



CITY OF LONG BEACH

DEPARTMENT OF PUBLIC WORKS

R-26

333 WEST OCEAN BOULEVARD • LONG BEACH, CA 90802 • (562) 570-6383 • FAX (562) 570-6012

August 14, 2007

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution authorizing the City Manager to execute a contract with Haaker Equipment Company, for the purchase of twenty (20) Elgin Pelican Liquefied Natural Gas (LNG) fueled street sweepers per quote dated July 12, 2007, on the same terms and conditions as are afforded to the State of Oregon, in an amount not to exceed \$4,336,295, including tax, with an option to purchase additional street sweepers and with an option for a 10 percent contingency if funds are available. (Citywide)

DISCUSSION

City Council approval is being requested to enter into a contract for the purchase of twenty (20) Elgin Pelican LNG fueled street sweepers for the City of Long Beach Department of Public Works, Environmental Services Bureau, Street Sweeping Division.

The Street Sweeping Division is currently utilizing twenty (20) Elgin Pelican street sweepers that are scheduled to be replaced in Fiscal Year 2008. The new street sweepers will replace existing street sweepers that are four years old. The budgeted replacement cycle of a street sweeper is four years. These street sweepers are normally scheduled for replacement as part of the multi-year vehicle replacement plan. Since the street sweepers to be replaced are at an advanced age, managing maintenance costs and repair downtime is creating excessive inefficiencies.

The City Charter provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment and labor with other governmental agencies by purchasing under their contracts on a voluntary and selective basis when authorized by a Resolution of the City Council.

The Department of Public Works, Fleet Services Bureau, investigated procurement options and learned that the State of Oregon had completed a competitive bid process for Elgin Pelican street sweepers and has a purchase order with Haaker Equipment Company that meets the City's needs. This cooperative purchase agreement will facilitate the timely acquisition of the street sweepers and provide cost benefits to the City.

AIRPORT
4100 Donald Douglas Dr.
Long Beach, CA 90808
Ph. (562) 570-2600
Fax (562) 570-2601

**BUSINESS OPERATIONS
BUREAU**
333 W. Ocean Blvd., 9th Floor
Long Beach, CA 90802
Ph. (562) 570-6383
Fax (562) 570-6012

**ENGINEERING & STREET
MAINTENANCE**
333 W. Ocean Blvd., 9th Floor
Long Beach, CA 90802
Ph. (562) 570-6634
Fax (562) 570-6012

**ENVIRONMENTAL
SERVICES**
2929 E. Willow Street
Long Beach, CA 90806
Ph. (562) 570-2850
Fax (562) 570-2861

**FACILITIES
BUREAU**
333 W. Ocean Blvd., 9th Floor
Long Beach, CA 90802
Ph. (562) 570-5786
Fax (562) 570-6012

**FLEET
SERVICES**
2600 Temple Avenue
Long Beach, CA 90806
Ph. (562) 570-5400
Fax (562) 570-5414

**TRAFFIC &
TRANSPORTATION**
333 W. Ocean Blvd., 10th Floor
Long Beach, CA 90802
Ph. (562) 570-6331
Fax (562) 570-7161

HONORABLE MAYOR AND CITY COUNCIL

August 14, 2007

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Haaker Equipment Company has agreed to sell twenty (20) Elgin Pelican LNG fueled street sweepers to the City of Long Beach under the same terms and conditions as are afforded to the State of Oregon in an amount not to exceed \$4,336,295, with an option to purchase additional street sweepers and an option for 10 percent contingency-if funds are available. The Matrix Fleet Review Study also supports the use of cooperative purchase agreements and adherence to a long-term replacement plan.

This matter was reviewed by Deputy City Attorney Lori A. Conway on July 30, 2007 and by Budget and Performance Management Bureau Manager David Wodynski on July 31, 2007.

TIMING CONSIDERATIONS

City Council action is requested on August 14, 2007, to ensure that the street sweepers are built and placed into service in 2008. The expected construction and delivery time of these new street sweepers is 240-270 days.

FISCAL IMPACT

The purchase price of twenty (20) Elgin Pelican street sweepers is \$4,336,295, including tax. The total debt service (principal and interest) for the agreement will not exceed \$4,695,000 and will be financed over a four (4) year period at 3.91%. Of that amount, approximately \$1,173,000 will be paid in FY 08. Lease payments will be included in the annual budgets of the Fleet Services Fund (IS 386) and the Department of Public Works (PW), which will be supported through charges to the General Fund (GP) in the Department of Public Works (PW). The City will have the option of purchasing additional units and adding expenditures up to 10 percent (or \$433,629) above the contract amount, if necessary, and if funds are available.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CHRISTINE F. ANDERSEN
DIRECTOR OF PUBLIC WORKS

APPROVED:

Attachment

for 
ANTHONY W. BATTS
CITY MANAGER

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 RESOLUTION NO.

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING THE CITY
5 MANAGER TO ACQUIRE TWENTY (20) ELGIN PELICAN
6 STREET SWEEPERS, WITH THE OPTION TO PURCHASE
7 ADDITIONAL ELGIN PELICAN STREET SWEEPERS,
8 THROUGH THE CONTRACT BETWEEN THE STATE OF
9 OREGON AND HAAKER EQUIPMENT COMPANY
10

11 WHEREAS, the Charter of the City of Long Beach (the "City"), Section
12 1802, permits the City to purchase services, supplies, materials, equipment and labor
13 with other government agencies by purchasing under their contracts on a voluntary and
14 selective basis when authorized by resolution; and

15 WHEREAS, the City desires to purchase twenty (20) Elgin Pelican street
16 sweepers with the option to purchase additional Elgin Pelican street sweepers; and

17 WHEREAS, the State of Oregon has a contract for the purchase of these
18 street sweepers from Haaker Equipment Company, Contract No. 6835 ("Oregon
19 Contract"); and

20 WHEREAS, the City's participation in the Oregon Contract will facilitate
21 acquisition of these street sweepers as well as provide considerable cost benefits to the
22 City; and

23 WHEREAS, if the City had to go to formal bid rather than participate in the
24 Oregon Contract considerably more funds would be required;

25 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
26 follows:

27 Section 1. The above recitals are true and correct and are incorporated
28 herein by this reference.

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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Section 2. The City Manager of the City is hereby authorized to enter an agreement with Haaker Equipment Company to purchase twenty (20) Elgin Pelican street sweepers, with the option to purchase additional Elgin Pelican street sweepers, of substantially the same type and kind purchased by the State of Oregon pursuant to the Oregon Contract except as modified by mutual agreement of the City and Haaker Equipment Company, and the purchase by the City shall be on the same terms and conditions afforded to the State of Oregon in an amount not to exceed \$4,336,295.00, including tax, with a 10% contingency for additional equipment, for a period extending until the warranty on the street sweepers expires.

Section 3. This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting this resolution.

I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 20__ by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk