ITEM NO. 14

STAFF REPORT

CITY OF OCEANSIDE

DATE: October 14, 2009

TO: Honorable Mayor and City Councilmembers

FROM: Public Works Department

SUBJECT: **BUDGET TRANSFER TO CHANGE THE FUNDING SOURCE FOR CITYWIDE STREET TREE TRIMMING PROGRAM**

SYNOPSIS

Staff recommends that the City Council approve a budget transfer in the amount of $180,000 from Rancho Del Oro Detention Basin CIP account to the Tree Trimming CIP account to change the funding source for year two of the Professional Services Agreement with George Salinas Tree Preservation for street tree trimming, stump removal, and as-needed extra work.

BACKGROUND

On February 4, 2009, the City Council approved a two-year Professional Services Agreement with George Salinas Tree Preservation of Placentia, California, for street tree trimming, stump removal, and as-needed extra work, to supplement City crews and help the department service its 12 zone maintenance schedules. Funding for year two of the agreement was not appropriated in the FY 2009-10 CIP budget. Furthermore, the City's tree maintenance crew was eliminated during recent budget reductions. Currently these services are provided only for emergency or safety-related issues.

ANALYSIS

Year two of the professional services agreement includes the trimming of 2496 trees on selected streets at a base agreement price of $102,353.63. Included in the agreement is a guaranteed price for additional miscellaneous work that the City may request, which could potentially increase the agreement value to $180,000 for the year. There are no early termination clauses that are exercisable at the discretion of the contractor.

FISCAL IMPACT

Nothing in the agreement obligates the CITY to appropriate funds for the second year of the contract. However, the CITY cannot contract with a different tree trimming company using alternative funding so long as the presently-contracted company is able to

perform and continues to perform satisfactorily. If funding is not provided, the current contract will be cancelled.

Funding to continue the tree trimming program for this fiscal year is provided by funds previously budgeted for the Loma Alta Creek Detention Basin at Rancho del Oro Boulevard. The other detention basin at El Camino Real is fully-funded and will be under construction this fiscal year. There are FY 2008-09 carry-forward funds for the Rancho del Oro Detention Basin (905745200520) in the amount of $735,215 which are not needed in the current fiscal year. Staff is requesting approval of a budget transfer from the Rancho Del Oro Detention Basin CIP (905745200520) to the Tree Trimming CIP (902524900213) in the amount of $180,000. The City is expected to receive $3.5 million in TransNet funds for FY 2010-11 at which time the $180,000 will be allocated back to the Rancho Del Oro Detention Basin project.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

The professional services agreement with George Salinas Tree Preservation was previously reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends that the City Council approve a budget transfer in the amount of $180,000 from Rancho Del Oro Detention Basin CIP account to the Tree Trimming CIP account to change the funding source for year two of the Professional Services Agreement with George Salinas Tree Preservation for street tree trimming, stump removal, and as-needed extra work.

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