



AGENDA MEMORANDUM

Action Item for the City Council Meeting February 9, 2021

DATE: February 9, 2021

TO: Peter Zaroni, City Manager

FROM: Charles Mendoza, Director of Asset Management
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Heavy Equipment Parts for Asset Management Department, Fleet Division

CAPTION:

Motion authorizing a three-year supply agreement with Rush Truck Centers of Texas, LP dba, Rush Truck Center of Corpus Christi, Texas, in amount not to exceed \$1,330,000.00 for the purchase of heavy equipment parts for Asset Management Department, Fleet Division, with FY 2021 funding in the amount of \$221,700.00 available through the Fleet Maintenance Service Fund.

SUMMARY:

This motion authorizes a three-year supply agreement with Rush Truck Centers of Texas, LP dba, Rush Truck Center through the BuyBoard Cooperative. This supply agreement will provide heavy equipment parts for Asset Management Department, Fleet Division for maintenance of Police vehicles, equipment, and garbage trucks by the Fleet Maintenance Department.

BACKGROUND AND FINDINGS:

Asset Management Department, Fleet Division currently has the requirement for filters, brakes, engine parts, body parts, supplies and other Class 8 truck parts for use by Fleet Maintenance to effectively provide repairs on City vehicles and equipment. Acquisition of these goods is essential so that Fleet Maintenance can continue to maintain the fleet and Departments, in turn, can accomplish their missions. It is also important that these parts be delivered in a timely manner so that vehicles and equipment can be turned around, placed back in service, and continue to perform required operations. This Supply

Agreement will significantly assist Fleet in ensuring the above is accomplished.

This procurement is through the BuyBoard Cooperative. The contracts awarded through the BuyBoard Cooperative have been competitively procured in compliance with Texas Local and State procurement requirements. The percentage of savings through the BuyBoard Cooperative contract is 1% to 52% off List Price for filters, brakes, engine parts, body parts, supplies and other Class 8 truck parts. Rush Truck Centers of Texas, LP dba, Rush Truck Center of Corpus Christi, Texas is the incumbent supplier of heavy equipment parts with prices remaining competitive and unchanged.

ALTERNATIVES:

An alternative would be not to secure a long-term supply agreement. However, the Asset Management Department, Fleet Division would have to purchase on individual purchase orders and these heavy equipment parts are on an as needed basis, which would not be as productive and would be much more time consuming. In addition, a long-term agreement allows for a better economy of scale.

FISCAL IMPACT:

The fiscal impact for Asset Management in FY 2021 is estimated at \$221,700.00 for this three-year supply agreement. The remaining amount will be budgeted in future years through the annual budget process

FUNDING DETAIL:

Fund:	5110 Fleet Maintenance Svc
Organization/Activity:	40180 Parts Room Operation
Mission Element:	202 Maintain the Fleet
Project # (CIP Only):	N/A
Account:	520210 Cost of Goods Sold

RECOMMENDATION:

Staff recommends the approval of this agreement with Rush Truck Centers of Texas, LP dba, Rush Truck Center of Corpus Christi, Texas for the purchase of heavy equipment parts for the Asset Management Department, Fleet Division.

LIST OF SUPPORTING DOCUMENTS:

Price Sheet
Supply Agreement