



## Legislation Details (With Text)

<b>File #:</b>	19-0195	<b>Version:</b>	1	<b>Name:</b>	FM - Haaker Equipment Co. for 11 CNG-powered Street Sweepers
<b>Type:</b>	Resolution	<b>Status:</b>		<b>Status:</b>	Adopted
<b>File created:</b>	2/13/2019	<b>In control:</b>		<b>In control:</b>	City Council
<b>On agenda:</b>	3/5/2019	<b>Final action:</b>		<b>Final action:</b>	3/5/2019
<b>Title:</b>	<p>Recommendation to adopt resolution authorizing City Manager, or designee, to execute a contract with Haaker Equipment Company, of La Verne, CA, for the purchase of 11 CNG-powered street sweepers, with related equipment and accessories, on the same terms and conditions afforded to Sourcewell (formerly the National Joint Powers Alliance), of Staples, MN, in an amount not to exceed \$4,377,361, inclusive of taxes and fees; and</p> <p>Authorize City Manager, or designee, to execute a five-year lease-purchase agreement and related financing documents with Banc of America Public Capital Corp., of San Francisco, CA, for the financing of street sweepers, in an amount not to exceed \$4,770,000, inclusive of capital purchase, interest, and fees. (Citywide)</p>				
<b>Sponsors:</b>	Financial Management				
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	1. 030519-R-35sr&att.pdf, 2. RES-19-0026.pdf				

Date	Ver.	Action By	Action	Result
3/5/2019	1	City Council	approve recommendation and adopt	Pass

Recommendation to adopt resolution authorizing City Manager, or designee, to execute a contract with Haaker Equipment Company, of La Verne, CA, for the purchase of 11 CNG-powered street sweepers, with related equipment and accessories, on the same terms and conditions afforded to Sourcewell (formerly the National Joint Powers Alliance), of Staples, MN, in an amount not to exceed \$4,377,361, inclusive of taxes and fees; and

Authorize City Manager, or designee, to execute a five-year lease-purchase agreement and related financing documents with Banc of America Public Capital Corp., of San Francisco, CA, for the financing of street sweepers, in an amount not to exceed \$4,770,000, inclusive of capital purchase, interest, and fees. (Citywide)

City Council approval is requested to enter into a contract with Haaker Equipment Company for the purchase of 11 CNG-powered Elgin Pelican P Dual street sweepers, for use by the Public Works Department.

The current sweepers have exceeded their lifecycle and due to their age and condition, are experiencing significant downtime and repair costs. These units are replacing our current Elgin Pelican sweepers, as authorized in the approved replacement plans of FY 16 through FY 18. Final issuance of the purchase order will be contingent upon factory engine certification and fuel range certification.

City Charter Section 1802 provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment, and labor with other governmental agencies by purchasing under their contracts on a voluntary and selective basis when authorized by a Resolution of the City Council.

The Fleet Services Bureau and the Purchasing Division of the Financial Management Department investigated procurement options, and Sourcewell's agreement with Haaker Equipment Company, of La Verne, CA (not a SBE, DBE, MBE, WBE, or Local), was determined to provide the best discounted price while allowing for timely acquisition and delivery. All of Sourcewell's contracts are competitively bid and offer the best available pricing. There are no dealers for this type of equipment in Long Beach. Service, parts, and warranty support will be provided by Haaker Equipment Company.

City Council approval is also requested to authorize the City Manager, or designee, to execute a five-year lease-purchase agreement through the City's Master Lease Agreement with Banc of America Public Capital Corp., for the financing of eleven street sweepers. The Master Lease Agreement was approved by the City Council on September 18, 2018.

This matter was reviewed by Deputy City Attorney Taylor M. Anderson on February 13, 2019, by Purchasing and Business Services Manager Sandy Tsang-Palmer on February 8, 2019, and by Budget Management Officer Rhutu Amin Gharib on February 13, 2019.

## SUSTAINABILITY

These new street sweepers are compliant with the State of California and local district air quality regulations.

City Council action to adopt the attached Resolution and execute a contract concurrently is requested on March 5, 2019, to ensure that the contract is in place expeditiously.

The lease-purchase agreement for the street sweepers, including sales tax, escrow fees, and principal and interest will not exceed \$4,770,000. The estimated annual lease payment will be approximately \$954,000 over the next five years. Lease payments are budgeted in the Fleet Services Fund (IS 386) in the Financial Management Department (FM) and will be paid for by funds collected through regular charges to the Public Works Department (PW) through the regular Fleet Services Memorandum of Understanding monthly billing process. There is no local job impact associated with this recommendation.

Approve recommendation.

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JOHN GROSS  
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

PATRICK H. WEST  
CITY MANAGER