

# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Julia H. Cooper

**SUBJECT:** SEE BELOW

**DATE:** October 24, 2022

Approved



Date

11/2/22

**SUBJECT: ACTIONS RELATED TO THE PURCHASE ORDERS FOR TREE  
PLANTING AND ESTABLISHMENT SERVICES**

## **RECOMMENDATION**

Adopt a resolution authorizing the City Manager to:

- (a) Execute purchase orders with Los Loza Inc. (Hayward, CA) and Anderson's Tree Care Specialists, Inc. (San José, CA), for tree planting and establishment services for an initial one-year term beginning on or about November 16, 2022, and ending on or about November 15, 2023, with a total combined maximum compensation not-to-exceed \$2,500,000; and
- (b) Approve a contingency of \$250,000 for unanticipated demand for tree planting, establishment, and maintenance projects, subject to the appropriation of funds; and
- (c) Exercise up to four additional one-year options to extend the term of the purchase orders with the last option ending on or about November 15, 2027, subject to the annual appropriation of funds.

## **OUTCOME**

Authorize the City Manager to take actions that provide for the planting and initial maintenance of up to 2,000 trees annually throughout the City as restoration of the tree canopy is prioritized.

## **BACKGROUND**

Historically, City tree planting activities have been limited to one-time projects, construction or development mitigation work, and community-based events. In 2020, as part of the development of the San José Community Forest Management Plan (CFMP), a tree canopy cover analysis was conducted. The analysis determined the City tree canopy had declined by nearly 12% between

2012 and 2018. The CFMP was unanimously adopted by City Council on February 8, 2022<sup>1</sup> and, based on feedback from the community and City leadership, restoring the tree canopy was identified as a top priority. The CMFP made it apparent the scale of planting activities needed to expand dramatically to restore the tree canopy.

Funding was provided in the City's Fiscal Year 2022-2023 budget to begin the implementation of a tree planting and establishment program, with the goal of planting up to 2,000 trees per year. To accomplish this tree planting goal, Department of Transportation (DOT) and Department of Finance-Purchasing staff worked cooperatively to develop a Request for Bid (RFB), seeking qualified vendors to plant and establish new trees within the public right-of-way, parks, libraries, schools, and along trails beginning in the 2022-2023 planting season. The City annual planting season roughly falls between October 1 – April 30. Trees planted during the planting season have the highest success due to the favorable weather conditions during the period.

## **ANALYSIS**

Following the adoption of the CFMP by City Council and direction from the Mayor's March 2022 Budget Message, \$2.6 million in funding has been allocated to DOT in the Fiscal Year 2022-2023 budget to preserve the City's existing community forest and plant more trees to expand the City's tree canopy.

To ensure tree planting efforts are implemented equitably, DOT is using Geographic Information System landscape data to identify potential tree planting locations throughout the City. DOT will overlay these vacant locations with several datasets, including tree canopy cover, the Metropolitan Transportation Commission's Equity Priority Community Layer, and "CalEnviroScreen," a state measure that uses environmental, health, and socioeconomic information to produce scores to compare pollution burden.

In August 2022, the Finance Department released a competitive RFB to procure tree planting and establishment services. Two responsive, responsible bids were submitted. The RFB was structured to allow for multiple awards to ensure tree planting and establishment services can be completed in a timely manner.

***Local and Small Business Enterprise Preference:*** In accordance with San José Municipal Code Section 4.12.320B, bidders who requested and qualified for the local business preference would be given a 2.5% credit of the cost bid and bidders who requested and qualified for the small business preference would be given an additional 2.5% credit of the cost bid. None of the bidders requested the local or small business enterprise preference.

***Protest:*** The City's RFB process included a 10-day protest period that began when the City issued the Notice of Intended Award on September 15, 2022. No protests were received.

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<sup>1</sup> February 8, 2022, Resolution: <https://records.sanjoseca.gov/Resolutions/RES80369.pdf>

***Award Recommendations:*** Staff recommends award of purchase orders to Los Loza Inc. and Anderson's Tree Care Specialists, Inc. pursuant to the formal bidding procedures of the San José Municipal Code, Section 4.12.310B.

***Office of Equality Assurance:*** Prevailing Wage is applicable to services under these purchase orders.

## **CONCLUSION**

Approval of this recommendation will ensure the City has tree planting and establishment services to help restore the tree canopy to preserve these vital community assets.

## **EVALUATION AND FOLLOW-UP**

Vendor-led planting efforts are but one of many initiatives that staff will pursue to increase tree planting activities and canopy cover within the City. Staff will continue to partner with Our City Forest to seek planting and collaboration opportunities throughout the city. Staff is also exploring the use of grants and other financial incentives to encourage residents to plant and appropriately maintain street trees in front of their properties.

## **CLIMATE SMART SAN JOSÉ**

The recommendation in this memorandum aligns with one or more Climate Smart San José energy, water, or mobility goals.

## **PUBLIC OUTREACH**

This memorandum will be posted to the City's Council Agenda website for the November 15, 2022 City Council meeting.

## **COORDINATION**

This memorandum has been coordinated with the Department of Transportation, the City Attorney's Office, and the City Manager's Budget Office.

**COMMISSION RECOMMENDATION/INPUT**

No commission recommendation or input is associated with this action.

**FISCAL/POLICY ALIGNMENT**

This City Council item is consistent with the City's 2022-2023 Proposed Operating Budget City Service Areas Delivery Framework: "To provide the community with safe, secure, and efficient surface and air transportation systems that support San José's livability and economic vitality."

**COST SUMMARY/IMPLICATIONS**

1. **AMOUNT OF RECOMMENDATION:** \$ 2,500,000
  
2. **COST ELEMENTS:**

Purchase order with Los Loza, Inc.:	\$ 750,000
Purchase order with Anderson's Tree Care Specialists, Inc.:	<u>1,750,000</u>
	<b>\$ 2,500,000</b>
  
3. **SOURCE OF FUNDING:** General Fund (001)
  
4. **FISCAL IMPACT:** Funding will be utilized to plant trees and provide establishment maintenance including watering, pruning, and monitoring. The 2022-2023 Operating Budget includes \$775,000 in DOT's non-personal/equipment budget to plant approximately 1,000 trees annually. The purchase orders will provide for the planting of 2,000 trees. Additional funding will come from a combination of mitigation payments for the removal of trees as well as potential future grant opportunities.

**BUDGET REFERENCE**

The table below identifies the funds and appropriations proposed to fund the purchase orders recommended as part of this memorandum.

Fund #	Appn. #	Appn. Name	Total Appn.	Amt. for Recommendation	2022-2023 Proposed Operating Budget Page	Last Budget Action (Date, Ord. No.)
001	0512	Transportation Department Non-Personal/Equipment	\$21,916,626	\$1,700,000	745	06/21/22, 30790
001	207H	Tree Mitigation	800,000	\$800,000	802	06/21/22, 30790

HONORABLE MAYOR AND CITY COUNCIL

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**Subject: Actions Related to the Purchase Orders for Tree Planting and Establishment Services**

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**CEQA**

Categorically Exempt, File No. ER22-238, CEQA Guidelines Section 15304 Minor Alterations to Land.

/s/

JULIA H. COOPER

Director of Finance

For program-related questions, please contact Rick Scott, Deputy Director of Transportation at [Rick.Scott@sanjoseca.gov](mailto:Rick.Scott@sanjoseca.gov). For procurement and contract questions, please contact Luz Cofresí-Howe, Assistant Director of Finance, at [Luz.Cofresi-Howe@sanjoseca.gov](mailto:Luz.Cofresi-Howe@sanjoseca.gov).