



# City of Newark

City Hall  
920 Broad Street  
Newark, New Jersey 07102

## Legislation Text

File #: 23-0663, Version: 1

**Dept/ Agency:** Administration/ Division of Central Purchasing

**Action:** ( ) Ratifying (X) Authorizing ( ) Amending

**Type of Service:** Cooperative Purchasing Agreement

**Purpose:** To authorize the use of Sourcewell Cooperative Contract #060920-CRN to enter into a seven (7) year lease for five (5) 2024 Crane Carrier LET2-46 Crew Cab 32 yards Refuse and Recycling Trucks (without tippers) with a \$1.00 buyout at the end of the lease.

**Entity Name:** Appolonia, Inc., d/b/a Air Brake and Equipment

**Entity Address:** 225 US Route 22, Hillside, New Jersey 07205

**Contract Amount:** Not to exceed \$3,247,995.24

**Funding Source:** 2023 Budget/Bus. Unit: 011, Dept.: 060, Div./Project 0605, Account #71940, Budget Year: B2023

**Contract Period:** Upon approval by the Municipal Council for a seven (7) year lease

**Contract Basis:** ( ) Bid ( ) State Vendor ( ) Prof. Ser. ( ) EUS

( ) Fair & Open ( ) No Reportable Contributions ( ) RFP ( ) RFQ

( ) Private Sale ( ) Grant ( ) Sub-recipient (X) n/a

**Additional Information:**

This Cooperative Purchasing Agreement will provide for the use of Sourcewell Cooperative Contract #060920-CRN to agree to a seven (7) year lease for five (5) 2024 Crane Carrier LET2-46 Crew Cab 32 yards Refuse and Recycling Trucks (without tippers) with the buyout option of \$1.00 at the end of the lease for the City's Department of Public Works.

**WHEREAS**, the Municipal Council authorized the membership in the Sourcewell Cooperative by Resolution 7R1-c (as) adopted on April 20, 2022; and

**WHEREAS**, the City, in furtherance of its goals to search for lower costs, greater efficiency and improved product quality, wishes to enter into a contract for cooperative purchasing; and

**WHEREAS**, cooperative purchasing is an inclusive term used to describe all purchasing systems where two or more local contracting units join together for the provision or performance of goods or services as provided for by the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.; and

**WHEREAS**, the purchase of goods or services by two (2) or more contracting units increases proportionate saving in costs gained by an increased level of production; and

**WHEREAS**, the City, a sub-political body of the State of New Jersey is permitted to join Cooperative Purchasing Programs, pursuant to N.J.S.A. 52:34-6.2(b)(3); and

**WHEREAS**, Sourcewell, a nationally recognized and accepted cooperative purchasing organization, maintains National Cooperative Agreement Contracts, which are competitively awarded through which members can make purchases; and

**WHEREAS**, Sourcewell was developed for the purpose of utilizing a competitive bidding process to make the procurement process more efficient and provide cost savings to its members;

and

**WHEREAS**, the City's membership in Sourcewell has been confirmed active; and

**WHEREAS**, the Department of Public Works requests to utilize Sourcewell Cooperative Contract #060920-CRN to enter into a lease purchase agreement with authorized vendor Air Brake & Equipment, 225 US RT. 22, Hillside, New Jersey 07205 to lease five (5) 2024 Crane Carrier LET2-46 Crew Cab 32 Yards Refuse & Recycling Trucks (Without Tippers) for seven (7) years at a cost not to exceed Three Million Two Hundred Forty-Seven Thousand Nine Hundred Ninety-Five Dollars and Twenty-Four Cents (\$3,247,995.24). The lease payments will be made in fourteen semi-annual payments of Two Hundred Thirty-One Thousand Nine Hundred Ninety-Nine Dollars and Sixty-Six Cents (\$231,999.66) shall follow thereafter, with a buyout option of \$1 at the end of the lease; and

**WHEREAS**, Air Brake & Equipment is an authorized local dealer of Battle Motors Inc., formerly known as Crane Carrier Company LLC, as documented in Amendment #1 to Sourcewell Contract #060920-CRN; and

**WHEREAS**, the Department of Public Works has conducted due diligence to determine if the contract will result in cost savings after all factors, including charges for service, material and delivery, have been considered, to ensure there is documentation to support this determination (attached hereto); and

**WHEREAS**, the Qualified Purchasing Agent, QPA, recommends the usage of this contract to enter into a lease purchase agreement with authorized vendor Air Brake & Equipment, 225 US Route 22, Hillside, New Jersey 07205 to lease five (5) 2024 Crane Carrier LET2-46 Crew Cab 32 Yards Refuse & Recycling Trucks (Without Tippers) for a period not to exceed seven (7) years for the Department of Public Works at a cost not to exceed Three Million Two Hundred Forty-Seven Thousand Nine Hundred Ninety-Five Dollars and Twenty-Four Cents (\$3,247,995.24); and

**WHEREAS**, on May 15, 2023 the Division of Central Purchasing advertised the City's intention to purchase refuse and recycling trucks under contract #060920-CRN for the Department of Public Works (attached hereto), in consultation with the Corporation Counsel, it has been determined that this contract is urgent to provide adequate service to the City, so it is proper to move forward without advertising for the suggested time period of ten (10) days according to the Local Finance Notice 2012 -10.

**NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:**

1. The Mayor and/or his designees, the Business Administrator and/or the Purchasing Agent, QPA, are hereby authorized to utilize Sourcewell Cooperative Contract #060920-CRN to enter into a seven (7) year lease agreement with authorized vendor Air Brake & Equipment, 225 US RT. 22, Hillside, New Jersey 07205 to purchase five (5) 2024 Crane Carrier LET2-46 Crew Cab 32 Yards Refuse & Recycling Trucks (Without Tippers). The lease payments will be made in fourteen (14) semi-annual payments of Two Hundred Thirty-One Thousand Nine Hundred Ninety-Nine Dollars and Sixty-Six Cents (\$231,999.66) shall follow thereafter, with a buyout option of \$1 at the end of the lease.
2. All Purchases, Purchase Orders and other related documentation shall be in accordance with the relevant Sourcewell Cooperative Contract, including Standard Terms and Conditions, Method of Operation and Third Party Agreement, if applicable, as contained in the New Jersey State

Approved Cooperative Contract documentations and agreements.

3. There shall be no amendments of this resolution without the approval of the Municipal Council.
4. Pursuant to N.J.A.C. 30:5-5(d)(2), this purchase is subject to annual availability and appropriations of funding for each corresponding budget year that the annual payment is due. Thus for any and all expenditures against this contract, a certification of the availability of sufficient funds, as required by N.J.A.C. 5:30-5.5(d)(2), shall be executed before a contractual liability is incurred each time an order is placed, covering the amount of the order from the following account code line: Department of Public Works NW-011-060-0605-71940-B2023.
5. This contract complies with Local Pay-to-Play Law, N.J.S.A. 19:44A-20.5 and constitutes a fair and open procedure.
6. The Division of Central Purchasing shall file a duly executed copy of the contract in the Office of the City Clerk, if applicable.
7. If required by state law, the City Clerk shall provide the appropriate Notice of Award of this contract to the State Comptroller no later than twenty (20) business days following such award in accordance with N.J.S.A. 52:15C-10 and the Notice of the Office of the State Comptroller dated May 7, 2008.

### **STATEMENT**

This Resolution authorizes the Mayor and/or his designees, the Business Administrator and/or the Purchasing Agent, QPA, to utilize Sourcewell Cooperative Contract #060920-CRN to enter into a seven (7) year lease agreement with a \$1.00 buyout option upon completion of the payment schedule at the end of the municipal lease, with authorized vendor Air Brake & Equipment, 225 US Route 22, Hillside, New Jersey 07205 to lease five (5) 2024 Crane Carrier LET2-46 Crew Cab 32 Yards Refuse & Recycling Trucks (Without Tippers) at a cost not to exceed Three Million Two Hundred Forty-Seven Thousand Nine Hundred Ninety-Five Dollars and Twenty-Four Cents (\$3,247,995.24) to be utilized by the Department of Public Works, for the period commencing upon approval of this resolution by Municipal Council through completion of the seven-year lease agreement or completion of the exercise of the buyout option, whichever comes last.