



AGENDA MEMORANDUM

Future Item for the City Council Meeting of December 08, 2014
Action Item for the City Council Meeting of December 15, 2014

DATE: December 08, 2015

TO: Ronald L. Olson, City Manager

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Lease-Purchase of Ambulances

CAPTION:

Motion approving the lease-purchase of two ambulances from Knapp, Chevrolet, of Houston, Texas based on the Cooperative Purchasing Agreement with the Texas Local Government Cooperative, in the amount of \$319,700.00. The ambulances will be used by the EMS Division of the Fire Department. These units are a replacement to the fleet. Funds for the lease purchase of the ambulances will be provided through the City's lease/financing program.

PURPOSE:

To approve the lease-purchase of two ambulances for the EMS Division of the Fire Department for emergency medical response services.

BACKGROUND AND FINDINGS:

Currently, the City operates twelve frontline ambulances and five reserve units. These new units will replace two existing frontline ambulances which will be placed in reserve status.

ALTERNATIVES:

CNG is not available for this truck.

OTHER CONSIDERATIONS:

Financing for the lease-purchase of the ambulances is based on a sixty month term with an estimated interest rate of 2.50% for an annual payment of \$68,085.96. The total estimated cost over the five-year period, including principal of \$319,700 and interest of \$20,729.80, is \$340,429.80.

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:

Fire Department

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2015-2016	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		\$233,497.00	\$317,734.48	\$551,231.48
Encumbered / Expended Amount		\$209,953.04		\$209,953.04
This item		\$22,695.32	\$317,734.48	\$340,429.80
BALANCE		\$848.64		\$848.64

Fund(s): General Fund

Comments:

The \$22,695.32 financial impact shown above represents four months of payments that will be encumbered through the end of this fiscal year. The remaining \$317,734.48 for the fifty-six months of payments will be requested in future years during the normal budget process.

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Price Sheet.