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## REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **February 28, 2018**

FROM: **General Manager, Parks, Recreation & Culture**

FILE: **2320-20/H**

SUBJECT: **Extension of Tree Watering Contract (No. 1220-040-2015-074)**

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## RECOMMENDATION

The Parks, Recreation & Culture Department recommends that Council:

1. Authorize the extension of Contract No. 1220-040-2015-074 with Horizon Landscape Contractors Inc. for 2018 in the amount of \$1,171,241.40 including GST, for the watering of street trees and park trees;
2. Set the expenditure authorization limit for Contract No. 1220-040-2015-074 at \$1,464,000.00 including contingency and GST; and
3. Authorize the General Manager, Parks, Recreation & Culture to execute and sign Contract No. 1220-040-2015-074 for 2018.

## INTENT

The purpose of this report is to obtain Council approval to extend a contract for the watering of street trees, park trees, and trees around civic buildings in 2018.

## BACKGROUND

Street trees and park shade trees require supplemental watering during the first six to eight years following planting, depending on the weather during any given year. For 2018, there are approximately 29,000 trees that may need to be watered at the peak of the summer drought period. Approximately 5% of the watering is carried out by City staff with the remainder undertaken by qualified external contractors.

In April 2015, Council approved the Award of Contract No. 1220-040-2015-074 for the watering of street and park trees in 2015 to Horizon Landscape Contractors Inc. in the amount of \$657,530.00 including GST, and approved the expenditure authorization limit for Contract No. 1220-040-2015-074 at \$850,000.00 including GST (Corporate Report R060; 2015 is attached as Appendix "I"). In October 2015, due to a record-breaking dry spring and summer, an amending agreement was prepared and a further \$104,000.00 was added to the value of the original Contract to a total value in 2015 of \$1,001,700.00 including GST. The term of the contract was from May 31, 2015 to December 31, 2015. The Contract included an option in favour of the City to extend its term for up to an additional four 1-year periods.

In April 2016, Council approved the extension of Contract No. 1220-040-2015-074 with Horizon Landscape Contractors Inc. in the amount of \$737,213.40 including GST and approved the expenditure authorization limit for Contract No. 1220-040-2015-074 at \$960,000.00 including contingency and GST (Corporate Report R077; 2016 is attached as Appendix "II"). The term of the Contract was from May 31, 2016 to December 31, 2016. The contract included an option in favour of the City to extend its term for up to an additional three 1-year periods.

In March 2017, Council approved the extension of Contract No. 1220-040-2015-074 with Horizon Landscape Contractors Inc. in the amount of \$981,828.75 including GST and approved the expenditure authorization limit for Contract No. 1220-040-2015-074 at \$1,230,000.00 including contingency and GST (Corporate Report R055; 2017 is attached as Appendix "III"). The term of the Contract was from May 31, 2017 to December 31, 2017. The contract included an option in favour of the City to extend its term for up to an additional two 1-year periods.

The extension recommended in this report is the third extension to the Contract, making it the fourth year that the contractor will be undertaking the work of tree watering under the terms and conditions of the original Contract.

## **DISCUSSION**

The work carried out by Horizon Landscape Contractors Inc. during 2015, 2016, and 2017 has been fully satisfactory. This company has sufficient resources and expertise to undertake the necessary work with high quality and has a very good safety record.

### Financial Evaluation for 2018

The 2018 contract rates have increased by 2.2% (as stipulated in the Contract) at the Consumer Price Index for Vancouver, BC as published by Statistics Canada.

The total anticipated cost of the work under the Contract in 2018 with average weather conditions is \$1,171,241.40 including GST. However, warm weather can drive watering costs up very significantly. For this reason, the recommendations of this report include funding in an amount equal to a 25% increase in watering over an average year, in the event that the spring and summer in Surrey is unusually sunny and hot. A 3-year average cost is utilized to estimate the cost for the year. The contingency amount is necessary to respond to the historical weather patterns including very dry spring and summers every few years. The ability to increase the watering program for stressed trees during periods of prolonged drought is essential for extending the useful life of trees (tree survival). This amount also reflects the general increase in the number of trees for 2017 and the general trend toward drier summers where more watering is required. Funding for the Contract is contained within the approved 2018 Parks Division Operating Budget.

In recognition that tree watering is costly, a number of initiatives are carried out to encourage residents to water trees on a voluntary basis in order to help the City reduce watering costs. Tree water bags are offered for free to residents who express interest in watering trees adjacent to their homes. The City engages with volunteers (such as Urban Forestry Leaders) to carry out tree watering, and also encourages tree watering by residents during events such as Releaf plantings and Nature Work Parties. In addition, Surrey's Natural Area Partnership (SNAP) carries out tree watering outreach at a number of events throughout the year. Ads are placed in local media and information is distributed via the City's website and social media to encourage residents to fill water bags and water trees.

## SUSTAINABILITY CONSIDERATIONS

The City's street trees and park trees represent a significant green infrastructure investment. Well-managed trees beautify the City, provide habitat, mitigate storm water run-off, off-set carbon emissions, and filter other pollutants. Regular watering of the trees helps to reduce tree failure and increase the service life of the trees. Specifically, the recommendations contained within this report support the following Desired Outcomes (DO) and Strategic Directions (SD) identified in the Sustainability Charter:

- **Built Environments and Neighbourhoods, Do5:** Trees, green spaces and natural areas are integrated into all neighbourhoods.
  - **SD5:** Integrate natural areas, ecosystems, and green areas in all neighbourhoods.
- **Ecosystems, Do1:** Parks, natural areas, urban forests and habitat corridors are interconnected throughout Surrey and the region, creating healthy places for people and wildlife.
- **Ecosystems Do2:** Surrey actively protects, enhances and restores its natural environment and habitats.
- **Ecosystems Do3:** All development enhances, or minimizes the impacts on Surrey's lush tree canopy and natural environment, and avoids encroachment into natural areas, habitat features and parks.
  - **SD5:** Increase tree canopy coverage across the city.
- **Ecosystems Do12:** Surrey protects ecosystem services and manages natural assets in order to create resiliency in order to adapt and thrive in a changing climate.
- **Infrastructure Do1:** All infrastructure systems are well managed, adaptable and long lasting, and are effectively integrated into regional systems.
- **Infrastructure Do4:** Ecosystems and natural assets are an essential part of the community's infrastructure system.
  - **SD3:** Develop and manage the green infrastructure network to continue to deliver ecosystem services.

## CONCLUSION

The Parks, Recreation & Culture Department recommends that Council approve the extension of tree watering Contract No. 1220-040-2015-074 with Horizon Landscape Contractors Inc. for the watering of street trees and park trees in 2018 for \$1,171,241.40 including GST; set the expenditure authorization limit for Contract No. 1220-040-2015-074 at \$1,464,000.00 including contingency and GST; and authorize the General Manager, Parks, Recreation & Culture to execute and sign Contract No.1220-040-2015-074 for 2018.

Laurie Cavan  
General Manager,  
Parks, Recreation & Culture

Appendix "I" – Corporate Report R060; 2015 Award of Tree Watering Contract  
Appendix "II" - Corporate Report R077; 2016 Extension of Tree Watering Contract  
Appendix "III" - Corporate Report R055; 2017 Extension of Tree Watering Contract