

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Authorize the City Manager to authorize the purchase of one (1) Regenerative Air Street Sweeper from Owen Equipment.
DEPARTMENT: Public Works – Street Operations and Maintenance
PRESENTED BY: Mark J. Relph, Public Works Director
Jesús Sanchez, Operations Manager
Brian Breeden, Street Maintenance Supervisor

PROBLEM/ISSUE STATEMENT:

From incorporation, the City has contracted with King County Roads Division and private contractors for street sweeping services and currently has no street sweeper in the City fleet inventory. The 2007 Adopted Budget provides resources to purchase one (1) street sweeper which will allow the City to assume this previously contracted service. Staff recommends the purchase of a street sweeper using the City of Everett bid 06-852 awarded in 2006 to Owen Equipment (formally Ben-Ko-Matic).

FINANCIAL IMPACT:

The total purchase amount of the street sweeper is \$160,971.59. The 2007 budget includes \$150,000 for the acquisition of a street sweeper. An \$11,000 one-time budget amendment from savings in the 2006 Surface Water Utility Fund will provide for the state sales tax amount.

RECOMMENDATION

Staff recommends that Council authorize the City Manager to authorize the purchase of an Elgin Crosswind Regenerative Air Street Sweeper from Owen Equipment in an amount not to exceed \$160,971.59.

Approved By: City Manager  City Attorney _____

INTRODUCTION

The 2007 Budget provides resources to purchase one (1) new street sweeper to support City services. The vendor requires a 60-90 day lead time for delivery after receipt of the approved Purchase Order.

ALTERNATIVES ANALYSIS

From incorporation, the City has contracted with King County Roads Division and private contractors for street sweeping services and has no street sweeper in the City fleet inventory. In an effort to reduce operational costs, improve customer service, and respond to Council Goal No. 6: Create an "environmentally sustainable community", City staff analyzed the possibility of purchasing its own street sweeper. In 2006, City staff reviewed the cost of maintaining contracted street sweeping services or purchasing a street sweeper and performing these services in-house and determined that there would be annual operating savings by purchasing a street sweeper instead of contracting out these services. This is demonstrated in the following comparison.

	<u>Current Street Sweeping Budget</u>	<u>Proposed Street Sweeping Budget</u>	<u>Difference</u>
<u>Annual Costs</u>			
Contract Service	127,661	25,000	(102,661)
Dumping Fees	0	10,500	10,500
Maintenance & Fuel Costs	0	12,000	12,000
Funding for Replacement of Sweeper – assume 8-year life	0	21,875	21,875
Total Annual Costs	127,661	69,375	(58,286)
<u>8-Year Costs</u>			
Annual cost for 8 years	1,021,288	555,000	(466,288)
Plus: Purchase Price of the Street Sweeper	0	161,000	161,000
Total Costs for 8 years	1,021,288	716,000	(305,288)

The 2007 Adopted Budget allocated \$150,000 for purchase of a street sweeper from the Street Fund and the Surface Water Utility Fund revenues. The Elgin Street Sweeper model selected exceeds the Council authorized budget in the amount of \$11,000 due to state sales tax. An \$11,000 one-time budget amendment from 2006 savings in the Surface Water Utility Fund will provide additional funding.

Following approval of the 2007 Adopted Budget, City staff reviewed, field-tested, and evaluated three (3) regenerative air street sweepers. After evaluating each street sweeper, City staff recommends purchase of the Elgin Crosswind Regenerative Air Street Sweeper, particularly for its high ratings of sweeping, water, and hauling capacity, and ease of operation and maintenance.

The City of Everett awarded bid number 06-852 for this model sweeper to Owen Equipment (formally Ben-Ko-Matic) in 2006. The City of Everett included language in their bid solicitation and award which allows other jurisdictions to purchase the same street sweeper using the intergovernmental cooperative purchase process. The City of Shoreline has an established intergovernmental agreement with the City of Everett for cooperative purchases. The Purchasing Division has reviewed Everett's bid documents and concurs that Everett's bid process meets the City of Shoreline's bid requirements.

RECOMMENDATION

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