



**AGENDA MEMORANDUM**  
for the City Council Meeting of June 19, 2012

**DATE:** 6/19/2012  
**TO:** Ronald L. Olson, City Manager  
**FROM:** Michael Barrera  
Assistant Director of Financial Services  
[mikeb@cctexas.com](mailto:mikeb@cctexas.com)

Work Trucks

**CAPTION:**

Motion approving the lease purchase of one (1) pickup truck and the purchase of eleven (11) pickup trucks and one (1) heavy duty truck in the amount of \$314,850.27 of which \$292,947.52 is required for FY 2011/2012. The vehicles are awarded to the following companies for the following amounts in accordance with Bid Invitation No. BI-0044-12, based on low bid and the Cooperative Purchasing Agreement with the Texas Local Government Cooperative. All thirteen (13) vehicles are replacement units to the fleet. These vehicles will be used by Parks and Recreation, Street, Gas, Water, and Storm Water Departments. Funding for the purchase of these vehicles is available in the Capital Outlay Budget of the Maintenance Services Fund and the Operations Budgets of Park and Recreation, Street and Water Departments. Financing for the lease purchase of the pickup truck will be provided through the City's lease/purchase financing contractor.

Champion Ford  
Corpus Christi, TX  
Items: 1, 2, 4-7  
\$209,275

Caldwell Country Ford  
Caldwell, TX  
Item: 3  
\$21,644

Philpott Motors  
Nederland, TX  
Item 8  
\$83,931.27

Grand Total: \$314,850.27

**BACKGROUND AND FINDINGS:**

These vehicles will be used by Parks and Recreation, Street, Gas, Water and Storm Water Departments for daily operations. All 13 vehicles are replacements to the fleet.

**ALTERNATIVES:**

Award of line item six on the bid tabulation is recommendation based on section 271.905 of the local government code, (Consideration of Location of Bidders Principle Place of Business) and Code of Ordinances, Part II, City Council Policies, Section 26. The alternative is to award to the non-local lowest responsible bidder.

**OTHER CONSIDERATIONS:**

The pickup truck will be funded for a forty-eight month period with an estimated interest rate of 2.75%. The actual interest rate will be determined after the acceptance of the pickup truck. The estimated annual payment

is \$5,919. Total estimated cost over the forty-eight month period, including principal of \$22,396 and interest of \$1,280, is \$23,676.

**CONFORMITY TO CITY POLICY:**

This purchase conforms to all City purchasing policies and procedures and State statutes regulating procurement.

**EMERGENCY / NON-EMERGENCY:**

Not applicable.

**DEPARTMENTAL CLEARANCES:**

Gas, Parks and Recreation, Street, Solid Waste, Water, and Stormwater Departments

**FINANCIAL IMPACT:** Operating Expense

FISCAL YEAR: 2011 - 2012		Current Year		Future Years	TOTALS
		Purchase	Lease Purchase		
Budget	Purchase	4,977,552.71			4,977,552.71
	Lease Purchase		116,223.27	23,182.75	139,406.02
Encumbered/Expended amount as of 5/25/12	Purchase	(3,961,695.68)			(3,961,695.68)
	Lease Purchase		(115,730.02)		(115,730.02)
This Item	Purchase	(292,454.27)			(292,454.27)
	Lease Purchase		(493.25)	(23,182.75)	(23,676.00)
BALANCE	Purchase	723,402.76			723,402.76
	Lease Purchase		0.00	0.00	0.00
FUND(S): Purchase - General (Street, Park and Recreation), Water, and Maintenance Service Lease Purchase - General (Park and Recreation)					

**Comments:**

**RECOMMENDATION:**

Staff recommends approval of the motion as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Bid tabulation and price sheet attached.

**Approvals:** Veronica Ocanas, Assistant City Attorney  
Constance P. Sanchez, Director of Financial Services  
Eddie Houlihan, Assistant Director of Management and Budget  
Margie C. Rose, Assistant City Manager