



AGENDA MEMORANDUM

Action Item for the City Council Meeting September 13, 2022

DATE: September 13, 2022

TO: Peter Zanoni, City Manager

FROM: Charles Mendoza, Director of Asset Management
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Combined 15 Vehicles and Equipment Procurement

CAPTION:

Resolution authorizing the acquisition of 15 vehicles and equipment by various departments, of which five units will be outright purchases and 10 units will be lease-purchases through JP Morgan, for an estimated total of \$3,288,795.82, with such items to be acquired in the manner, at the amounts, and from the sources stated, with FY 2022 funding of \$536,630.69 for the purchases and the remaining balance of \$2,752,165.13 for the lease-purchase items from future FY 2023 funding, subject to appropriation.

SUMMARY:

Resolution authorizes the acquisition of a total of 15 vehicles and equipment by various departments. These units to be purchased through BuyBoard, Sourcewell, and HGACBuy cooperatives of which five units will be outright purchases and 10 units will be lease purchases.

BACKGROUND AND FINDINGS:

CCW-Wastewater is authorized to acquire by lease-purchase, via JP Morgan (i) two Freightliner 11450 Chassis for Vactor bodies from Houston Freightliner Inc., of Houston, Texas for a total amount of \$326,313.10 with funding from the Waste Water Fund; (ii) two Vactor 2100I Body from Kinloch Equipment & Supply, Inc., of Pasadena, Texas for a total amount of \$1,055,378.64 with funding from the Waste Water Fund. Items (i) will be acquired through HGACBuy Cooperative, and (ii) will be acquired through Sourcewell Cooperative.

Gas Department is authorized to acquire by lease-purchase, via JP Morgan one Western Star Freightliner from Lonestar Truck Group of Abilene, Texas for a total amount of \$264,498.60 with funding from Gas Fund to be acquired by Buyboard Cooperative.

Solid Waste Department is authorized to acquire by purchase (i) one Freightliner 108SD with brush body from Houston Freightliner Inc., of Houston, Texas for a total amount of \$198,733.34 with funding from Fleet Equipment Replacement Fund. In addition, Solid Waste Department is authorized to acquire by lease-purchase, via JP Morgan (ii) five Freightliner 108SD with brush body from Houston Freightliner Inc., of Houston, Texas for a total amount of \$1,152,621.65 with funding from the General Fund. Items (i) and (ii) will be acquired through HGACBuy Cooperative.

Public Works-Streets is authorized to acquire by purchase (i) two Holden trailers from BTE Body Co., Inc. of Irving, Texas for a total amount of \$98,498.40 with funding from the Streets Fund, and (ii) one Freightliner M2-106 from Houston Freightliner, Inc., of Houston Texas for a total amount of \$143,502.89 with funding from Fleet Equipment Replacement Fund. Item (i) will be acquired through the BuyBoard Cooperative and (ii) will be acquired though HGACBuy Cooperative.

Public Works-Storm Water is authorized to acquire by purchase one Holden trailer from BTE Body Co., Inc. of Irving Texas for a total of \$49,249.20 with funding from the Fleet Equipment Replacement Fund. Item will be acquired through the BuyBoard Cooperative.

PROCUREMENT DETAIL:

This procurement is through the BuyBoard, HGACBuy, and Sourcewell cooperatives. Contracts awarded through the above-mentioned cooperatives have been competitively procured in compliance with Texas local and state procurement requirements.

Procurement staff have modified their business practices and taken a pro-active approach to our vehicle procurement process and used all resources available to ensure vehicles and equipment can be sourced and delivered in a timely manner using economically favorable methods. The FY 2022 budget includes 373 new and replacement vehicles. The approval of this item represents a total of 100% or 373 units procured to-date for FY 2022.

ALTERNATIVES:

The alternative would be to continue using current units that are beyond their expected service lives. This would increase the cost of repairs and loss of productive man-hours due to more frequent maintenance issues.

FISCAL IMPACT:

The FY 2022 fiscal impact of these purchases total \$536,630.69 funded by various department funds. The remaining balance of \$2,752,165.13 for the lease purchase items will be funded through the annual budget process. The interest rate for the lease purchased items is 6.00% for a total cost of \$385,976.67, and a term of 60 months.

FUNDING DETAIL:

Various

RECOMMENDATION:

Staff recommends approval of this item as presented.

LIST OF SUPPORTING DOCUMENTS:

Resolution

Exhibit 1 Spreadsheet

Exhibit 2 Spreadsheet