

Grand River Conservation Authority

Report number: GM-02-23-18

Date: February 24, 2023

To: Members of the Grand River Conservation Authority

Subject: Afforestation Services for Spring 2023

Recommendation:

THAT the Grand River Conservation Authority award the 2023 contract for machine planting for seedlings to Bartram Woodlands Ltd. in the amount of \$14,405.00 (excluding taxes) and a total budget of \$16,565.75 (excluding taxes) be approved;

AND THAT the Grand River Conservation Authority award the 2023 contract for hand planting for seedlings to Brinkman & Associates Ltd. in the amount of \$111,105.00 (excluding taxes) and a total budget of \$127,770.75 (excluding taxes) be approved;

AND THAT the Grand River Conservation Authority award the 2023 contract for hand planting for tall stock to Tamarack Reforestation Inc. in the amount of \$39,975.00 (excluding taxes) and a total budget of \$45,971.25 (excluding taxes) be approved.

Summary:

The Grand River Conservation Authority (GRCA) carries out a variety of tree-planting projects on both private land and GRCA properties each spring. Afforestation contractors are utilized to implement these projects.

The GRCA advertised for prequalification of companies interested in participating in the GRCA's 2023 afforestation program. Four companies submitted their prequalification documents and three of these companies met the criteria for receiving the subsequent Request for Proposals.

Report:

The GRCA has planted trees on private land and GRCA property for over 50 years with over 30 million trees planted throughout the Grand River watershed to date. The GRCA offers watershed residents access to a coordinated approach for afforestation services. Forestry specialists assist landowners with the design of their projects and access to funding programs. The GRCA grows trees and shrubs at its nursery and also purchases nursery stock at bulk pricing from a variety of external nurseries. The services of qualified tree-planting contractors are retained to complete the projects.

To ensure that planting projects are successful, the GRCA seeks contractors with expertise in afforestation and naturalization-style tree planting. The bare-root tree planting season is compressed into a three to four-week period that starts as soon as the frost leaves the ground. To accommodate this compressed season, the GRCA's afforestation projects are contracted out according to the planting method and nursery stock size/type. Not all contractors are able to fulfill the variety of requirements and timelines, so it sometimes results in multiple contractors working simultaneously to ensure the completion of projects during this short time period.

The GRCA provided Request for Proposals (RFPs) to the three companies that prequalified, indicating the estimated number of trees to plant utilizing the planting method that typically provides the best survival rate, is appropriate for the site conditions, is the most efficient, and provides the anticipated lowest planting cost. The RFP does indicate that the GRCA reserves

the right to negotiate a contract for the whole or any part of the work. The proposals were opened at 1:30 p.m. on January 30, 2023. The opening committee consisted of Lisa Keys, Director of Land Management; Brandon Heyer, Manager of Central Services; Kayleigh Keighan, Financial Controller; and Nathan Munn, Supervisor of Forestry Operations.

The following tables show the bids submitted for the three tree planting contracts which are based on an estimated number of trees to plant in the spring of 2023.

Table 1: Proposal results for Contract 1 – machine planting of seedlings

Company	Bid Price per 1000	Total Estimated Number of Trees to Plant	Total Contract Value
Bartram Woodlands	\$2,150.00	31,000	\$66,650.00
Brinkman & Associates	NO BID	31,000	N/A
Tamarack Reforestation	NO BID	31,000	N/A

Table 2: Proposal results for Contract 2 – hand planting of seedlings

Company	Bid Price per 1000	Total Estimated Number of Trees to Plant	Total Contract Value
Bartram Woodlands	NO BID	58,000	N/A
Brinkman & Associates	\$1,350.00	58,000	\$78,300.00
Tamarack Reforestation	NO BID	58,000	N/A

Table 3: Proposal results for Contract 3 – hand planting of tall stock

Company	Bid Price per tree	Total Estimated Number of Trees to Plant	Total Contract Value
Bartram Woodlands	NO BID	6,500	N/A
Brinkman & Associates	\$9.25	6,500	\$60,125.00
Tamarack Reforestation	\$6.15	6,500	\$39,975.00

The cost of afforestation projects on private lands are paid for by the individual property owners requiring the service. If eligible, these costs may be offset by programs such as the Rural Water Quality Program and Forests Ontario's 50 Million Tree Program. Tree planting on GRCA land is funded through programs such as, Forests Ontario's 50 MTP and/or the Grand River Conservation Foundation.

The GRCA's tree planting program aims to recover the costs of these contracts plus recover some of the GRCA's overhead costs. The amount charged to landowners for planting trees is estimated to allow for the costs of paying contractors to plant these trees, as well as, all of the internal shipping, handling, and storage costs. In some instances, contractor bid prices exceed what was estimated. This year, the bid price for machine planting (contract 1) exceeds what we have typically seen for price increases, and the bid price for hand planting of seedlings (contract 2) is also higher than expected. In order to recover these costs and to reduce tree planting costs for landowners, staff recommend awarding the contracts as follows:

- Reduce the amount of machine planting sites to only the big block planting sites, where the machine planting method is beneficial for efficiency and for post-plant tending

activities. In Contract 1, this reduces the number of seedlings planted using the machine planting method to 6,700 seedlings from the estimated 31,000.

- Increase the amount of hand-planted sites for cost savings and where the choice to machine plant or hand plant is negligible in terms of tree survival. In Contract 2, this increases the number of seedlings planted using the hand-planting method from 58,000 to 82,300.
- Tall stock planting costs are within the range of what is expected. No need to change any details about this contract (contract 3).

Despite the recommended contract adjustments, as a result of the cost increase to seedling planting, cost estimates for tree planting projects will be revised with all affected landowners.

With this approach, we recommend awarding the contracts as follows.

Table 4: Recommendations for awarding each contract

Contract	Company	Contract Value
Contract 1: machine planting of seedlings	Bartram Woodlands	\$14,405.00
Contract 2: hand planting of seedlings	Brinkman & Associates	\$111,105.00
Contract 3: hand planting of tall stock	Tamarack Reforestation	\$39,975.00

The RFP did not include a contingency, however, it is proposed that a budget be approved with an internal 15% contingency added. The contingency is due to the fact that tree planting plans are still being developed and confirmed with various landowners, so the actual number of trees to plant may vary from the total estimated at the time of proposal submissions. The total proposed budget is shown in Table 5.

Table 5: Budget

Total Value of Contract 1	\$14,405.00
Contingency	\$2,160.75
Total Budget Excluding HST	\$16,575.75
Total Value of Contract 2	\$111,105.00
Contingency	\$16,665.75
Total Budget Excluding HST	\$127,770.75
Total Value of Contract 3	\$39,975.00
Contingency	\$5,996.25
Total Budget Excluding HST	\$45,971.25

Financial Implications:

With the proposed recommendations for awarding each contract, cost-recovery of these costs will be achieved. Overall the GRCA tree-planting program of approximately \$900,000 relies on self-generated revenue (2/3) and general municipal levy (1/3).

Other Department Considerations:

Natural Heritage and Conservation Services staff are involved in the planning and coordination of afforestation projects on both private and GRCA lands.

Prepared by:

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Approved by:

Lisa Keys
Director of Land Management