



AGENDA MEMORANDUM

Action Item for the City Council Meeting February 27, 2024

DATE: February 27, 2024

TO: Peter Zanoni, City Manager

FROM: Brett Van Hazel, Director of Asset Management
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Procurement of 31 Heavy Equipment Units and 7 Vehicles 23 Replacements and 15 New Added to the Fleet

CAPTION:

Resolution authorizing the acquisition of 31 heavy equipment units and 7 vehicles by various departments, of which 32 units will be outright purchases and 6 units will be lease-purchases through JPMorgan, for \$4,904,402.39, with such items to be acquired in the manner, at the amounts, and from the sources stated with FY 2024 funding of \$3,094,297.40 and the remaining balance of \$1,810,104.99 for the lease-purchase items to be funded through the annual budget process.

SUMMARY:

Resolution authorizes the acquisition of a total of 38 heavy equipment units and vehicles by various departments. All 38 units will be purchased through BuyBoard, Sourcewell, HGAC, and TIPS Cooperatives with 32 units to be outright purchases and 6 units to be lease purchases. Of the 38 units, 23 are replacements and 15 will be added to the fleet.

BACKGROUND AND FINDINGS:

The Corpus Christi Water Department is authorized to acquire by purchase (i) one John Deere 310P backhoe and one John Deere 50P compact excavator, both from Doggett Heavy Machinery Service ("Doggett") in Corpus Christi for a total amount of \$244,063.13, with FY 2024 funding from the Fleet Equipment Replacement Fund; (ii) one John Deere 650P dozer from Doggett for \$210,865.73, with FY 2024 funding from Water Fund; (iii) two John Deere 204G compact wheel loaders from Doggett for a total amount of \$245,985.52, with FY 2024 funding from the Wastewater Fund; and (iv) four Chevrolet 1500 crew cab trucks from Lake Country Chevrolet

("Lake Country") in Jasper, Texas, for a total amount of \$217,877.12, with FY 2024 funding of \$54,469.28 from the Fleet Equipment Replacement Fund and \$163,407.84 from the Water Fund. Items (i) through (iii) identified in this section will be acquired through the Sourcewell Cooperative ("Sourcewell"), and item (iv) will be acquired through the TIPS Cooperative ("TIPS").

The Corpus Christi Fire Department is authorized to acquire by purchase three Ford F450 regular cab trucks from Silsbee Ford ("Silsbee") in Silsbee, Texas, for a total amount of \$213,629.79, with FY 2024 funding from the General Fund and will be acquired through TIPS.

The Corpus Christi Gas Department is authorized to acquire by purchase one John Deere 410P backhoe from Doggett for \$175,805.05 with FY 2024 funding from the Fleet Equipment Replacement Fund and will be acquired through Sourcewell.

The Parks and Recreation Department – is authorized to acquire by purchase (i) three Chevrolet 2500 crew cab pickup trucks from Lake Country Chevrolet in Jasper, Texas for a total amount of \$171,684.75 with funding from the FY 2024 General Fund; (ii) ten SCAG STTII72V25KB mowers from TOP Equipment in Georgetown, Texas for a total amount of \$211,244.00 with \$105,622.00 funding from the FY 2024 Fleet Equipment Replacement Fund and \$105,622.00 funding from the FY 2024 General Fund. Item (i) identified in this section will be acquired through the TIPS Cooperative and item (ii) identified in this section will be acquired through the Sourcewell Cooperative.

The Public Works Department is authorized to acquire by lease-purchase (i) two TYMCO 500x sweepers from TYMCO in Waco, Texas, for a total amount of \$950,155.64, with FY 2024 funding of \$110,851.44 from the Storm Water Fund and acquired through the BuyBoard Cooperative. Additionally, the Public Works Department is authorized to acquire by purchase (ii) one John Deere 410P backhoe from Doggett for \$171,314.00, with FY 2024 funding from the Fleet Equipment Replacement Fund; (iii) three JD 6145 tractors with Maverick II 30-foot booms and one 69-inch buzzbar saw head from Alamo Industrial in Boerne, Texas, for a total amount of \$971,633.47, with FY 2024 funding from the Fleet Equipment Replacement Fund; and (iv) one Scag STTII72V25KB mower from TOP for \$21,124.40, with FY 2024 funding from the Fleet Equipment Replacement Fund. All items identified in this section will be acquired through Sourcewell.

The Solid Waste Department is authorized to acquire by lease-purchase (i) one John Deere 320P backhoe from Doggett for \$162,954.98, with FY 2024 funding of \$19,011.44 from the General Fund; and (ii) one Freightliner rear steer grapple M2-106 w/RS3 and (iii) two Freightliner M2 brush trucks from Houston Freightliner, Inc., in Houston, Texas, for a total amount of \$936,064.81, with FY 2024 funding of \$109,207.56 from the General Fund. Item (i) identified in this section will be acquired through Sourcewell, and items (ii) and (iii) will be acquired through the HGAC Cooperative.

PROCUREMENT DETAIL:

The procurement is through the BuyBoard, Sourcewell, HGAC, 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 proactive 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 2024 budget includes 236 new and replacement vehicles and equipment. The approval of this item represents a total of 46% units procured to date for FY 2024.

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 loss of productive man-hours due to more frequent maintenance issues.

FISCAL IMPACT:

The FY 2024 fiscal impact of these purchases totals \$3,094,297.40 funded by various department funds. The remaining balance of \$1,810,104.99 for the lease purchase items will be funded through the annual budget process. The interest rate for the lease-purchased items is 5% for a total cost of \$300,780.03 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