



CITY OF WAUKESHA

Administration

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Common Council Item Number: Click here to enter text.	Date: July 1, 2020
Submitted By: Ron Grall, Director of Parks, Recreation & Forestry Mike Talaska, Forestry Supervisor	City Administrator Approval: Kevin Lahner, City Administrator KL
Finance Department Review: Rich Abbott, Finance Director RA	City Attorney's Office Review: Brian Running, City Attorney BR
Subject: Approval of the proposed Tree Growing Agreement between Johnson's Nursery, Inc. and the City of Waukesha.	

Details:
 The Parks, Recreation & Forestry Department (WPRF) is always seeking more cost-effective and efficient means of operation. Because of the effects of the emerald ash borer (EAB) we are continuing to remove more trees than we are planting each year. As part of the approved 2020 operating budget, funds were set aside for a third year of growing agreements to help with this problem. With this tree growing agreement, we would put down the first installment of \$35 per tree, which averages about 20% of the full cost, on the trees at Johnson's Nursery this year, locking in future prices and guaranteeing future stock for several years in the future. We will continue to utilize this program in the future, given a positive experience with this third set of contracts. Specifics regarding tree species, size and timeline are included in the attached contract for Johnson's Nursery, of which the amount is \$4,900.00 for 140 trees.

Options & Alternatives:
 WPRF could continue to purchase trees on a bi-annual basis, however, this agreement locks in future prices at lower rates than would be paid in the future. This also guarantees stock, that trees will be available for purchase and planting.

Financial Remarks:
 As part of the 2020 Forestry Operating budget, \$9,800.00 was earmarked in 5610.53510, Non-Assessed Trees to go towards the growing agreements. \$4,900.00 will be the contract amount with Johnson's Nursery, Inc., which is the down payment of \$35 per tree for 140 trees.

Executive Action:
 Recommend approval of the tree growing agreement between Johnson's Nursery, Inc. and the City of Waukesha, and authorize the Mayor to enter into this contact.

Committee Recommendation:
 The Parks, Recreation and Forestry Board will be considering this item at the July 6, 2020 meeting, and making a recommendation to the Common Council.



Contract for Purchase of Services Field Grow Agreement

Parameters

Crop Size

25 minimum units/cultivar, form, or type.
50 minimum units/agreement

Lead Time

Species/cultivar dependent. However, in consultation with the sales representative and production lead, every effort will be made to accommodate non-standard requests provided that plant health is not detrimentally impacted.

Terms

- To enter into a Growing Agreement, client shall pay \$35.00/unit. (Initial payment).
 - The initial payment shall be refunded to _____ City of Waukesha _____ if Johnson's Nursery, Inc., for any unforeseen reason, cannot fulfill their obligations under the agreement. Examples include crop failures and natural disasters.
 - The initial payment shall be retained by Johnson's Nursery should _____ City of Waukesha _____ decide not to honor their obligations under the agreement.
- No agreement shall exist in the absence of an initial payment.
- The finished price of trees will be locked in as the quoted price at the time the agreement is entered into.
- Should weather conditions retard normal/anticipated growth rates, client will be invoiced price of actual finished size when less than the agreement parameters. Minimum saleable size prices do apply—1.5" caliper single stem or 48" conifer e.g.
- Prior to harvest, near the mid-point of the final growing season of any contracted crop (on/about mid-June), client representatives have the right to field tag all material anticipated for subsequent harvest from their crop.
 - Once the contracted crop has been tagged, representatives of the City and Johnson's Nursery will consult and collaborate on the desired final pruning (if any) to be performed on the client's selections prior to order fulfillment.
 - Any changes to standard or recommended nursery pruning protocols will be accompanied by an agreement addendum signed/dated by representatives of Johnson's Nursery and Client detailing requested/performed deviation from standard practices.
- Client has the right to request early harvest of their agreement crop at a smaller size than contracted with the understanding that
 - Early harvest will not occur if plant health would be detrimentally impacted as determined by Johnson's Nursery production lead.
 - The client will be charged for the finished size received, down to minimum sales sizes.
- Client has the right to delay harvest of an agreement crop—either in full or partially—no more than one (1) year beyond the original agreement date with the understanding that

- An agreement addendum must be signed/dated by both Johnson's Nursery and Client spelling out that Client, by choosing to delay harvest, will pay the finished price of the tree at the new size even if greater than the original quoted agreement amount.

To aid transparency and minimize any price confusion upon entering into a field grow agreement, Johnson's Nursery will provide a specific price of a) initial payment and b) the remainder due upon receipt.

Johnson's Nursery agrees to provide a written annual "grow report" following the spring growth cycle to City of Waukesha's designee for each crop in a Grow Agreement submitted no later than the 30th of July. The report shall contain but is not limited to the following information:

- Species
 - Height
 - Diameter
 - Condition (poor to excellent)
 - Position in the contract cycle
 - Crop failure
 - Height to first branch
 - Work performed (example, shearing or pruning) on crop
- Field Grow Agreement clients will not be required to pay a stock holding fee for spring-dig only material harvested, held, and shipped in the same growing season. However, should client request that agreement grown spring-dig only material be harvested and held over winter, a minimum holding fee of 20% of held material value will be assessed at that time.
 - Any shipping charges are not included. All plant material shall conform to the American Standard for Nursery Stock ANSI Z60.1 (most current edition). City of Waukesha further reserves the right to reject any tree that does not meet their current specifications in effect at the time of the initial contract period. The City retains the option to be the first to tag stock for delivery in contracted growing blocks.
 - At time of delivery City of Waukesha reserves right to reject any and all plants that are either damaged due to digging, shipping handling or for any reason does not comply with the American Standard for Nursery Stock ANSI Z60.1 (most current edition) or current specifications in effect at the time of the initial contract period prior to delivery on site to City of Waukesha delivery site.
 - The client shall retain the option to review contracted growing stock at any time during the contract period until City of Waukesha accepts delivery.
 - Both the City and Johnson's Nursery shall retain the option to at any time make changes to the contract as long as said changes are mutually agreeable to both parties and neither conflicts with the American Standard for Nursery Stock ANSI Z60.1 (most current edition) or current specifications in effect at the time of the initial contract period prior to delivery on site to the City of Waukesha delivery site.
 - Both Johnson's Nursery and City of Waukesha agree that the mutually beneficial spirit of this field grow agreement shall be applied to the resolution of any contingency, unaddressed here, which may result from the production of living stock in open fields.



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City of Waukesha

Attest:

Shawn N. Reilly, Mayor

Date: _____

Gina L. Kozlik, City Clerk

Date: _____

To certify that funds are available to pay the City's obligations:

Richard L. Abbott, Finance Director

Date: _____