



## AGENDA MEMORANDUM

First Reading Ordinance for City Council Meeting of July 16, 2013  
Second Reading Ordinance for City Council Meeting of July 23, 2013

**DATE:** July 16, 2013

**TO:** Ronald L. Olson, City Manager

**FROM:** Michael Barrera, Assistant Director of Financial Services  
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### Appropriating Funds for and Awarding the Purchase of Vehicles

#### **CAPTION:**

Ordinance appropriating \$115,000 from the Fleet Maintenance Services Reserve for Future Fleet Replacement Fund No. 5110 into the Capital Outlay Budget of the Maintenance Services Fund No. 5110 for the purchase of vehicles to be used by Development Services; changing the FY 2012-2013 Operating Budget adopted by Ordinance No. 029577 by increasing appropriations by \$115,000 in the No. 5110 Maintenance Service Fund; and approving the purchase of thirty-nine (39) pickup trucks, two (2) cargo vans, six (6) heavy trucks and the lease-purchase of two (2) heavy trucks and one (1) pickup truck from AutoNation Ford, Corpus Christi, Texas, in accordance with Bid Invitation No. BI-0146-13, for the total amount of \$1,229,148.

#### **PURPOSE:**

Funding is appropriated to purchase 9 vehicles for Development Services.

All vehicles will be used in the day-to-day operations of the Solid Waste, Park & Recreation, Water, Gas, Wastewater, Storm Water, Neighborhood Services and the Development Services Departments.

#### **BACKGROUND AND FINDINGS:**

Forty-nine (49) vehicles are replacement units and one (1) is an addition to the fleet. Vehicles replaced age from 6 years to 17 years of service and mileage from 79,744 to 229,934.

#### **ALTERNATIVES:**

Bid items three (3) and eight (8) are awarded on the basis of most advantageous bid. Although specifications required pricing for a compact pickup, none of the bidders were able to secure pricing for this type of vehicle. Instructions included in the bid invitation allow the City to award an alternate bid when no bids are received that fully comply with the specification requirements.

Bid item seven (7), ten (10) and sixteen (16) are awarded on the basis of lowest local bids in accordance with Section 26, of the Council Policies of the City of Corpus Christi's Code of Ordinance.

All other bid items are awarded on the basis of lowest responsible bid.

**OTHER CONSIDERATIONS:**

Financing for the lease-purchase of the vehicles, bid item 1 and 2, is based on a sixty-month term with an estimated interest rate of 2.0% for an annual payment of \$21,173.76. The total estimated cost over the five-year period, including principal of \$100,668.00 and interest of \$5,200.80, is \$105,868.80.

**CONFORMITY TO CITY POLICY:**

This purchase conforms to the City’s purchasing policies and procedures and Texas State procurement laws.

**EMERGENCY / NON-EMERGENCY:**

Non-Emergency.

**DEPARTMENTAL CLEARANCES:**

Development Services, Fleet Maintenance Services, Gas, Neighborhood Services, Park & Recreation, Solid Waste, Storm Water, Wastewater and Water Department.

**FINANCIAL IMPACT:**

X Operating       Revenue      X Capital       Not applicable

**FINANCIAL IMPACT:**

FISCAL YEAR:		Current Year		Future Years	TOTALS
		Purchase	Lease Purchase		
Budget	Purchase	5,102,914.05			5,102,914.05
	Lease Purchase		454,817.24	105,868.80	560,686.04
Encumbered/Expended amount as of 5/17/13	Purchase	2,567,968.95			2,567,968.95
	Lease Purchase		280,165.08		280,165.08
This Item	Purchase	1,128,480.00			1,128,480.00
	Lease Purchase			105,868.80	105,868.80
BALANCE	Purchase	1,406,465.10			1,406,465.10
	Lease Purchase		174,652.16		174,652.16

Fund(s): Development Services, Fleet Maintenance Services Fund, CDBG Grant No. 1059 and Water Fund.

**Comments:** Funding for the purchase of vehicles, in the amount of \$1,128,480.00, is available in the Capital Outlay Budget of the Fleet Maintenance Services Fund, the CDBG Grant No. 1059 Fund and Water and Development Services Operation Budget for FY 2012-2013. Funding for the lease purchase of vehicles is approved in the FY 2012-2013 budget. However, the vehicles will be delivered and paid for in FY 2013 -2014 and, therefore, no funds are required in this fiscal year.

**RECOMMENDATION:**

Staff recommends approval of the motion as presented.

**LIST OF SUPPORTING DOCUMENTS:**

- Bid Tabulation
- Ordinance