



AGENDA MEMORANDUM

Future Item for the City Council Meeting of May 26, 2015
Action Item for the City Council Meeting of June 9, 2015

DATE: May 26, 2015

TO: Ronald L. Olson, City Manager

FROM: Gabriel Maldonado, Interim Procurement Manager
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Lease-Purchase of Ambulances

CAPTION:

Motion approving the lease-purchase of two (2) ambulances from Knapp Chevrolet, Houston, Texas for a total amount of \$322,440.88, of which \$5,374.01 is required for the remainder of FY 2014-2015. The award is based on the cooperative purchasing agreement with the Texas Local Government Purchasing Cooperative (TLGPC). Financing for the lease-purchase will be provided through the City's lease-purchase financing contractor.

PURPOSE:

The ambulances will be used by the Fire Department for emergency medical response.

BACKGROUND AND FINDINGS:

These two units will replace two Front line units that are currently in our Fleet. These two replaced units will replace two units within our Reserve Unit inventory. Two units currently in our Reserve Unit inventory will be permanently removed from our Fleet. This will ensure that the Corpus Christi Fire Department maintains a consistent level of service to our community.

ALTERNATIVES:

None.

OTHER CONSIDERATIONS:

Financing for the lease-purchase is based on a sixty-month term with an estimated interest rate of 2.4% for an annual payment of \$64,488.17. The total estimated cost over the five-year period, including principal of \$303,560.00 and interest of \$18,880.88, is \$322,440.88.

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:

Fire Department

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

| Fiscal Year: 2014-2015 | Project to Date Expenditures (CIP only) | Current Year | Future Years | TOTALS |
|-------------------------------|--|---------------------|---------------------|---------------|
| Line Item Budget | | \$ 256,637.01 | \$317,066.87 | \$573,703.88 |
| Encumbered / Expended Amount | | \$249,791.89 | \$0 | \$249,791.89 |
| This item | | \$5,374.01 | \$317,066.87 | \$322,440.88 |
| BALANCE | | \$1,471.11 | \$0 | \$1,471.11 |

Fund(s): General Fund

Comments:

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Price Sheet