

June 21, 2005

Honorable Mayor and Members of
the Hermosa Beach City Council

Regular Meeting of
June 28, 2005

EXTENSION OF MAINTENANCE CONTRACTS

Recommendation:

It is recommended that the City Council authorize a three-year extension of the following maintenance contracts:

1. Sewer Maintenance: Empire Pipe Cleaning and Equipment, Inc.
2. Storm Drain Maintenance – United Storm Water, Inc.

Summary:

The following maintenance contracts are recommended for a three-year contract renewal:

Sewer Maintenance

The City's sewer maintenance contract with Empire Pipe Cleaning and Equipment, Inc. expires on June 30, 2005. This contract is for maintenance of the City's sewer system, which includes repairs and video taping the sewer lines as a means of determining blockage locations and/or clearing trouble spots. Section 4.4.2 of the contract states; "the contract may be renegotiated at that time for up to three additional years." Empire Pipe has submitted a cost proposal (copy attached) for a three-year extension of the contract. There is an initial increase of 5% the first year with increases of 2% annually for years two and three. Staff is very satisfied with Empire Pipe Cleaning and Equipment, Inc.'s services, considers the re-negotiated amounts to be very reasonable and therefore recommends approval of this extension.

Storm Drain Maintenance

The City's storm drain maintenance contract with United Storm Water, Inc. also expires on June 30, 2005. This contract is for supplying the equipment, supervision and labor for maintaining the storm drain filters throughout the City. Section 4.4.2 of this contract states; "the contract may be renegotiated at that time for up to three additional years."

United Storm Water submitted a cost proposal indicating no increase in cost in any of the next three years. Staff is very satisfied with their services and timeliness and recommends approving the contract extension with no change in annual contract amount.

Fiscal Impact:

VENDOR	FY 04-05 CURRENT CONTRACT AMT.	FY 05-06	FY 06-07	FY 07-08
Empire Pipe Cleaning & Equip.	107,300	113,050	115,350	117,650
United Storm Water, Inc.	15,600	15,505	15,505	15,505

Amounts noted above do not reflect a 10% contingency to be added annually.

Respectfully submitted,

Concur:

Richard D. Morgan, P.E.
Director of Public Works/City Engineer

Stephen R. Burrell
City Manager

Noted for fiscal impact:

Viki Copeland
Finance Director

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