



AGENDA MEMORANDUM

Future Item for the City Council Meeting of May 13, 2014
Action Item for the City Council Meeting of May 20, 2014

DATE: May 13, 2014

TO: Ronald L. Olson, City Manager

THRU: Gustavo Gonzalez, Assistant City Manager for Public Works & Utilities
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Purchase of Freightliner Vacuum Truck

CAPTION:

Motion approving the purchase of one (1) Freightliner truck from Houston Freightliner, Inc., Houston, Texas and one (1) VAC-ALL sewer cleaner body from Waukesha-Pierce Industries, Inc., Dallas, Texas for a total amount of \$322,073.45. The award is based on the cooperative purchasing agreement with the Houston-Galveston Area Council of Governments (H-GAC). The unit is a replacement to the fleet and will be used by the Utilities Department. Funds are available in the Fleet Maintenance Services Fund FY 2013-2014.

PURPOSE:

The vacuum truck will be used by the Utilities Wastewater Department to clean and maintain 1,250 miles of wastewater collection main lines, 6" and larger in diameter. The vacuum truck will be delivered to the City in the summer of 2014. Local manufacturers' dealers – Corpus Christi Freightliner and Waukesha-Pearce Industries, Inc. will provide warranty support service.

BACKGROUND AND FINDINGS:

Not applicable.

ALTERNATIVES:

The average expected service life of this vehicle is six (6) years. The table below contains the projected 6-year life-cycle cost of each of the indicated engine types. The diesel engine proves to be the most cost-effective option, costing \$6,899.41 per vehicle less over each vehicle's 6-year life.

Standards	Meets Standard	Does Not Meet Standard	Comments
(1) <i>Reliability</i> (OEM CNG available?)		X	

(2) Specifications (CNG vehicle meets functional/mission capability requirements?)		X	Required specification is 370 HP and 1,250 LBFT torque. Maximum HP and torque in CNG configuration is 320 HP and 1,000 LBFT torque.		
(3) Emissions	Not applicable.				
(4) Exclusions	Not applicable.				
Financial Analysis					
Type of Engine	Purchase Price	Interest Cost (if lease-purchased. Over five years.)	Fuel Cost (CNG: \$1.00/diesel gal.-equivalent Diesel: \$3.00/gal.)	Projected Maintenance Cost (Average Vehicle Life at City is 6 yrs.)	Total Projected Life-Cycle Cost
CNG	N/A	N/A	N/A	N/A	N/A
Diesel	\$322,073.45	N/A	\$12,420.00	\$127,519.00	\$462,012.45
Difference per Unit in Favor of Diesel					N/A
Total Difference for Three Units in Favor of Diesel					N/A

OTHER CONSIDERATIONS:

The unit being replaced has been in service more than five years.

CONFORMITY TO CITY POLICY:

This purchase conforms to the City's purchasing policies and procedures and Texas State procurement laws.

EMERGENCY / NON-EMERGENCY:

Non-Emergency.

DEPARTMENTAL CLEARANCES:

Utilities Department

FINANCIAL IMPACT:

X Operating Revenue Capital Not applicable

Fiscal Year: 2013-2014	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		\$7,864,597.96		\$7,864,597.96
Encumbered / Expended Amount		\$3,458,931.05		\$3,458,931.05
This item		\$322,073.45		\$322,073.45
BALANCE		\$4,083,593.46		\$4,083,593.46

Fund(s): Fleet Maintenance Services Fund

Comments:

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Price Sheet.