouts and improves the level of electrical services to our customers.

Fiscal Note:

What is being requested is not an additional appropriation, but rather, the authority to increase the amount of an existing contract. Given the amount of the contract, only the Assembly has the authority to increase it, per Title III of the SGC. Existing appropriations are sufficient in amount to pay the additional cost, but they can't be spent to increase the contract without Assembly approval. Hence, there is no budget impact.

Recommendation

The Electric Department requests approval to amend the Tree and Brush Clearing contract to a not to exceed amount of \$275,000.