



## **AGENDA MEMORANDUM**

Action Item for the City Council Meeting March 25, 2025

**DATE:** March 25, 2025

**TO:** Peter Zanoni, City Manager

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Public Works  
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### **Heavy Equipment Rental for Public Works**

#### **CAPTION:**

Motion authorizing the execution of a two-year cooperative service agreement with Closner Equipment Company, Inc., of Schertz, Texas, through the BuyBoard Cooperative, in an amount up to \$250,000.00, for heavy equipment rentals including specialty paving equipment to be utilized by Public Works in support of the City's street maintenance and repairs, with FY 2025 funding of \$72,916.67 from the Streets Fund.

#### **SUMMARY:**

The motion requests authorization for a two-year service agreement with Closner Equipment Company, Inc., via the BuyBoard Cooperative, for heavy equipment rentals totaling up to \$250,000. This equipment, which includes specialty paving equipment such as Asphalt Pavers and Chip Spreaders, will support Public Works projects, with FY 2025 funding of \$72,916.67 from the Streets Fund. The rental agreement ensures flexibility, efficiency, and operational reliability, essential for maintaining and improving public infrastructure.

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

In February 2025, the Public Works department, along with other City departments, submitted a request through Asset Management to purchase additional heavy equipment, including sweepers, chip spreaders, backhoe loaders, and pavers. This equipment purchase is a part of the FY 2025 Budget Initiative. The council approved the request during the meeting of February 25. There is a concern that the seller may take a couple of months to deliver all the newly purchased equipment to the Public Works department. The availability of specialized machinery, including asphalt pavers and chip spreaders, is essential for RPP and skin-patching projects. During this time, if a piece of equipment breaks down, it will have a negative impact on the Street Operation. Crews will need to share the existing equipment among each other, which will lead to an increase in crew downtime, an inability to operate independently, and an impact on their ability to meet project goals.

The heavy rental equipment agreement operates on an as-needed basis. The agreement provides crews with immediate access to necessary equipment during unforeseen or emergency situations. Staff Having a blanket rental agreement for all heavy paving equipment can provide peace of mind knowing that crews will have immediate access to well-maintained and in good working condition equipment. This level of support and service can make all the difference in the success of a project.

There is a limited number of vendors who are able to supply a large scale of heavy paving equipment that meets Public Works' specific requirements within a timely manner. Staff have reached out to different vendors in Corpus Christi and San Antonio to obtain additional quotes. Staff received one quote from a Corpus Christi vendor, but they were only able to provide some items on the list. The vendors in San Antonio failed to provide a respond.

### **PROCUREMENT DETAIL:**

This procurement is through the BuyBoard Cooperative. Contracts awarded through the BuyBoard Cooperative have been competitively procured in compliance with local and state procurement requirements.

Closner Equipment Company, Inc., under the BuyBoard Cooperative, offers a 10% discount off the published standard rates on equipment rentals.

Closner Equipment Company offers the rental of all heavy equipment necessary for Public Works crew on an as-needed basis within a timely manner. To streamline the need for equipment to ensure operational efficiency for the completion of the Rapid Pavement Program, Public Works is requesting to secure this long-term rental agreement with Closner Equipment Company through the BuyBoard Cooperative.

In conclusion, further research found that no other BuyBoard or local vendors maintain all required inventory to meet Public Works' operational needs.

**ALTERNATIVES:**

An alternative is to not enter into a service agreement, which would require separate procurements on an as-needed basis, and increase the time delay due to procurement process which in turn, would reduce the level of response, in some cases, emergency response, to citizens

**FISCAL IMPACT:**

The fiscal impact for FY25 is \$72,916.67 with funding available in the Street Fund.

**FUNDING DETAIL:**

Fund: 1041 Street Fund  
Organization/Activity: 12430 Surface  
Preservation Mission Element: n/a  
Project # **(CIP Only): n/a**  
Account: 530160 Rentals

**RECOMMENDATION:**

Staff recommends approval of this motion as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Purchase  
Agreement  
Price  
Sheet  
Presentati  
on