

Summary

To: Town Commission

From: Stefan Massol

Subject: Approval of Interlocal Agreement for Street Sweeping Services

Memo Date: 6/23/2014

Summary: Staff presents an interlocal agreement negotiated with the City of Largo for street sweeping services.

Background/Problem Discussion: Late last year a discrepancy between bid amount and price paid for street sweeping services became apparent and the town is presently in a disagreement with its previous street sweeping provider. Service with that company has been discontinued. For the past few months the town has received complimentary street sweeping from the City of Clearwater and affordable service from the City of Largo on an interim basis. The draft agreement provided contains the following terms:

- 1) Largo will sweep streets a minimum of one (1) time every month at a rate of \$28.04 per lane mile,
- 2) The town may request additional sweeping services at the rate of 1.5 times the regular rate per lane mile,
- 3) An initial term of three years with price escalation based on the annual municipal cost index modifier or 3%, whichever is greater.

Alternatives/Options: The town has the option to agree to the terms of the interlocal agreement as presented, suggest additional changes to the agreement, or not sign the agreement with the City of Largo.

Financial Impact: The town previously paid \$1700 per month, however the amount charged by Largo is \$1233.76 per month. This will reduce the annual cost to the town from \$20,400 to \$14,805.12, a savings of \$5,594.88 in the first year. The price will increase according to the municipal cost index (MCI) or 3%. This year the MCI was 2.1%, so 3% would be the increase and would raise the monthly cost by \$37.01.

Recommendation: Staff recommends passage of the agreement.

Proposed Motion: To approve street sweeping interlocal agreement with the City of Largo as written.