

TO: James L. App, City Manager
FROM: Meg Williamson, Interim Director of Public Works
SUBJECT: Street Sweeper Purchase
DATE: August 3, 2004

NEEDS: For the City Council to consider authorizing the purchase of two street sweeping machines.

- FACTS:**
1. On March 11, 2004, the City Council compared the costs between in-sourcing and out-sourcing street sweeping services. The cost of an outside contract was \$121,410, while in-sourcing was estimated at an annual cost of \$83,100 (based on the financed purchase of two sweepers and the reassignment of an existing general fund position to the sweeper).
 2. Council directed staff to proceed with bids to purchase two street sweepers and to bring street sweeping services back into the Public Works functions. The authorization was based on an estimated price of \$280,000 for the two sweepers.
 3. Bids were solicited for purchase of two Street Sweeping machines (one regenerative air and one mechanical broom machine).
 4. At the Bid Opening of July 15, 2004, five bidders provided six bid prices on the sweeping equipment (4 total for regenerative air sweepers and 2 total for mechanical broom sweepers). The bids ranged from a low bid of \$111,514.78 to a high bid of \$145,884.00 for the regenerative air sweeper and a low bid of \$151,739.45 to a high bid of \$155,841.76 for the mechanical broom sweeper.
 5. GSC Western Power's bid for the regenerative air sweeper was reviewed and deemed responsive and Paso Robles Truck Center's bid for the mechanical broom sweeper was reviewed and deemed a responsive bid. In accordance with the City Purchasing and Payment Procedures Manual, award to the low responsive bidder is recommended.

**ANALYSIS
AND**

CONCLUSION: In past discussions the Council determined that in-sourcing of street sweeping would be the most economical and effective method of performing the service, assuming a purchase price of \$280,000 for two sweepers. Bids were solicited and the total price for two sweepers is going to be \$263,253. This bid price would indicate an additional cost savings than was initially estimated.

POLICY

REFERENCE: Adopted Purchasing Policy.

FISCAL

IMPACT: Sufficient funds are budgeted in the Streets Sweeping budget to implement this purchase and sweeping program.

- OPTIONS:**
- a. Approve Resolution No. 04-xx authorizing the purchase of two street sweeping machines for a total price of \$263,254.
 - b. Amend, modify or reject the above options.

Attachments:

- 1) Resolution (1)
- 2) Bid Results (2)

RESOLUTION NO. 04-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AUTHORIZING THE PURCHASE OF TWO STREET SWEEPING MACHINES

WHEREAS, bids were solicited for the purchase of two street sweeping machines (one regenerative air and one mechanical broom machine); and

WHEREAS, the bid opening was held on July 15, 2004, with five bids received. The bids ranged from a low bid of \$111,514.70 to a high bid of \$145,884.00 for the regenerative air sweeper and a low bid of \$151,739.45 to a high bid of \$155,841.76 for the mechanical broom sweeper; and

WHEREAS, the low bid of \$111,514.78 (for regenerative air sweeper) submitted by GCS Western Power was reviewed and deemed a responsive bid and the low bid of \$151,739.45 (for mechanical broom sweeper) submitted by Paso Robles Truck Center was reviewed and deemed a responsive bid; and

WHEREAS, funds are budgeted in the Streets Sweeping budget to implement the purchase of two new street sweepers.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. The City Council of the City of El Paso de Robles does hereby authorize the purchase of one regenerative air sweeper from GCS Western Power for \$111,514.78 and the purchase of one mechanical broom sweeper from Paso Robles Truck Center for \$151,739.45.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 3rd day of August 2004 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk

