

CC/RDA ACTION \_\_\_\_\_ MTG. DATE: 8-18-11  
APPROVED  DENIED \_\_\_\_\_ REC/FILE \_\_\_\_\_ CONT. \_\_\_\_\_  
OTHER \_\_\_\_\_  
VOTE: YES 5 NO 0 ABSTAIN \_\_\_\_\_

## STAFF REPORT

**DATE:** August 18, 2011  
**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Paul Goble, P.E., T.E.  
Public Works Director  
**SUBJECT:** Recommendation to Approve Replacement Requisition to West Coast Trees in the Amount of \$128,700 for the Highway 111 Phase 2 Improvement Project – Median Landscaping Plants

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### Summary

Council approval was received on July 7, 2011 for a requisition to Steve Anderson (DFI Funding, Inc.) for date palm procurement for the Highway 111, Phase 2 project landscape plants. On August 5, 2011, Public Works was notified that Steve Anderson would not honor his invoice for the subject date palm trees. As a result, the purchase order for this supplier has been cancelled. Previous bidders and alternative suppliers for the Highway 111 median landscaping plants were recontacted by City Staff to provide alternative quotes. The most competitive quotation provided was from West Coast Trees, providing a final quotation of \$1,650 per date palm tree, \$50 per tree below the original Steve Anderson bid. Council approval of this alternate supplier is recommended.

### Analysis

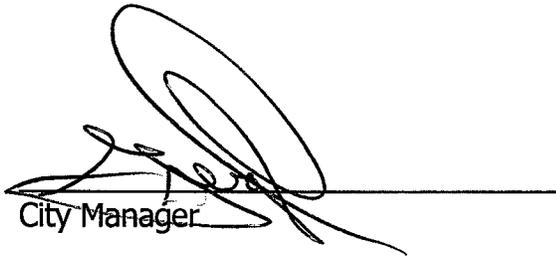
Council approval was received on July 7, 2011 for Steve Anderson (DFI Funding, Inc.) for date palm procurement for the Highway 111, Phase 2 project landscape plants. On August 5, 2011, Public Works was notified that Steve Anderson would not honor Invoice 339 for the subject date palm trees. During a date farm coordination meeting with City Landscape Specialist, Ryan Bowen, a DFI Funding partner refused to provide plants, cleaning and transportation pursuant to prior City negotiations and City purchase order. As a result, the purchase order for this supplier has been cancelled. Previous bidders and alternative suppliers for date palm trees were recontacted by City Staff to provide alternative quotes. The most competitive quotation provided was from West Coast Trees, ultimately providing a quotation of \$1,650 per date palm tree, \$50 per tree below the original Steve Anderson bid. Council approval of the alternate supplier is recommended. In addition, to the slight reduction in individual tree cost, the quantity of date palm trees was reduced from 86 trees to 78 trees during final landscape design refinements.

## **Fiscal Impact**

The proposed project is included in the City Capital Project Schedule. Funding for Phase 2 and Phase 3 of the Highway 111 project has been previously budgeted at \$7,744,500. An agreement for City reimbursement of 75% of allowable Highway 111 improvement expenses has been executed with CVAG.

## **Recommendation**

Approve a requisition to West Coast Trees in the amount of \$128,700 for the Highway 111 Phase 2 Improvement Project Median Landscaping Plants and cancelling the purchase order to Steve Anderson (DFI Funding) in the amount of \$132,600.



City Manager

Attachment: Requisition – West Coast Trees

Purchase Order & Cancellation Documents – Steve Anderson (DFI Funding)



**CITY OF INDIAN WELLS**

44-950 ELDORADO DRIVE  
 INDIAN WELLS, CA 92210  
 (760) 346-2489

DATE
7/12/2011

PO NUMBER
011014

VENDOR: 01524

DFI FUNDING, INC.  
 4120 DOUGLAS BLVD., #306-521  
 GRANITE BAY, CA 95746

SHIP TO: RYAN BOWEN  
 LANDSCAPE SPECIALIST  
 INDIAN WELLS, CA 92210

Terms:

Req. Del. Date:

Special Inst:

Dept.:

Contact: GOBLE/BOWEN

Confirming? No

Quantity	Unit	Description	Unit Price	Ext. Price
		2011/12 HWY 111 MEDIAN LANDSCAPE SUPPLIES (PHASE II IMPROVEMENT PROJECT)		132,600.00
		78 TREES @ \$1,700 EACH		
		APPROVED BY CITY COUNCIL 7/7/11, ITEM #8E.		

BILL TO: City of Indian Wells  
 44-950 ELDORADO DR.  
 INDIAN WELLS, CA 92210

SUBTOTAL	132,600.00
TAX	0.00
FREIGHT	0.00
TOTAL	132,600.00

Account Number	Amount	Account Number	Amount
E 316.93.15.06731.000	132,600.00		

*Patrick J. Mullany*

*[Signature]*



August 5, 2011

Steve Anderson  
DFI Funding, Inc.  
4120 Douglas Blvd., #306-521  
Granite Bay, CA 95746

Re: Cancellation of Purchase Order for 86 15 Foot Deglet Palm Trees

Dear Mr. Anderson:

Confirming your conversation today with City Landscape Specialist Ryan Bowen, please consider the City of Indian Wells Purchase Order 011014 for the subject palm trees canceled, effective immediately. The City of Indian Wells has not taken delivery of any deglet palm trees to date and no funds are due to DFI Funding, Inc.

This action is being taken as a result of DFI Funding, Inc. representative Jesse Castro's action today at the Thermal California date farm to refuse to honor DFI Funding, Inc. Invoice 339 dated 7/07/11 for 15 foot deglet palm trees, cleaned and transported at \$1,700 per tree. Mr. Castro demanded an additional \$300 per tree above and beyond our previously agreed purchase price during a City coordination meeting prior to transport of the trees to Indian Wells. The procurement of the aforementioned palm trees originated from City Request for Proposal invitation dated June 16, 2011.

Sincerely,

A handwritten signature in black ink that reads "Paul Goble".

Paul Goble, P.E., T.E.  
Public Works Director



CITY OF INDIAN WELLS  
 44-950 ELDORADO DRIVE  
 INDIAN WELLS, CA 92210  
 (760) 346-2489

# CHANGE ORDER

DATE	DEPARTMENT
08/08/11	PW

**VENDOR:** DFI Funding, Inc.  
 4120 Douglas Blvd., #306-521  
 Granite Bay, CA 95746

**VENDOR #:** 01524

**PURCHASE ORDER #** 011014

PO DESCRIPTION				
FY 11-12 Hwy 111 Median Landscape Supplies (Ph II Improvement Project) 78 trees @ \$1,700 each				
JUSTIFICATION FOR INCREASE/DECREASE				
PO to be closed and will be replaced with West Coast Tree please see attached letter for explanation				
Account Number	Original Amount	Increase (Decrease)	Adjusted Total	Budget Available
316.93.15.06731.000	132,600.00	(132,600.00)	-	
		-	-	
		-	-	
		-	-	
		-	-	
		-	-	
<b>TOTAL:</b>	<b>132,600.00</b>	<b>(132,600.00)</b>	<b>-</b>	

Prepared By: Mirian Date: 08/08/11

- Change Orders for less than \$25,000, and within the appropriated budget, may be authorized by the Finance Director
- Change Orders in excess of \$25,000 must be authorized by the City Council on the consent calendar.
- Change Orders which cause the original purchase order to exceed \$25,000 must be authorized by the City Council on the consent calendar.
- Multiple change orders which cumulatively exceed \$25,000 must be authorized by the City Council on the consent calendar.

**Change Order Checklist:**

- A signed Professional Services Agreement (if adjusted amount is over \$25,000)
- A signed Contract Amendment

Insurance Certificate(s) and indemnification.

\_\_\_\_\_  
 Risk Manager Approval

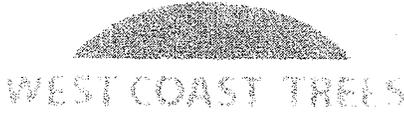
Copy of 3rd Party Reimbursement Request for Funds (if required)

**AUTHORIZED SIGNATURES**

Required for increases over \$1,000	Required for all adjustments	Required for increases over \$25,000
 Department Head _____ Date <u>8/5/11</u>	Finance Director _____ Date _____	City Manager _____ Date _____

**City Council Approval:** \_\_\_\_\_ **Meeting Date:** \_\_\_\_\_ **Item No.** \_\_\_\_\_

# INVOICE



**PO Box 1762**  
**La Jolla, CA 92038**  
**Phone 619.518.9507 Fax 858.456.9237**

INVOICE #00205  
 DATE: AUGUST 8, 2011

**TO:**  
 Indian Wells California  
 44-950 Eldorado Drive  
 Indian Wells, CA 92210-7497  
 760.578.2804

**SHIP TO:**  
 Indian Wells California  
 44-950 Eldorado Drive  
 Indian Wells, CA 92210-7497  
 760.578.2804

**COMMENTS OR SPECIAL INSTRUCTIONS:**

Full amount of invoice due on the 19th of August 2011 in the amount of \$128,700, as per Ryan Bowen (08/05/11).

SALESPERSON	P.O. NUMBER	REQUISITIONER	SHIPPED VIA	F.O.B. POINT	TERMS
John	CIW-1Invoice #00205	Ryan Bowen	Common	Indio	08/19/11

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
78	Phoenix dactylifera 13' Brown trunk height Diamond Cut and delivered	\$1650	\$128,700
SUBTOTAL			\$128,700
SALES TAX			
SHIPPING & HANDLING			
TOTAL DUE			\$128,700

*07659*  
*011067*  
*128,700*

Make all checks payable to: **WEST COAST TREES**

If you have any questions concerning this invoice, contact: **John Doljanin P. 619.518.9507 E. [john@wctrees.com](mailto:john@wctrees.com)**

Thank you for your business!



CITY OF INDIAN WELLS  
 44-950 ELDORADO DRIVE  
 INDIAN WELLS, CA 92210  
 (760) 346-2489

# Requisition

DATE	Department
08/09/11	PW

Terms: **Net 30 Days**

**VENDOR: West Coast Trees**  
**P.O. Box 1762**  
**La Jolla, CA 92038**

Vendor Phone: 619-518-9507  
 Vendor Fax:  
 Dept. Contact: **Paul Goble**  
 Dept. Phone: 760-776-0237

VENDOR #:  
 SPECIAL INST.:

DESCRIPTION	PRICE
FY 11-12 Hwy 111 Ph 2 Median Landscape 78 Thirteen Foot Phoenix Dactylifera at \$1,650 each Skinned and Transported to Indian Wells.	128,700.00
Attn: John Doljanin <a href="mailto:John@wctrees.com">John@wctrees.com</a> Trees from Ave 62 Farm in Thermal CA	
<b>Total</b>	<b>128,700.00</b>

**ACCOUNT DISTRIBUTION:**

Account Number		Budget Available
316.93.15.06731.000	128,700.00	580,910.93 8/9/11 a
<b>TOTAL:</b>		<b>128,700.00</b>

Prepared By: Mirian Date: 8/9/2011

**Requisition Checklist:**

Copies of the following items must accompany all requisitions in order for processing.

Please check off attached items as collected

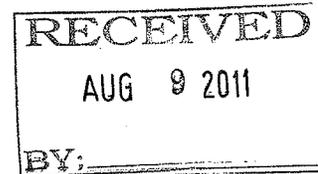
- A signed Professional Service Agreement (over \$25,000)
- Insurance Certificate(s) and indemnification.

\_\_\_\_\_  
 Risk Manager Approval

**Procurement Methods:**

Please attach backup support for procurement method. (refer to page 7 of Fiscal Procedure Manual 2006)

- Request for Proposal
- Negotiation
- Informal Bid
- Formal Bid
- Authorized Purchasing Alternatives
- Copy of 3rd Party Request for Funds (if required)



**AUTHORIZED SIGNATURES**

Less than \$5,000 requires Dept Head Only	Required for Purchases over \$5,000	Required for Purchases over \$25,000
<i>Paul Goble</i> 8/9/11 Department Head Date	<i>Whitney</i> 8/9/2011 Finance Director Date	City Manager Date

**City Council Approval:**

Meeting Date: \_\_\_\_\_

Item No.: \_\_\_\_\_