



AGENDA REPORT

Meeting Date: August 17, 2010
Item Number: F-7
To: Honorable Mayor & City Council
From: Fred Simonson, Maintenance Operations Manager *FCS*
Rene Biadoma, Fleet Manager
Subject: APPROPRIATION OF FUNDS IN THE AMOUNT OF \$348,610.05 FROM FUND 49, VEHICLE REPLACEMENT BUDGET FOR PURCHASE OF THREE CNG-POWERED REGENERATIVE-AIR STREET SWEEPERS; AND
APPROVAL OF A PURCHASE ORDER IN THE NOT-TO-EXCEED AMOUNT OF \$855,845.22 TO MAR-CO EQUIPMENT COMPANY FOR PURCHASE OF SUBJECT STREET SWEEPERS
Attachment: None

RECOMMENDATION

Staff recommends that the City Council appropriate \$348,610.05 from Fund 49 Vehicle Replacement Budget as additional funding for the purchase of three CNG-Powered Regenerative-Air Street Sweepers, and approve a purchase order in the not-to-exceed amount of \$855,845.22 to Mar-Co Equipment Company for the purchase of the same.

From	To	Amount
FY 2009/10 Vehicle Replacement Program 35498502 / 85050	FY 2010/11 Vehicle Replacement Program 35498502 / 85050	\$348,610.05

INTRODUCTION

This report is a request for City Council to appropriate \$348,610.05 from Fund 49 Vehicle Replacement Budget to supplement the funding for three CNG powered sweepers with a total cost of \$855,845.22. The amount of \$507,235.17 is available through the vehicle replacement budget and is included in the approved vehicle replacement program for Fiscal Year 2010/11. Council had approved these funds in Fiscal Year 2009/10 but the funds were not encumbered by June 30, 2010.

This report also requests approval for the issuance of a purchase order in the amount of \$855,845.22 to Mar-Co Equipment Company for purchase of three CNG-powered street sweepers as replacements for an equal number of job-worn, diesel-powered street sweepers currently assigned to the Department of Public Works & Transportation (PW&T) Stormwater Utility Program. This is a follow-on purchase to a previous Council action approving a purchase order to Mar-Co Equipment Company for provision of one (1) CNG-powered street sweeper, which has been delivered and is already in operation. This purchase also takes advantage of the "additional-vehicle provision" in the purchase contract that guarantees the same pricing and terms and conditions for the purchase of additional units for up to one year.

Procurement of the CNG-powered street sweepers will also bring the City's fleet of street sweepers into full compliance with the South Coast Air Quality Management District's (SCAQMD) Rule 1186.1 (Less-polluting Sweepers), which mandates that replacement street sweepers must be powered only by alternative-fueled engines.

DISCUSSION

The City owns and operates a fleet of five street sweepers. Following an annual evaluation of the City's vehicle and equipment fleet conducted in FY 2008/09, staffs from the Fleet Services and the Solid Waste Divisions have determined that all of the City's five street sweepers had exceeded their economical life expectancies and were ready to be replaced. Staff had scheduled three units for replacement during the FY 2009/10 and two units for the FY 2010/11. However, due to budgetary constraints and the pending decision on the street-sweeping program's future, the department authorized the acquisition of only one CNG-powered street sweeper and placed in abeyance the replacement of the remaining units during the FY 2009/10.

The below-listed pieces of equipment are the four remaining street sweepers, which are assigned to the Stormwater Utility Program and are scheduled for disposal during FY 2010/11:

<u>ID #</u>	<u>YEAR/MAKE/MODEL</u>	<u>PROGRAM NO. / DESCRIPTION</u>
292	2001 / Sterling Chassis/Elgin Crosswind J Regenerative Air Street Sweeper	8305505 / Stormwater Utility
293	2001 / Sterling Chassis/Elgin Crosswind J Regenerative Air Street Sweeper	8305505 / Stormwater Utility
297	2001 / Sterling Chassis/Elgin Crosswind J Regenerative Air Street Sweeper	8305505 / Stormwater Utility
299	2001 / Sterling Chassis/Elgin Crosswind J Regenerative Air Street Sweeper	8305505 / Stormwater Utility

Included in the budget approved by the City Council for FY 2010/11 was a decision to retain the street-sweeping service in house with a stipulation to replace only three of the four remaining units. The fourth unit will be disposed of without replacement, thus, bringing the number of street sweepers in the fleet down to four. The replacement fund collected for the fourth sweeper will be credited towards the purchase of the three sweepers.

The Council's previous action (January 5, 2010 Council Meeting) approving award of purchase order to Mar-Co Equipment was based on recommendation made by the selection committee that evaluated the two proposals received for Bid 09-37. Summary of the two proposals is as follows:

Description / Bid Specification	Mar-Co Equipment Company	Haaker Equipment Company
CNG-powered Truck-mounted Regenerative Air Street Sweeper	Tymco 600	Elgin Crosswind J+
Truck Chassis with CNG-powered Engine	Freightliner M2 106 w/ Conventional Cab	Freightliner M2 w/ Conventional Cab
Base Bid Price Proposal	\$253,262.80	\$239,068.00

The selection committee, which was comprised of maintenance and operation personnel, thoroughly reviewed the two bid proposals, and combined the information gathered from the hands-on prequalification and the bid-review process. As a result, members of the evaluation committee unanimously agreed that the "Tymco 600" meets all of the items specified in the bid and offers more advantages for the City despite costing slightly higher. The following are some of the Tymco 600's noteworthy advantages that make it technically superior and a better-value than its competitor:

- Dust separator – Superior wear-resistant capability and dust-filtration efficiency.
- Filter screen – One-piece design eliminates gap that could allow pliable debris, such as plastic bags, to clog up suction chute and impeller housing.
- Hopper (Debris body) – Stationary design eliminates movement (wear point and pinch point) of heavy component; thus, making it a safer design.
- Blower – Made from high-strength light-weight aluminum alloy and weighs just 49 lbs (Elgin's weighs 250 lbs). Open-face design effectively eliminates clogging.
- Gutter brooms – Controlled by a single hydraulic cylinder instead of multiple air cylinders found on the Elgin machine; automatic load-sensing feature is also superior.

FISCAL IMPACT

In conjunction with this purchase, the City of Beverly Hills is awaiting award of a \$550,000 subvention fund from the Clean Transportation Funding of the MSRC's Local Match Program. A portion of this fund is earmarked to help offset the added cost associated with the acquisition of these more expensive alternative-fueled street sweepers. The earmark for each vehicle ranges from \$25,000 - \$50,000. Upon completion of the street sweeper purchases, the City will submit for reimbursement with those funds to be returned to Fund 49.

Summary of this purchase is as follows:

One (1) Truck-mounted, CNG-powered Regenerative-air Street Sweeper as specified in Bid 09-37.	\$253,262.80
Optional warranties	
Bumper-to-bumper – 5 Years / 150,000 Miles	\$2,975.00
Chassis engine – 5 Years/200,000 miles	\$1,875.00
Sweeper engine – 5 Years / 5,000 Hours	\$1,175.00
Transmission – 5 Years / Unlimited Miles	\$650.00
Subtotal:	\$259,937.80
Tax (9.75%):	\$25,343.94
Per-unit Price:	\$285,281.74
Total Cost (3X)	\$855,845.22

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Funding for this purchase is appropriated from the following budget sources:

Budget Unit	Program # / Description of Fund Source	Account #	Amount	Status
49	35498502 / Vehicle Replacement	85050	\$507,235.17	Council-approved FY 2010/11 Budget
49	35498502 / Vehicle Replacement	85050	\$348,610.05	Appropriation from Fund 49
Total:			\$855,845.22	



Scott G. Miller
Finance Approval



David D. Gustavson
Approved By