



## AGENDA MEMORANDUM

Future Item for the City Council Meeting of July 16, 2013

Action Item for the City Council Meeting of July 23, 2013

**DATE:** July 16, 2013

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

**FROM:** Michael Barrera, Assistant Director of Financial Services  
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### Heavy Trucks

**CAPTION:**

Motion approving the lease-purchase of two (2) heavy trucks and the purchase of nine (9) heavy trucks for the total amount of \$1,211,268.00, of which \$1,015,992.00 is required for the remainder of FY 2012-2013. The heavy trucks are awarded to the following companies for the following amounts in accordance with Bid Invitation No. BI-0164-13 based on lowest responsible bid. Funding for the purchase of heavy trucks is available in the Capital Outlay Budget of the Maintenance Service Fund. Financing for the lease-purchase of heavy trucks will be provided through the City's lease/purchase financing contractor.

Corpus Christi Freightliner  
Corpus Christi, TX  
Items 1, 2, 3, 4, 7, & 8  
\$902,508.00

Santex Truck Center, Ltd.  
Corpus Christi, TX  
Items 5 & 6  
\$308,760.00

Grand Total: \$1,211,268.00

**PURPOSE:**

These heavy trucks will be used by the Solid Waste, Gas, Water, Storm Water, and Waste Water Departments.

**BACKGROUND AND FINDINGS:**

All 11 heavy trucks are replacement units to the fleet.

**ALTERNATIVES:**

Not applicable.

**OTHER CONSIDERATIONS:**

Financing for the lease-purchase of the heavy trucks is based on a sixty-month term with an estimated interest rate of 2% for an annual payment of \$41,073.00. The total estimated cost over the five-year period, including principal of \$195,276.00 and interest of \$10,089.05, is \$205,365.05. Funding is available through the General Fund.

**CONFORMITY TO CITY POLICY:**

This purchase conforms to the City's purchasing policies and procedures and State statutes regulating procurement.

**EMERGENCY / NON-EMERGENCY:**

Non-emergency

**DEPARTMENTAL CLEARANCES:**

General Services

**FINANCIAL IMPACT:**

Operating       Revenue       Capital       Not applicable

FISCAL YEAR:		Current Year		Future Years	TOTALS
		Purchase	Lease Purchase		
Budget	Purchase	4,871,953.80			4,871,953.80
	Lease Purchase		308,861.26	205,365.05	514,226.31
Encumbered/Expended amount as of 6/6/13	Purchase	(2,605,830.88)			(2,605,830.88)
	Lease Purchase		(308,861.26)		(308,861.26)
This Item	Purchase	(1,015,992.00)			(1,015,992.00)
	Lease Purchase		0.00	(205,365.05)	(205,365.05)
BALANCE	Purchase	1,250,130.92			1,250,130.92
	Lease Purchase		0.00		0.00

Fund(s): General Fund, Maintenance Service Fund

**Comments:** Funding for the purchase of heavy trucks, in the amount of \$1,015,992.00, is available in the Capital Outlay Budget of the Maintenance Service Fund for FY 2012-2013. Funding for the lease-purchase of heavy trucks is requested in the FY 2013-2014 budget. The trucks will be delivered and paid for in FY 2013 -2014; therefore, no funds are required in this fiscal year.

**RECOMMENDATION:**

Staff recommends approval of the motion as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Bid Tabulation.