RE: **Renewal No. Two of Contract No. 30712 (RES-08-0055) for Furnishing and Delivering Elgin Street Sweeper Parts to the City of Long Beach (BPLB08000041)**

This Amendment to Contract No. 30712 is made and entered as of May 4, 2010 by and between the CITY OF LONG BEACH, a municipal corporation, and **Haaker Equipment Company (Contractor).**

Contract No. 30712 is amended by mutual agreement of the parties and as indicated below by a check or other mark preceding the appropriate amendment:

X 1. The term is extended to May 15, 2011.

X 2. $ 300,000 has been added for the 2nd year renewal.

_____ 3. Prices during this period shall remain firm.

X 4. The price for certain items shall be increased as shown on Exhibit "A", which is attached hereto and incorporated herein by this reference. *Fleet price per Elgin price disk provided.*

X 5. The price for certain items shall be decreased as shown on Exhibit "A", which is attached hereto and incorporated herein by this reference.

_____ 6. The discount offered to the City is increased by _____ %.

_____ 7. The items or locations identified on Exhibit "B", which is attached hereto and incorporated herein by this reference, are hereby deleted from the Contract.

_____ 8. The locations identified on Exhibit "B", which is attached hereto and incorporated herein by this reference, are hereby added to the Contract.

_____ 9. Current permits, licenses, insurance and other required information are enclosed as Addendum No. 1.

Except as expressly amended above, all terms and conditions in this Contract are ratified and confirmed and remain in full force and effect. Executed with all formalities required by law as of the date first stated above.

Attach Notary if Out-of-State Contractor

CONTRACTOR:

_____
(Signature)

_____
Bill Haaker
(Print / Type Name)

Sales Manager - CEO
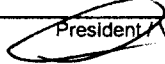President / Vice President / Secretary / Treasurer
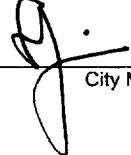(circle one)

CONTRACTOR:

_____
(Signature)

ER Blackman
(Print / Type Name)

President / Vice President / Secretary / Treasurer
(circle one)

THE CITY OF LONG BEACH: Assistant City Manager

By: _____
City Manager

EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.

Approved as to form:
ROBERT E. SHANNON, City Attorney

By: _____
Deputy

FEDERAL SIGNAL
Environmental Solutions

Advancing security and well-being.

~~1300 W. Bartlett Road~~
Elgin, IL 60120
p. (847) 741-5370
f. (847) 742 3035
www.elginsweeper.com

11 May, 2010
Parts Pricing

ELGIN

VACTOR

GUZZLER

JETSTREAM

FS DEPOT

To whom it may concern,

At FS Depot, we continue to implement initiatives to reduce prices and keep our parts and accessories competitive to our customers. We are leveraging the buying power of Federal Signal for sourcing parts. We have implemented many lean initiatives in our warehouse. Our logistics functions continue to work to keep freight and transportation costs to a minimum. We know that economic conditions are challenging and customers continue to look for cheaper sources to find parts. Many customers are looking to will fitters to find parts that may not be the same quality as our OEM parts.
To ensure that our parts pricing provides a competitive advantage to our customers, ESG is implementing a new Market Based Parts Pricing Strategy.

What is the advantage of ESG Market Based Parts Pricing?

The new strategy will assure that ESG parts are priced correctly for the competitive market. We will continue to do this through dealer input, daily analysis of parts market conditions. There will be some parts that will increase in price based on commodity prices such as steel and oil. Conversely, when commodity prices decrease or ESG obtains a better sourcing cost, these parts will be reduced in price so we can pass the savings to you. We anticipate these adjustments happening three times per year.
This is not a price increase. This is to adjust our parts prices into a new market based pricing structure. Some parts will have a small price increase, some will decrease, and others remain the same. The overall result to you is flat across all of our part numbers. Once the adjustment is made, ESG will continue to analyze our parts prices and make adjustments on the schedule noted above.
If you require additional information, please contact me.

Best Regards,

Andrew Urbanec
ESG National Parts Sales Manager
1.815.672.3171 x 285