



AGENDA MEMORANDUM

Action Item for the City Council Meeting of August 20, 2019

DATE: August 20, 2019

TO: Peter Zanoni, City Manager

FROM: Jim Davis, Director of Asset Management
JimD@cctexas.com
(361) 826-1919

Kim Baker, Director of Contracts and Procurement
KimB2@cctexas.com
(361) 826-3169

Parts for Freightliner, Western Star and Sterling Equipment

CAPTION:

Resolution authorizing a five-year supply agreement with Corpus Christi Freightliner, Inc. of Corpus Christi, Texas, for the purchase of parts needed to conduct repairs for Freightliner, Western Star and Sterling equipment. Freightliner includes refuse trucks, brush trucks, self-loading brush trucks and dump trucks. Western Star includes tractors for refuse handling tractor/trailers. Sterling includes vacuum trucks. The total amount for these parts is a not to exceed \$1,238,000.00, effective upon issuance of notice to proceed, with first-year funding of \$20,633.30 through the Fleet Maintenance Service Fund.

PURPOSE:

This item is to approve a five-year supply agreement for Freightliner, Western Star and Sterling equipment parts that are stocked and utilized by the Asset Management Department in the maintenance of the City's equipment.

BACKGROUND AND FINDINGS:

The Asset Management Department utilizes Freightliner, Western Star and Sterling equipment parts for the repair and maintenance of this associated equipment as discussed above, e.g. refuse trucks, brush trucks, dump trucks, refuse handling tractor/trailer equipment, and vacuum trucks. Use of these parts is essential to effect necessary and timely repairs. Asset Management performs the majority of vehicle and

equipment repairs in-house. In view of this, acquisition of these parts is essential to ensure the prosecution of a successful and timely maintenance effort of this equipment. Furthermore, a ready supply of these parts will ensure a continued high operational readiness of Freightliner, Western Star and Sterling equipment. These parts are unique to Freightliner, Western Star and Sterling equipment. Corpus Christi Freightliner, Inc. is the fully authorized sole source provider for these parts.

ALTERNATIVES:

Not applicable

OTHER CONSIDERATIONS:

Not applicable

CONFORMITY TO CITY POLICY:

This purchase conforms to the City’s purchasing policies and procedures and State statutes regulating procurement.

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

Contracts and Procurement

FINANCIAL IMPACT:

X Operating Revenue Capital Not applicable

Fiscal Year: 2018-2019	Current Year	Future Years	TOTALS
Line Item Budget	\$3,191,731.00	\$1,217,366.70	\$4,409,097.70
Encumbered / Expended Amount	\$1,970,301.76	\$0.00	\$1,970,301.76
This item	\$20,633.30	\$1,217,366.70	\$1,238,000.00
BALANCE	\$1,200,795.94	\$0.00	\$1,200,795.94

Funding Detail:

Fund: 5110 Fleet Maint Svc
 Organization/Activity: 40180 Parts Room Operation
 Mission Element: 202 Maintain the Fleet
 Project # (CIP Only): N/A
 Account: 520210 Cost of Goods Sold

RECOMMENDATION:

Staff recommends approval of the item as presented.

LIST OF SUPPORTING DOCUMENTS:

Resolution
Price Sheet
Supply Agreement