

STUDY SESSION

CITY COUNCIL
June 11, 2002

To: Mayor and City Council

From: George J. Rodericks, City Manager

SUBJECT: STREET SWEEPING SERVICES AGREEMENT

BACKGROUND

Currently, the City sweeps all public streets in the City every other week. While street sweeping may have been initiated as a way to keep the City looking clean, under new Federal Clean Water Act, Air Quality Management District, National Pollutant Discharge Elimination Systems, and Urban Runoff regulations, street sweeping has become a complicated, regulated, scrutinized, and mandated effort.

Local street sweeping programs are now required to abide by a multitude of rules governing everything from the type of sweeper operated and the method of collection, to performance measures on litter collection, dust particles, and fine particulate matter. In addition to abiding by these rules, the City will ultimately be required to provide performance reports and may be subject to penalties for non-compliance. While street sweeping may have begun as an effort in aesthetics it has and will ultimately become an exercise in mandates – similar to what has occurred with refuse and recycling.

For this reason, the City has looked into alternatives for street sweeping that provide the City with flexibility and control over street sweeping costs together with the opportunity and expertise to meet any imposed federal, state, or locally imposed requirements. Staff investigated two alternatives: contract street sweeping and purchase of a new sweeper.

FINDINGS

The City maintains over 70+ curb miles of streets using an Elgin Pelican Premier 3-Wheel Broom Sweeper purchased in 1989. One staff member is allocated at 6 hours per day, 2.5 days per week, every other week for a total of 390 hours per year. Staff time and maintenance costs for the street sweeper are approximately \$28,000 per year. Maintenance costs for the aging street sweeper continue to escalate and during the past fiscal year the City has spent over \$13,000 in maintenance costs (labor & materials). Based on reports from the City's sweeper maintenance company, the sweeper is approaching the limit of its usable life and a major overhaul estimated at \$50,000 - \$75,000 will not significantly extend the life of the unit nor will it eliminate the annual maintenance costs.

Purchase of a New Street Sweeper

The estimated cost of a new street sweeper is \$140,000. The new sweeper will be required to meet new stringent state and federal guidelines. The sweeper must be a vacuum sweeper designed to prevent the harmful recirculation and venting of fine

particulate dust matter known as PM₁₀. The sweeper operator must be trained and knowledgeable of Air Quality Management, NPDES, and Federal Clean Water Act guidelines. As these standards become mandates, the City will be required to file reports and certifications on the frequency of our street sweeping efforts and identify performance measures to determine our compliance. With the purchase of a new street sweeper, it is anticipated that maintenance costs will decrease by 50%. However, it is recommended that the City establish a replacement fund based on the estimated 12-year life of the new sweeper. The amount would be equal to approximately \$10,000 per year. At the conclusion of the 12-year span, the City will have saved enough for the replacement of the sweeper. When all costs are considered, replacing the sweeper will result in an annual cost of approximately \$30,000 - \$35,000. Fuel and maintenance costs are expected to increase on an annual basis.

With the new sweeper, it will be necessary to re-train staff on the operation and maintenance of the unit to ensure that it is operated properly. Ultimately, staff will be required to be trained on inspection and performance measure to meet the state and federal guidelines for collection. The City will be required to complete performance reports, collection inspection, and various certifications in-house. Liability for performance and any mandated performance penalties will rest with the City.

Contract Street Sweeping

A street sweeping contract is estimated at \$30,000 per year. Under the contract, the City can ultimately require that the service provider meet any requirements imposed under the federal and state guidelines. The contractor will be required to conduct any required reporting and inspection. Staff reviewed three separate vendors and found that R.F. Dickson, Inc. provides a proposal that closely matches the City's needs and financial constraints. Dickson Street Sweeping has been providing cost estimates and periodic reviews to the City since the City began sweeping the streets in-house.

With a contract street sweeping arrangement, the City will still be required to complete performance reports, collection inspection, and various certifications. However, these requirements can be passed on to the contractor to complete. In addition, similar to the refuse and recycling arrangements, the City can pass potential liability for failure to meet any required state or federal mandates on to the contractor.

Staff Impact and Potential Funding

There is sufficient fieldwork that is being reprioritized on a daily basis due to limited staff time and availability. With a two-man crew, these back-burner projects can be completed in a timelier manner. In addition, the City employs one hourly employee for litter pickup that could be eliminated due to the reprioritized staff. The City receives \$5,000 annually from the Department of Conservation for cleanup effort that has been used to fund the hourly position. These funds can be used to offset the cost of the sweeper contract.

FISCAL IMPACT

Contract costs are \$2,550.50 per month or \$30,606 per year. This cost has been included in the Fiscal Year 2002/2003 Budget Proposal.

Purchase of a new sweeper would require the allocation of \$140,000 from the City's Unrestricted General Fund Reserve. The budgeted contract cost will be eliminated and an Equipment Replacement Deposit will be added to fund the future replacement (\$10,000). Additional funds will be added in the maintenance and fuel budgets (\$7,700).

RECOMMENDATION

Review and Discuss.