



**City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org**

Legislative File No: 2010-0064

TO: Mayor and City Council Members

FROM: Mike Hartner, Parks and Forestry Department, 841-2552
Gerry Lee, Forestry

DATE: February 3, 2010

SUBJECT: 2010 Spring and Fall Street Tree Planting

REQUEST:

City Council is requested to authorize the issuance of a blanket purchase order to Michigan Lawn Maintenance, Inc. dba Sherman Nursery Farms of Columbus, Michigan for the 2010 Spring and Fall Street Tree Planting in the amount not to exceed \$54,000.

REASON FOR PURCHASE:

The Forestry Division contracts for the planting of trees along city roads, in parks, and at other facilities. Two separate planting programs are currently in effect: the “Subdivision Tree Planting Program” and the “Cooperative Tree Planting Program.”

The Subdivision Tree Planting Program began in 1979 after adoption of the Subdivision Control Ordinance requiring developers of all new subdivisions to provide funds for one street tree to be planted by the City in front of each new home. Funds for this program are held by the City in an escrow account until the new homes are completed and occupied. The Forestry Division then includes that property in a forthcoming planting project.

The Cooperative Tree Planting Program was initiated in 1999, when policy was established authorizing the use of the City’s “Tree Fund” (created by the Tree Conservation Ordinance in 1988 and distinct from the above escrow account) to match 50% of the cost of trees purchased by residents (or businesses) for planting along public streets and on public properties throughout the city. The Tree Fund revenues are generated from payments by developers and builders in lieu of planting replacements for regulated trees removed (or damaged) during construction.

Sealed proposals were solicited in 2006 using the MITN website with Michigan Lawn Maintenance, Inc. dba Sherman Nursery Farms being chosen as the overall lowest cost and best value for the City. The solicitation included an option to renew based on mutual agreement between the City and the awarded supplier. This year through negotiation Sherman Nursery Farms has agreed to reduce their 2006 prices by 5%. The City received good product and services from Sherman Nursery Farms in previous years.

PROCESS:

Vendor Name and Address:

Michigan Lawn Maintenance, Inc. dba
Sherman Nursery Farms
2200 Mayer Road
Columbus, MI 48063

Reason for Selection:

Best Value

Method of Purchase:

Blanket Purchase Order

BUDGET:

Monies for the purchase of these trees will come from private developer and residents' payments made into the Tree Fund's Escrow accounts (281000 and 283003) along with the payments made into the Tree Fund's revenue account (631000).

Subdivision Tree Planting Program (100% funded by developers):

Funds for this program come from developer fees as prescribed by the Subdivision Control Ordinance (paid by developers per lot). This applies to all subdivisions platted since 1979. Funds are held in an escrow account (232.281000) until about 50% of the homes in the sub have been issued Certificates of Occupancy.

Cooperative Tree Planting Program (100% funded by developers, builders, and residents):

Funds for this program come from two sources, the residents and the City's Tree Fund. The residents' matching (50%) contributions are held in an escrow account (283003) from the time payment is received until the tree is planted on the right of way. The City matches the resident's contributions from the Tree Fund Contractual Services account (807000) as established by the Tree Conservation Ordinance (or from the Subdivision Tree Escrow account in the case of replacement trees in subdivisions platted since 1979).

No Tree Fund monies come from taxes. The escrow accounts can only be used for tree planting purposes.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Tree Fund	232.281000	Subdivision Tree Escrow	NA	\$27,000	NA
Tree Fund	232.807000	Contractual Services	\$15,000	\$15,000	0
Tree Fund	232.283003	Coop Tree Escrow	NA	\$12,000	NA

RECOMMENDATION:

It is recommended that City Council authorize a Blanket Purchase Order for the 2010 Spring and Fall Street Tree Planting to Michigan Lawn Maintenance, Inc. dba Sherman Nursery Farms of Columbus, Michigan in the amount not to exceed \$54,000.