

CITY OF HOBART BOARD OF PUBLIC WORKS & SAFETY

Resolution No. 2019-07

A Resolution Authorizing the Acquisition of Emergency Response Vehicles by the City as a “Special Purchase, and authorizing Lease-Purchase thereof

WHEREAS, the Board of Public Works and Safety (“Board”) of the City of Hobart, Indiana (“City”) is the purchasing agency for the City pursuant to §31.004(A) of the Municipal Code of the City of Hobart enacted pursuant to the authority of I.C. §5-22-4-5(a); and

WHEREAS, the Board, as the City’s purchasing agency, has all of the powers and duties authorized under I.C. §5-22; and

WHEREAS, the Board has been informed by the Fire Department of the City (“Department”) that it requires the acquisition of one (1) new ambulance and two (2) rescue pumper firetrucks to replace units that have reached the end of their useful lives and are no longer useable for emergency service; and

WHEREAS, the Department has conducted a detailed search for the items of equipment best suited to the needs of the Department at the lowest available cost; and

WHEREAS, as part of this effort, the Department obtained quotes for these vehicles through the through the Houston Galveston Area Council (“HGAC”) which is a national purchasing cooperative of local governments in which the City of Hobart is a member. HGAC, an intergovernmental organization, negotiates and competitively bids contracts for the supply of vehicles and equipment available to governmental agencies throughout the United States. HGAC is a cooperative purchasing organization pursuant to I.C. §5-22-4-7. The organization is the purchasing agency for a governmental body with respect to the purchases made for the governmental body by the cooperative purchasing organization. An individual designated by the cooperative purchasing organization is a purchasing agent for the governmental body with respect to the purchases made for the governmental body by the cooperative purchasing organization; and

WHEREAS, under Indiana law, purchasing through such entities as HGAC presents a purchasing governmental entity with a unique opportunity to obtain supplies or services at a substantial savings to the governmental body obviating the need for a competitive bid pursuant to I.C. §5-22-10-5, and also because the market structure is based on price but the governmental body is able to receive a dollar or percentage discount off the established price pursuant to I.C. §5-22-10-12, and

WHEREAS, HGAC quoted the following units and prices to the City for the units specified below:

Quantity (1) 2019 Braun Chief XL on a 2019 Ford F-550 4x4 chassis quoted through Penn Care, Inc. of Niles, Ohio at \$275,327.00; and

47 Quantity two (2) New Pierce Enforcer PUC Rescue Pumpers quoted through Global
48 Emergency Products of Whitestown, Indiana at the total price for two units of
49 \$1,415,200.00; and
50

51 WHEREAS, the City Executive has determined that said vehicles be acquired through a
52 lease-purchase arrangement with payment in advance over a seven-year period. Lease quotes
53 were solicited from four (4) financial institutions dealing in lease financing for municipal
54 equipment. Only one (1) lease quote was received. The sum of the lease payments and interest
55 rate under such quote for the total purchase price of the vehicles above is as follows:
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<u>Lessor</u>	<u>Rate</u>	<u>Payments</u>	<u>Sum of Lease Payments</u>
U.S. Bancorp Government Leasing and Finance, Inc.	2.687%	\$ 261,131.99	\$ 1,827,923.93;

61 and
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63 WHEREAS, the Department has requested that the Board authorize the immediate
64 purchase of the vehicles identified above, and the Board through this resolution, desires to
65 authorize said immediate purchase; and
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67 WHEREAS, the Board, having obtained the foregoing information, and desiring to
68 authorize said special purchase now makes the following findings of fact, enters the orders
69 below, and desires to spread same upon the public record.
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71 THEREFORE, BE IT RESOLVED by the Board of Public Works and Safety of the City
72 of Hobart, Indiana, that:
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74 1. The Board now finds and determines that all facts stated in the above prefatory
75 paragraphs of this Resolution are true.
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77 2. The Board further finds and concludes that the acquisition of the vehicles
78 described above under the terms set forth herein constitutes a "special purchase" pursuant to I.C.
79 §5-22-10-7 as a purchase through a cooperative purchasing organization and that the Board
80 determines that the proposed purchase constitutes a unique opportunity to obtain supplies or
81 services at a substantial savings to the City pursuant to I.C. §5-22-10-5. Accordingly, such
82 vehicle may be purchased without soliciting bids or proposals pursuant to the meaning and intent
83 of I.C. §5-22-10-1.
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85 3. Based on the foregoing findings, the Board now orders and directs that
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87 One (1) new 2019 Braun Chief XL ambulance on a 2019 Ford F-550 4x4 chassis be
88 purchased from Penn Care, Inc. of Niles, Ohio, as quoted through HGAC Contract No.
89 AM 10-18 at \$275,327.00 to be delivered not more than 240 days from order
90 placement; and
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Two (2) new Pierce Enforcer PUC Rescue Pumpers be purchased from Global Emergency Products of Whitestown, Indiana as quoted through HGAC at the total price for two units of \$1,415,200.00 to be delivered not more than 9.5 months from the receipt and acceptance of the contract; and

4. The terms of the lease proposed by U.S. Bancorp Government Leasing and Finance, Inc. ("USBGLF") for the acquisition of the vehicles over seven (7) years provide for annual payments of \$261,131.99 in advance, the total of lease payments being in the amount of \$1,827,923.93. The Board determines that these lease terms are based on an interest rate of 2.687 % *per annum* which is within a reasonable range for municipal borrowing for equipment of this type, and concludes that the lease arrangement proposed by USBGLF should be accepted. Accordingly, the Board authorizes said lease for the acquisition of the vehicles. At the end of said lease, upon payment of the sum of \$1.00 for each vehicle, the City will assume ownership of same. Further, the Board authorizes that the Executive and Clerk-Treasurer execute and deliver a lease for the acquisition of said vehicles upon the terms stated above with USBGLF as lessor, and to sign all other documents necessary to carryout said lease-purchase.

5. Further, the Board authorizes that the Executive and Clerk-Treasurer to execute and deliver all documents necessary for the immediate acquisition of said vehicles and equipment upon the terms stated above.

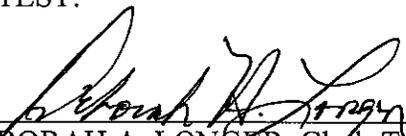
6. The Board directs the officials of the City to document said transaction in the manner required by law. In particular, pursuant to the provisions of I.C. §5-22-10 the staff of the Clerk-Treasurer shall maintain all pertinent contract records for the special purchase authorized by this Resolution in a separate file. This Resolution, and the findings and conclusions stated therein, shall constitute the written determination of the purchasing agency of the City for this special purchase and the selection of a particular supplier. In addition, the acquisition authorized herein shall be included in the City's record listing of all contracts made as special purchases under I.C. §5-22-10 for a minimum of five (5) years. Such record must contain each contractor's name, the amount and type of each contract, and a description of the equipment purchased under each.

ALL OF WHICH IS ADOPTED as the Resolution of the City of Hobart Board of Public Works & Safety on this 15th day of May, 2019.



RICH LAIN, Presiding Officer

ATTEST:



DEBORAH A. LONGGER, Clerk-Treasurer