



**AGENDA MEMORANDUM**  
for the City Council Meeting of April 10, 2012

**DATE:** 4/10/2012

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

**FROM:** Michael Barrera, Assistant Director of Financial Services  
(361) 826-3169  
Mikeb@cctexas.com

**Lease purchase of two Bomag Tandem Vibratory Rollers**

**CAPTION:**

Recommendation: Motion approving the lease purchase of two (2) Bomag Tandem Vibratory Rollers from Anderson Machinery, Corpus Christi, TX for a total amount of \$196,960.00 of which \$10,551.81 is required for fiscal year 2011/2012. The award is based on the cooperative purchasing agreement with the Houston-Galveston Area Council of Governments (HGAC). The equipment will be used by the City's Street Department. All units are replacements to the fleet. Funds for the lease/purchase of the rollers will be provided by the City's lease/purchase financing program.

**BACKGROUND AND FINDINGS:**

The Street Department's base failure, utility cut repair and level-up crews require the use of heavy (9 ton) steel wheel rollers to compact hot-mix asphalt used in street repair projects throughout the city. The current units have been in service for 14 to 17 years and the useful life of these rollers has been exhausted. The local Anderson Machinery Company will handle delivery to the City and provide warranty service and repairs.

**ALTERNATIVES:**

Not Applicable

**OTHER CONSIDERATIONS:**

The two Bomag Tandem Vibratory Rollers will be funded for a sixty-month period with an estimated interest rate of 2.75%. The actual interest rate will be determined after acceptance of the equipment. The estimated annual payment for the two Bomag Rollers will be \$42,207.24. Total estimated cost over the sixty month period, including principle of \$196,960.00 and interest of \$14,076.20, is \$211,036.20.

**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:**

Street Department

**FINANCIAL IMPACT:**

<b>Fiscal Year: 2011-2012</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget		\$721,064.92	\$200,484.39	\$921,549.31
Encumbered / Expended Amount		\$609,607.43	0.00	\$609,607.43
This item		\$10,551.81	\$200,484.39	\$211,036.20
BALANCE		\$100,905.68	0.00	\$100,905.68

Fund(s): General Fund

**Comments:** Lease payments are expected to commence on or about May 1, 2012.

**RECOMMENDATION:**

Staff recommends approval of the motion as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Price sheet attached.

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

CITY OF CORPUS CHRISTI  
 PURCHASING DIVISION  
 SENIOR BUYER - TOM RICHEY  
 COUNCIL DATE: MARCH 27, 2012

Price Sheet  
 HGAC Contract SM10-10

ITEM	DESCRIPTION	QTY.	UNIT	Anderson Machinery Corpus Christi, Tx.	
				Unit Price	Extended Price
1.	Bomag BW 141AD-4 Tandem Vibratory Roller - 84.4hp with 5 year/5000 hour full machine warranty	2	each	\$98,480.00	\$196,960.00
TOTAL:					\$196,960.00