



AGENDA MEMORANDUM

Action Item for the City Council Meeting November 16, 2021

DATE: November 16, 2021
TO: Peter Zaroni, City Manager
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**Lease Purchase of Three 2022 Medic Units and Cash Purchase of One 2022 Medic Units
for the Corpus Christi Fire Department**

CAPTION:

Motion authorizing the lease-purchase, via JP Morgan, of three replacement medic units and the cash purchase of one additional medic unit all from Sterling McCall Ford, of Houston, Texas, based on the cooperative purchasing agreement with Local Government Purchasing Cooperative, dba BuyBoard, for a total amount of \$1,132,973.56, effective upon issuance of letter of acceptance, with FY 2022 funding in the amount of \$303,772.18 available through the General Fund.

SUMMARY:

This motion will authorize the lease purchase for the replacement of three ambulances and the cash purchase of one additional ambulance to be used by the Corpus Christi Fire Department (CCFD) to respond to emergency calls throughout the community. These units are being procured through the BuyBoard Cooperative. Three are replacements to existing fleet and one is an addition to the CCFD fleet.

BACKGROUND AND FINDINGS:

CCFD has an operational need for four 2022 Dodge 4500 Ambulances, with three of these being replacements and one being an addition. Regular replacement of front-line equipment is essential to provide for a cost-effective maintenance program and to maintain reliability of all equipment. The three ambulances being replaced are 2009 and 2010 models, which are all passed their service life of five years as front-line vehicles and five years reserve. The units being replaced are those with the least cost-effective maintenance and performance history. These replacement ambulances will be utilized as front-line emergency response medic units at fire stations experiencing high call volumes. The fleet being replaced will be placed on reserve status and the older reserve units will be removed from the fleet inventory altogether.

Additionally, CCFD will be adding another ambulance to its fleet. Emergency service calls have increased by approximately 1,000 calls during the past year. To keep up with the increase in emergency service calls and maintain adequate response times, CCFD has placed the additional ambulance at station 17 (6869 Yorktown Blvd).

To maintain a reliable front line fleet, CCFD works to replace its front line units when they reach between five to seven years in age. Once the front line units reach this age range, they are then moved to reserve status. The oldest and least reliable reserve units are altogether removed from CCFD’s inventory when new replacements are purchased. CCFD is able to maintain this schedule by purchasing three to four replacement units every year. The three lease-purchase ambulances will be going to the front line and the current ambulances that they are replacing will be placed in the fleet reserve.

All purchases are being funded through the FY 2022 adopted budget.

With the cash purchase of the one additional medic unit, the current CCFD fleet will now include 13 front line ambulances. Below is a chart signifying the 13 stations with ambulances.

Station	Address	Ambulance
1	514 Belden (78401)	X
2	13421 Leopard (78410)	X
3	1401 Morgan Ave (78404)	X
4	2338 Rodd Field Rd (78414)	
5	3105 Leopard St (78408)	
6	6713 Weber Rd (78413)	X
7	3722 S. Staples St (78411)	X
8	4645 Kostoryz Rd (78415)	X
9	501 Navigation Blvd (78408)	X
10	1550 Horne Rd (78416)	X
11	910 Airline Rd (78412)	X
12	2120 Rand Morgan Rd (78410)	
13	1802 Waldron Rd (78418)	X
14	5901 S. Staples St (78413)	X
15	14202 Commodores Dr (78418)	X
16	8185 State Hwy 361 (78418)	
17	6869 Yorktown (78414)	X
18	6226 Ayers St (78415)	

PROCUREMENT DETAIL:

The procurement is through the BuyBoard Cooperative. Contracts awarded through the BuyBoard Cooperative have been competitively procured and follow Texas Local and State procurement requirements.

ALTERNATIVES:

An alternative to replacing medic units is to continue using the older ambulances and to continue paying for frequent maintenance which results in units being out of service for repairs. Keeping the current number of 12 medic units instead of adding a thirteenth will likely elongate EMS response times as the EMS call volume continues to increase.

FISCAL IMPACT:

The financial impact for the Corpus Christi Fire Department in FY 2022 is an amount of \$303,772.18 which includes the cash purchase of one 2022 medic unit in an amount of \$260,130.00 and three monthly payments in FY 2022 for the three units being leased purchased in an amount of \$43,642.18.

Financing for the lease-purchase of three 2022 Medic Units is based on a sixty-month term with an estimated interest rate of 3.50% for an annual estimated payment of \$174,568.71. The total estimated cost over the five-year period, including principal of \$799,670.00 and interest of \$73,173.56, is \$872,843.56.

Total Lease-purchase price:	\$ 799,670.00
Total estimated allowable interest for Lease:	<u>\$ 73,173.56</u>
Grand Total	\$ 872,843.56

FUNDING DETAIL:

Fund: 1020 General Fund
Organization/Activity: 35100 City Ambulance
Mission Element: 093 Emergency Response Calls
Project # (CIP Only): N/A
Account: 550020 Vehicles & Machinery
Amount: \$260,130.00

Fund: 1020 General Fund
Organization/Activity: 35100 City Ambulance
Mission Element: 093 Emergency Response Calls
Project # (CIP Only): N/A
Account: 530190 Lease Purchase Payment
Amount: \$43,642.18

RECOMMENDATION:

Staff recommends approval of this motion authorizing the lease-purchase of three medic units and purchase of one medic unit, as presented.

LIST OF SUPPORTING DOCUMENTS:

Price Sheets