

Information for Town Council Meeting on February 11, 2020

TO: Mayor and Town Council

VIA: Kirk W. Blouin, Town Manager

VIA: Jane Le Clainche, CPA, Director of Finance

FROM: Dean Mealy, II CPPO Town Purchasing Manager

RE: Resolution Approving the Award of Invitation to Bid No. 2020-03, for Treatment of Lethal Yellowing Disease, Royal Palm Bug Treatment and Fertilization of Royal Palms to Hulett Environmental Services, Inc. in the annual amount of \$39,996.50 and an overall five year contract value of \$205,983 based on satisfactory annual contract performance and contingent upon budget approval - Resolution **No. 07-2020**

DATE: 30 January 2020

STAFF RECOMMENDATION

Staff recommends Town Council approval of Resolution No. 07-2020, a Resolution Approving the Award of Invitation to Bid No. 2020-03, for Treatment of Lethal Yellowing Disease, Royal Palm Bug Treatment and Fertilization of Royal Palms to Hulett Environmental Services, Inc. in the annual amount of \$39,996.50, and an overall five year contract value of \$205,983 based on satisfactory annual contract performance and contingent upon budget approval

SUMMARY EXPLANATION/BACKGROUND

Public Works identified the requirement to issue a new solicitation for Treatment of Lethal Yellowing Disease, Royal Palm Bug Treatment and Fertilization of Royal Palms. The previous contract, 2014-18 had no additional extensions.

Public Works and the Town Arborist recommends treatment for all Town owned coconut palm trees. The Town has 2,800 coconut trees and 550 royal palms.

Lethal Yellowing (LY) is a fatal but preventable disease caused by bacteria. LY currently affects 40% of palm species, most common is Coconut and Date Palms. This disease affects the vascular system of the palms by clogging its vessels, not allowing nutrients to migrate through the tree. It is spread by a palm sap feeding leafhopper.

Treatment for LY consists of drilling a small hole in the tree and inserting a valve. The valve is then penetrated with a syringe. The chemical injected is a water-soluble antibiotic, oxytetracycline hydrochloride (OTC). Because it is water based, as is the palm, it dissipates over a short time, requiring treatment 3x/year to maintain effective control. An average size coconut palm would be

injected with 4 grams of OTC/tree/year.

PURCHASING METHODOLOGY

Purchasing issued Invitation to Bid 2020-03 for Treatment of Lethal Yellowing Disease, Royal Palm Bug Treatment and Fertilization of Royal Palms. The solicitation was issued to 589 firms in Demand Star, 10 firms in Public Purchase and 195 firms in Negometrix for a total of 794 recipients of notification for an upcoming bid.

Twelve firms replied to the solicitation, of which six actually submitted a formal bid. Bid submittals ranged from \$39,996.50 to \$91,213.60 annually.

Purchasing verified the low bid for responsiveness and responsibility to the scope and all requirements. Hulett Environmental Services, Inc. was determined meet all requirements.

The result in the new solicitation provided a cost savings to the Town of \$6,000 during the first year of the new contract award and a potential five year cost savings of \$30,000.

PREVIOUS AWARDED VENDOR

The previous contract for Treatment of Lethal Yellowing Disease, Royal Palm Bug Treatment and Fertilization of Royal Palms was awarded in 2014 to Hulett Environmental Services, Inc. During the contract period from 2014 to 2019, Hulett Environmental Services, Inc. provided above satisfactory performance. There was no vendor performance issues.

FISCAL IMPACT/FUNDING SOURCE

Funding for award of Bid No. 2020-03, for Treatment of Lethal Yellowing Disease, Royal Palm Bug Treatment and Fertilization of Royal Palms will be from the Public Works Operational Budget.

USER DEPARTMENT CONCURRENCE

The Public Works Department has reviewed the bid tabulation and vendor recommendations and is in full agreement.

DUE DILIGENCE

Due Diligence was conducted to determine vendor responsibility, including corporate status and that there are no performance and compliance issues.

TOWN ATTORNEY REVIEW

This format has been utilized by the Town in previous recommendations and was approved by the Town Attorney.

CC: Jay Boodheshwar, Deputy Town Manager
Paul Brazil, Director, Public Works
Paul Colby, Facilities Maintenance Manager
Duke Basha, Assistant Purchasing Manager