



CITY OF LONG BEACH

C-4

DEPARTMENT OF PUBLIC WORKS

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December 11, 2012

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute an agreement, and any amendments thereto, with the City of Hawaiian Gardens (HG) for the City of Long Beach (City) to provide maintenance, repair, and emergency repair services for traffic signals for a term to continue until terminated by either party, but in no event shall the term exceed 15 years. (Citywide)

DISCUSSION

In 1999, the HG traffic signal maintenance contractor declared bankruptcy. At that time, HG requested that the City provide traffic signal maintenance, repair and extraordinary (emergency) repair services for the traffic signals in Hawaiian Gardens. Since then, the City has maintained the traffic signals for HG. The cost of a \$3 million special liability insurance policy is billed to HG. The City maintains traffic signals for six other local agencies with shared or wholly owned intersections through open-ended maintenance agreements, which can be cancelled with 30-days' notice.

HG has requested that this maintenance service be formalized into a long-term agreement. Sixteen traffic signals are wholly owned by HG, and one traffic signal is shared between Long Beach, Lakewood, and Hawaiian Gardens. Because of the adjacent city boundary, economy of scale is realized for efficient service delivery. HG will continue to retain traffic engineering responsibilities for the 16 wholly owned intersections.

This matter was reviewed by Deputy City Attorney Amy Webber on November 12, 2012 and Budget Management Officer Victoria Bell on November 15, 2012.

TIMING CONSIDERATION

City Council action on this matter is requested on December 11, 2012, to ensure the agreement is in place as soon as possible.

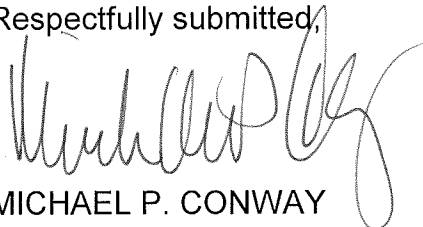
FISCAL IMPACT

During the previous two years, the average annual revenue the City has received, under the current agreement, was \$22,000. Under this long-term agreement, Long Beach would continue to receive approximately this amount and may adjust labor costs up to 5 percent per year. Expenses and associated revenues are budgeted in the General Fund (GP) in the Department of Public Works (PW). Approval of this recommendation will provide continued support to the local economy.

SUGGESTED ACTION:


Approve recommendation.

Respectfully submitted,



MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

APPROVED:



PATRICK H. WEST
CITY MANAGER