

City of Hesperia STAFF REPORT



DATE: September 16, 2025

TO: Mayor and Council Members

FROM: Rachel Molina, City Manager

BY: Cassandra Sanchez, Director of Public Works/City Engineer
Brian Blackwell, Streets/Traffic Operations Manager

SUBJECT: Street Sweeper Rental and Purchase of Broom Bear Street Sweeper Equipment.

RECOMMENDED ACTION

It is recommended that the City Council authorize the City Manager to:

1. Enter into a rental agreement with HAAKER Equipment Co. for one Elgin Broom Bear Street Sweeper in an amount not-to-exceed \$85,000.
2. Enter into a purchase agreement with HAAKER Equipment Co. for one new Elgin Diesel Broom Bear in an amount not-to-exceed \$575,000.

BACKGROUND

The City contracts for street sweeping services to support water quality, aesthetics, public safety, and infrastructure protection. Street sweeping prevents debris and pollutants from entering the storm drain system, enhances community appearance, and protects pavement and related infrastructure from damage caused by corrosive particles. Street sweeping also meets the City's public safety goal by ensuring public infrastructure is properly maintained.

Under the current contract, approximately 5,000 miles are swept annually on weekly, bi-weekly, or monthly schedules depending on location, which include Main Street, Bear Valley Road, I Avenue, E Avenue, Hesperia Road, residential housing tracts with curb and gutter, and schools with curb and gutter. Bike lanes are swept quarterly.

The cost of contracted services has steadily increased due to prevailing wage requirements under the California Public Contract Code.

Table 1	Actual Expense	Percent Increase	Approx. Mile Cost
FY 2019-20	\$ 186,150		\$ 37.00
FY 2020-21	193,500	4%	39.00
FY 2021-22	149,609	-23%	30.00
FY 2022-23	346,704	132%	69.00
FY 2023-24	356,453	3%	71.00
FY 2024-25	358,423	1%	72.00
FY 2025-26	414,000	16%	83.00

As demonstrated in Table 1, the per-mile cost has risen from \$37 in FY 2019-20 to \$72 in FY 2024-25. For FY 2025-26, the estimated contract is \$414,000, a 15 percent increase from the prior year, raising the per-mile cost to \$83. To address these escalating costs, the FY 2025-26 Budget included funding to transition street sweeping in-house, which supports the City's financial health goal.

ISSUES/ANALYSIS

On June 17, 2025, the City Council approved a three-month extension of the contract with Guardian Street Sweeping, expiring September 30, 2025. This extension allowed staff time to recruit personnel and begin equipment procurement. To date, the City has successfully recruited one Equipment Operator for the in-house program.

In-House Program Costs

As indicated in the June 17, 2025 staff report, an analysis was prepared to determine the projected annual operating cost of the in-house program. Operating expenses, including the cost of one Equipment Operator, are projected at approximately \$210,000, with salary and benefits increasing 5 percent annually and other operating costs rising 3 percent annually.

Table 2	Year 1		Year 2		Year 3		Year 4		Year 5	
Salary & Benefits	\$	107,092	\$	112,447	\$	118,069	\$	123,972	\$	130,171
Fuel		36,000		37,080		38,192		39,338		40,518
Maintenance		30,000		30,900		31,827		32,782		33,765
Dumping		36,250		36,250		36,250		36,250		36,250
<i>Estimated Annual Cost</i>	\$	209,342	\$	216,677	\$	224,338	\$	232,342	\$	240,704

Cost Comparisons

To establish the program, the City must purchase one sweeper for \$575,000. HAAKER Equipment provided this quote in May 2025 and confirmed on September 2, 2025, that they would honor the price. Because the sweeper requires a six-month lead time, the City will also rent a comparable sweeper beginning October 1, 2025, for \$85,000.

Factoring in the annual operating cost of \$209,342, the six-month equipment rental of \$85,000, and the equipment purchase of \$575,000, the total cost for Year 1 is projected at \$891,092. In comparison, the FY 2025-26 quoted contract price of \$414,000 was used with a 10% escalator in Years 2 and 3. The FY 2025-26 contract was quoted to increase by 15 percent.

Table 3	Annual In-House Cost	Assumed Contract Price	Difference	Accumulated Cost/Savings
Year 1	\$ 891,092	\$ 414,000	\$ (477,092)	\$ (477,092)
Year 2	216,677	455,400	238,723	(238,369)
Year 3	224,338	500,940	276,602	38,233
Year 4	232,342	525,987	293,645	331,878
Year 5	240,704	552,286	311,582	643,460

As shown in Table 3, beginning in Year 2, in-house costs are projected at \$216,677, compared to an estimated \$455,400 for contract services, with savings starting to grow by Year 3. The City is projected to achieve break-even in approximately 2 years and 10 months. By the end of Year 5, accumulated savings are estimated at more than \$640,000.

Other Considerations

A key consideration with the in-house program is the ability to increase the total miles swept each year. Under the current contract, the City receives approximately 5,000 miles of sweeping annually. By transitioning to an in-house program, the City will have a dedicated staff member and equipment available on a full-time basis. To achieve 5,000 annual miles, or approximately 415 miles per month, the contractor currently allocates an estimated 80 to 100 hours of sweeping time each month. By contrast, the in-house program is projected to sweep between 600 and 700 miles per month, assuming an average of six hours of active sweeping per workday. This additional capacity would allow the City to expand service levels, respond to special events or storm emergencies, and improve overall street cleanliness.

CITY GOAL SUPPORTED BY THIS ITEM

Public Safety – Ensure public safety resources adequately protect our community.

Financial Health – Maintain a balanced budget and adequate reserves.

FISCAL IMPACT

The FY 2025-26 Budget includes funding for the in-house street sweeping program. The Streets Maintenance Fund includes the operating costs, such as the Equipment Operator position and nine months of program costs, such as dumping fees. Additionally, the Local Transportation Fund (LTF) includes funding of \$575,000 for the purchase of street sweeping equipment.

ALTERNATIVE(S)

Provide alternative direction to staff.

ATTACHMENTS

None