



AGENDA MEMORANDUM

Action Item for the City Council Meeting of September 19, 2023

DATE: September 19, 2023

TO: Peter Zanoni, City Manager

FROM: Charles Mendoza, Director of Asset Management
Charlesm2@cctexas.com
(361) 826-1941

Josh Chronley, Assistant Director of Finance & Procurement
JoshC2@cctexas.com
(361) 826-3169

**Combined 65 Vehicles and Equipment Procurement,
50 Replacements and 15 New Added to the Fleet**

CAPTION:

Resolution authorizing the acquisition of 65 vehicles and equipment by various departments, of which 37 units will be outright purchases and 28 units will be lease purchases through JPMorgan, for \$12,999,056.40, with such items to be acquired in the manner, at the amounts, and from the sources stated. with FY 2023 funding of \$3,400,212.39 and the remaining balance of \$9,598,844.01 for the lease purchase items to be funded through the annual budget process.

SUMMARY:

Resolution authorizes the acquisition of a total of 65 vehicles and equipment by various departments. All 65 units will be purchased through BuyBoard, HGAC, Sourcewell, and TIPS Cooperatives with 37 units to be outright purchases and 28 units to be lease purchases. Of the 65 units, 50 are replacements and 15 will be added to the fleet. Due to the difficulty in purchasing fleet vehicles and the nationwide shortage, it is imperative to act quickly.

BACKGROUND AND FINDINGS:

Gas Operations is authorized to acquire by lease purchase (i) one Freightliner M2 six-yard dump truck from Houston Freightliner Inc., of Houston, for a total amount of \$167,275.12, with funding from the Gas Fund; (ii) one Western Star 47SF flatbed truck and two Western Star 47SF winch trucks from Lonestar Truck Group Abilene, of Abilene, for a total amount of \$776,469.64 with funding from the Gas Fund. Additionally, the Gas Department is authorized to acquire by purchase (iii); one Western Star 47SF flatbed truck from Lonestar Truck Group Abilene, of Abilene, for a total amount of 209,419.10, with funding from the FY2023 Gas Fund; (iv) three Chevrolet 2500 extended cab service body BI-CNG trucks from Lake Country Chevrolet Inc., of Jasper, Texas,

for a total amount of \$265,243.26, with funding from the FY2023 Gas Fund. Item (i) identified in this section is to be acquired through the HGAC Cooperative, Item (ii) and (iii) identified in this section are to be acquired through the BuyBoard Cooperative; item (iv) identified in this section is to be acquired through the TIPS Cooperative.

The Corpus Christi Water – Water Division is authorized to acquire by lease purchase (i) three Freightliner 114SD 12-yard dump truck, one Freightliner M2 – 106 six to eight-yard dump truck, and one Freightliner M2112 with service body from Houston Freightliner Inc., of Houston, for a total amount of \$1,055,832.43. Additionally, the Water Division is authorized to acquire by purchase (ii) one Freightliner 114SD 12-yard dump truck from Houston Freightliner Inc., of Houston, for a total amount of \$199,243.00, with funding from the FY2023 Fleet Equipment Replacement fund; (iii) one Chevrolet 2500 extended cab service body, one Chevrolet 2500 extended cab service body with liftgate, one Chevrolet 2500 extended cab with liftgate and air from Lake Country Chevrolet, of Jasper, Texas, for a total amount of \$234,555.47 with funding from the FY2023 Fleet Equipment Replacement Fund. Items (i) and (ii) identified in this section are to be acquired through the HGAC Cooperative; item (iii) identified in this section is to be acquired through the TIPS Cooperative.

The Corpus Christi Water – Wastewater Division is authorized to acquire by lease purchase (i) four Freightliner 114SD 12-yard dump truck, and one Freightliner M2106 flatbed truck with 15-ton crane from Houston Freightliner Inc., of Houston, for a total amount of \$1,238,028.00; (ii) one Western Star 47X with GAPVAX from Lonestar Truck Group, of Abilene, for a total amount of \$750,010.63, with funding from the Wastewater Fund. Additionally, the Wastewater Division is authorized to acquire by purchase (iii) one Kubota M5 -091 HD, one tractor from Kubota Tractor Corp, of Corpus Christi, for a total amount of \$69,498.78, with funding from the FY2023 Fleet Equipment Replacement Fund; (iv) one modern 7 foot mower from John Deere Company in Corpus Christi, for a total amount of \$7,511.01, with funding from FY2023 Fleet Equipment Replacement Fund; (v) six Chevy 2500 extended cab service body trucks from Lake Country Chevrolet Inc., of Jasper, Texas, for a total amount of \$440,851.98, with funding from the FY2023 Fleet Equipment Replacement Fund. Item (i) identified in this section will be acquired through the HGAC Cooperative; item (ii) and (iv) identified in this section will be acquired through the BuyBoard Cooperative; item (iii) identified in this section will be acquired through the Sourcewell Cooperative; item (v) identified in this section will be acquired through the TIPS Cooperative.

The Public Works – Storm Water Division is authorized to acquire by lease purchase (i) two Freightliner 114SD with VACALL from Houston Freightliner Inc., of Houston, for a total amount of \$1,332,912.14, with funding from the Storm Water Fund. Additionally, the Storm Water Division is authorized to acquire by purchase (ii) one John Deere 5100E tractor; one modern super predator mower from John Deere Company, of Corpus Christi, for a total amount of \$103,558.19, with funding from the FY2023 Fleet Equipment Replacement Fund; (iii) one Chevrolet 2500 extended cab 4x4 service body truck from Lake Country Chevrolet Inc., of Jasper, Texas, in the total amount of \$82,503.02 with funding from the FY2023 Fleet Equipment Replacement Fund. Item (i) identified in this section will be acquired through the HGAC Cooperative; item (ii) identified in this section will be acquired through the BuyBoard Cooperative; item (iii) identified in this section will be acquired through the TIPS Cooperative.

The Public Works – Street Division is authorized to acquire by purchase (i) one Broce Broom RCT350 from Nueces Power Equipment, of Corpus Christi, for a total amount of \$81,324.83, with funding from the FY2023 Fleet Equipment Replacement Fund; (ii) one Freightliner 114SD dump truck with RR hitch; one Freightliner M2106 with Bergkamp FP5 Pothole Patcher; one Freightliner

MS106 Attenuator truck from Houston Freightliner Inc, of Houston, for a total amount of \$632,354.26, with funding from the FY2023 Fleet Equipment Replacement Fund. Item (i) identified in this section will be acquired through the BuyBoard Cooperative; item (ii) identified in this section will be acquired through the HGAC Cooperative.

The Parks and Recreation Department is authorized to acquire by purchase (i) one Chevy 2500 regular cab service body truck; one Chevrolet 2500 extended cab service body with liftgate; one Chevrolet 2500 crew cab 4x4 from Lake Country Chevrolet Inc., of Jasper, Texas, for a total amount of \$208,180.79, with funding from the FY2023 Fleet Equipment Replacement Fund; (ii) one Freightliner 114SD with 12 yard dump; one Freightliner 114SD with McNeilus Rear Packer from Houston Freightliner, of Houston, for a total amount of \$538,495.10, with funding from the FY2023 Fleet Equipment Replacement Fund; (iii) five Scag STTII – 72V 25KBD mower from TOP Equipment, of Georgetown, Texas, for a total amount of \$105,622.00, with funding from the FY2023 General Fund; (iv) One Ford F250 extended cab truck; one Ford F250 regular cab service body truck from Silsbee Ford, of Silsbee, Texas, for a total amount of \$122,417.90, with funding from the FY2023 Fleet Equipment Replacement Fund. Item (i) and (iv) identified in this section will be acquired through the TIPS Cooperative; item (ii), identified in this section will be acquired through the HGAC Cooperative; item (iii) identified in this section will be acquired through the Sourcewell Cooperative.

The Solid Waste Department is authorized to acquire by lease purchase (i) three Freightliner 108SD with brush body; one Freightliner M2-106 with RS-3; two M2-106 with TL-3 self-loader from Houston Freightliner Inc., of Houston, for a total amount of \$1,654,600.25; (ii) four Autocar refuse trucks from Chastang Enterprises Houston LLC, of Houston, for a total amount of \$2,060,935.96, with funding from the General Fund; (iii) one Mack LR64 with LaBrie ASL from Bruckner Truck Sales Inc., of Corpus Christi, for a total amount of \$562,779.84, with funding from the General Fund. Additionally, the Solid Waste Department is authorized to acquire by purchase (iv) two Ford F250 regular cab trucks from Silsbee Ford, of Silsbee, Texas, for a total amount of \$99,433.70, with funding from the General Fund. Item (i) and (iii) identified in this section will be acquired through the HGAC Cooperative; item (ii) identified in this section will be acquired through the BuyBoard Cooperative; item (iv) identified in this section will be acquired through the TIPS Cooperative.

PROCUREMENT DETAIL:

The procurement is through the BuyBoard, HGAC, Sourcewell, and TIPS Cooperatives. Contracts awarded through the cooperative have been competitively procured in compliance with Texas Local and State procurement requirements.

Procurement staff have modified their business practices and taken a pro-active approach to our vehicle procurement process and used all resources available to ensure vehicles and equipment can be sourced and delivered in a timely manner using economically favorable methods. The FY 2023 budget includes 355 new and replacement vehicles and equipment. The approval of this item represents a total of 89% units procured to date for FY 2023.

ALTERNATIVES:

The alternative would be to continue using current units that are beyond their expected service lives. This would increase the cost of repairs and lose of productive man-hours due to more frequent maintenance issues.

FISCAL IMPACT:

The FY 2023 fiscal impact of these purchases totals \$3,400,212.39 funded by various department funds. The remaining balance of \$9,598,844.01 for the lease purchase items will be funded through the annual budget process. The interest rate for the lease purchased items is 4.75% for a total cost of \$1,069,682.41 and a term of 60 months.

FUNDING DETAIL:

Various

RECOMMENDATION:

Staff recommends approval of this item as presented.

LIST OF SUPPORTING DOCUMENTS:

Resolution
Exhibit 1 Spreadsheet
Exhibit 2 Spreadsheet