

# UNITED PACIFIC SERVICES

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Date: 11/17/14

Honorable Mayor and City Council Members  
City of Long Beach  
California

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**RE: AWARD OF ANNUAL TREE MAINTENANCE CONTRACT TO WEST COAST  
ARBORIST ITEM # 14-0946 ON CITY COUNCIL AGENDA FOR TUESDAY  
NOVEMBER 18,2014**

*Dear sirs:*

*My name is Jack Mooring. I am the Vice-President/general manager of United Pacific Services. We are a municipal tree trimming contractor with city contracts throughout Los Angeles County, Orange County, Riverside County and Ventura County. I am writing you regarding a contract that is on the consent calendar to be awarded to West Coast Arborist, a municipal tree contractor out of Orange County.*

*This contract negotiated privately between Long Beach city council members and WCA's team of salesmen combines 4 separate entities of Long Beach into 1 mega sized contract and then piggy backs this service contract onto 1 city of Tustin contract. The Tustin contract is a 350,000 annual contract and the Long Beach contract when combined is worth 2,600,000 annually for a period of 4 years bringing the total value of the contract to 10,400,000. This contract will cost Long Beach tax payers 100's of thousands of dollars above and beyond the normal profit margin made by private contractors. The Long Beach city council members are working hard (but legally) to give this contract and the extravagant profit margins to this contractor based on their inventory and city master plan that comes along with it. The problem is that none of the council members have looked into what it is going to cost the city of Long Beach. We (UPS) have been trimming the trees in Long Beach at 2 of the areas, Queens Way Bay and the Marine Bureau (Tidelands) for the last 13 years. This is how I know it is going to*

cost the city so much money. Neither one of these areas are anything like the city of Tustin. This is why it is a bad idea from the get go to piggy back service contracts, which is illegal, in all general law cities but with a majority vote from the city council legal to do in charter cities such as Long Beach. Before I go any further let me give you an example of how it is going to cost the tax payers so much money. We (UPS) have been charging the City of Long Beach 25.00 per tree to trim the fan palm trees in The Tidelands and QWB for the last 13 years. WCA's cost under the Tustin contract is 45.00 per palm. That is an 80% increase in price. And unlike Tustin there are thousands of palm trees that are concentrated in these 2 beach front areas. And remember we were profitable at 25.00. For date palms we were charging 50.00 to WCA's 98.00 on the Tustin contract. Also the palm trees in the QWB are trimmed twice per year due to the large amount of pedestrian traffic and events occurring in and around these trees on a regular basis. These two areas have always been bid for twice per year unit pricing for these reasons and is another reason our price has been so profitable is because they are done twice per year. In fact our second year trim price was 10.00 per fan and 25.00 per date. Over the past 13 years I have completed an inventory that I have been using to determine the projected cost to the city for budget allocations for upcoming years. There are 1,762 fan palms in the Tidelands and 113 date palms. These trees were only trimmed once per year during the term of the last contract. In QWB there are 1,210 fan palms and 138 date palms. The palm trees in QWB have been trimmed twice per year for the last 13 years. Here is the breakdown of cost between UPS and WCA for trimming the same palm trees for 1 year using UPS last years unit prices and WCA's proposed unit prices under the Tustin piggy back prices.

<b>Contractor</b>	<b>Location</b>	<b>Trees trimmed</b>	<b>unit price</b>	<b>Total cost</b>
<b>UPS</b>	<b>QWB</b>	<b>1210 fan palms</b>	<b>25.00</b>	<b>30,250.00</b>
<b>UPS</b>	<b>QWB</b>	<b>1210 fan palms</b>	<b>10.00 2<sup>nd</sup> time</b>	<b>12,100.00</b>
<b>UPS</b>	<b>QWB</b>	<b>138 date palms</b>	<b>50.00</b>	<b>6,900.00</b>
<b>UPS</b>	<b>QWB</b>	<b>138 date palms</b>	<b>25.00 2<sup>nd</sup> time</b>	<b>3,450.00</b>
<b>Total palm trimming cost for QWB with UPS = 52,700.00</b>				
<b>WCA</b>	<b>QWB</b>	<b>1210 fan palms</b>	<b>45.00 X 2 = 90.00</b>	<b>108,900</b>
<b>WCA</b>	<b>QWB</b>	<b>138 date palms</b>	<b>98.00 X 2 = 196.00</b>	<b>27,048</b>
<b>Total palm trimming cost for QWB with WCA = 135,948 (83,248.00 more)</b>				
<b>UPS</b>	<b>Tidelands</b>	<b>1762 fan palms</b>	<b>25.00</b>	<b>44,050.00</b>
<b>UPS</b>	<b>Tidelands</b>	<b>113 date palms</b>	<b>50.00</b>	<b>5,650.00</b>
<b>Total palm trimming cost for Tidelands with UPS = 49,700</b>				
<b>WCA</b>	<b>Tidelands</b>	<b>1762 fan palms</b>	<b>45.00</b>	<b>79,290.00</b>
<b>WCA</b>	<b>Tidelands</b>	<b>113 date palms</b>	<b>98.00</b>	<b>11,074</b>
<b>Total palm trimming cost for Tidelands with WCA = 90,364.00 (40,664.00 more)</b>				

**UPS total for both areas = 102,400**

**WCA total for both areas = 226,312.00 (123,912.00 more)**

**\$123,912.00 X 4 years (contract term) = \$495,648.00**

*This is just 1 example of how little thought the Long Beach city council members have put into combining these contracts. These areas have been separated all of these years for a reason. The price WCA has for palms in Tustin are scattered and not trimmed as regularly as the ones in Long Beach beach fronts with high concentrations of palms and with high volumes of pedestrians and traffic with visibility and impact on the city as Tustin. In Long Beach when we set our bucket trucks up to trim we can reach from 6 to 8 palms at a time. That's why it is profitable at 25.00 each. We are trimming up to 200 trees per day. It begs the question why are the Long Beach council members working so hard behind closed doors and excluding other contractors and their own city personnel to award such a lucrative contract to WCA? I have always thought that strategizing with a single contractor to award a contract with city personnel would be considered collusion. This is a good example of why collusion is illegal. I called each of the area supervisors and asked what is going on and why is the city council doing this and do they realize how much more it is going to cost the city? They have each replied that they have no idea and that they have been excluded from the negotiations and do not know what is going on. Apparently the Long Beach City council is so bedazzled by this inventory and master plan that they either don't care about the tax payers or Tidelands (separate budget, Tidelands pay for their own tree trimming but would still fall under the WCA agreement) or they just haven't done there due diligence and are ignorant of how these contracts have been bid in the past (probably because they left their own people out of the loop). I have included prices from our Long Beach city contract from last year and a copy of the WCA Tustin contract to verify the unit prices used in the example. Remember this is only 1 example of how ridiculous it is for a city the size of Long Beach to do away with competitive bidding and choose to piggy back a service contract onto another city that is nothing like Long Beach. We have won the contract for the beach areas of Long Beach 4 separate times. WCA was always been higher than us along with every other contractor to the benefit of Long Beach tax payers. We have a great relationship with all of the various area supervisors and superintendants. In fact we use them as references for other contracts we bid on and have letters of recommendation from many of them. On top of it all this City council has delayed the start of this years contract and has created a hazardous situation with the conditions of the fan palms on the Long Beach Esplanade (next to the aquarium) with thousands of people walking on pavers with berries from the palm trees on the walkway. If the city council had not intervened and stopped the normal competitive bidding process the tree contracts would have been awarded and the trees would have already been trimmed. Normally we trim the palms in September, October and again in March before the race. Palms go out to seed twice a year and that is why it was in the previous contracts for twice a year pruning. I have more information regarding this contract. If you are interested in contacting me please do not hesitate to call.*

*I would like to discuss the details regarding the other 2 areas, the street tree trimming contract (parkways) and the Park and Recreation tree trimming contract. WCA has had the street tree trimming contract that was piggy backed onto a WCA Agoura Hills contract. Trimming Land Company had the Park and Recreation contract for the past 4 years.*

*Jack Mooring*

*United Pacific Services – Vice Presiden/ General Manager*

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*Thanks*