

TO: James L. App, City Manager
FROM: Meg Williamson, Interim Director of Public Works
SUBJECT: Street Sweeping Service
DATE: April 20, 2004

NEEDS: For the City Council to consider City street sweeping service options.

FACTS:

1. At the October 21, 2003, City Council meeting, staff was directed to solicit bids and prepare a cost estimate for in-sourcing street sweeping.
2. On March 11, 2004, street sweeping bids were opened. The low outside bidder was Venco Street sweeping for a total yearly price of \$121,410.65.
3. Staff in-sourcing cost estimates are \$46,100 (purchasing one sweeper) and \$83,100 (purchasing two sweepers), provided an existing position is reassigned to street sweeping.

**ANALYSIS
AND**

CONCLUSION: Since the street sweeping services were last bid, the Department of Industrial Relations issued a ruling that private contractor street sweeper operators must be paid a prevailing wage of \$43 per hour. Because the prevailing wage has affected the price of contract sweeping staff, in-sourcing sweeping service with either one or two sweepers could potentially enhance service to the public at a reduced cost. It is important to note that in-source estimates do not include labor charges because the intent is to reassign existing staff to operate the sweeper.

Bidder	Yearly Price	Total price w/Disposal costs
Low bidder (Venco)	\$121,000	\$146,000
In sourcing 1 sweeper*	\$46,100	\$71,100
In sourcing 2 sweepers*	\$83,100	\$108,100

*Requires use of existing staff to operate sweeper.

The low bid for contract sweeping services opened March 11, 2004, is approximately double our current contract cost (\$66,000 vs. \$121,000).

In-sourcing the service with the purchase of two sweepers and utilization of existing staff is the preferred model. Having two sweepers minimizes down time and maximizes flexibility. While less expensive, the single sweeper unit in-source model could experience down time when the unit breaks down or is out for service. Initial inquiries indicate acquiring rental units for a short time on short notice are not available in the area.

POLICY

REFERENCE: Adopted Purchasing Policy

FISCAL

IMPACT: Sufficient funds are budgeted in the Streets Sweeping budget.

OPTIONS:

- a. For the City Council to reject all street sweeping bids and Adopt Resolution No. 04-xx authorizing the purchase of 2 street sweepers.
- b. For the City Council to reject all street sweeping bids and Adopt Resolution No. 04-xx authorizing the purchase of 1 street sweeper.
- c. For the City Council to approve Resolution No. 04-xx awarding a street sweeping contract to Venco Street Sweeping for a total yearly price of \$121,410.65.
- d. Amend, modify or reject the above options.

Attachments:

- 1) Resolutions (3)
- 2) Bid Summary (1)

	New Contract w/Venco	Single sweeper**	Two Sweeper**	
Materials and Services 5212	\$0	\$2,600	\$2,600	Daily washing fees
Vehicle maintenance 5223	\$0	\$11,500	\$16,500	Maintenance & fuel
Professional Services 5224	\$121,000	\$0	\$0	Contract cost
Principle retirement 5340*	\$0	\$32,000	\$64,000	Financing
Subtotal->	\$121,000	\$46,100	\$83,100	
Utilities 5216	\$25,000	\$25,000	\$25,000	Disposal Fees
Total->	\$146,000	\$71,100	\$108,100	
*Single sweeper yearly (\$32,000) based on \$140,000 @ 5% @ 60 months				
*Two sweepers yearly (\$64,000) based on \$280,000 @ 5% @ 60 months				
** Single sweeper and two sweeper in sourcing estimates DO NOT INCLUDE LABOR COST.				

RESOLUTION NO. 04-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AWARDING THE CONTRACT FOR STREET SWEEPING SERVICE FOR CITY STREETS,
(DPW PROJECT NO. 04-06) TO VENCO WESTERN, INC. OF OXNARD, CALIFORNIA,
AND AUTHORIZING EXECUTION OF THE CONTRACT

WHEREAS, the bid opening for street sweeping service for City streets, DPW Project No. 04-06, was held on March 11, 2004, with two bids received; and

WHEREAS, City staff reviewed the bids received and has recommended that the bid be awarded to the low bidder of \$121,410.65/year submitted by Venco Western, Inc. of Oxnard, California ; and

WHEREAS, City Council has approved funding for this project in the current Public Works Department budget; and

WHEREAS, the contract term will begin June 1, 2004, and end June 30, 2005, with four single year extensions.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. That the City Council of the City of Paso Robles does award the bid for street sweeping service for City streets, DPW Project No. 04-06, to Venco Western, Inc. in the amount of \$121,410.65 annually.

SECTION 2. That the City Council of the City of Paso Robles does authorize the City Manager to execute the contract with Venco Western, Inc. for street sweeping service for City streets, DPW Project No. 04-06.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 20th day of April 2004 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk

RESOLUTION NO. 04-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AWARDING THE PURCHASE OF ONE STREET SWEEPER FOR IN-SOURCING STREET
SWEEPING AND AUTHORIZING EXECUTION OF THE PURCHASE

WHEREAS, staff was directed to prepare a cost estimate for in sourcing street sweeping; and

WHEREAS, staff prepared a cost estimate of \$32,000/year over a course of five years (purchasing one sweeper); and

WHEREAS, City Council has approved funding for this purchase in the current Public Works Department budget.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. That the City Council of the City of Paso Robles does hereby authorize the City Manager to purchase one new street sweeper (at a financed cost of \$32,000/year).

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 20th day of April 2004 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk

RESOLUTION NO. 04-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AWARDING THE PURCHASE OF TWO STREET SWEEPERS FOR IN-SOURCING STREET
SWEEPING AND AUTHORIZING EXECUTION OF THE PURCHASE

WHEREAS, staff was directed to prepare a cost estimate for in sourcing street sweeping; and

WHEREAS, staff prepared a cost estimate of \$64,000/year over a course of five years (purchasing two sweepers); and

WHEREAS, City Council has approved funding for this purchase in the current Public Works Department budget.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. That the City Council of the City of Paso Robles does authorize the City Manager to purchase two new street sweepers at a financed cost of \$64,000/year.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 20th day of April 2004 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk