



## AGENDA MEMORANDUM

Future Item for the City Council Meeting of October 29, 2013  
Action Item for the City Council Meeting of November 12, 2013

**DATE:** October 29, 2013

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

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### Peterbilt Trucks with Automated Side Loaders

**CAPTION:**

Motion approving the lease-purchase of six (6) Peterbilt trucks with automated side loaders from Rush Truck Centers of Texas, L.P., Houston, Texas for a total amount of \$1,897,112.00. The award is based on the cooperative purchasing agreement with the Texas Local Government Purchasing Cooperative (TLGPC). Funding is available from the city's lease-purchase financing contractor.

**PURPOSE:**

To be used by the Solid Waste Department for refuse collection throughout the City.

**BACKGROUND AND FINDINGS:**

These units will be replacements to the fleet. All six (6) trucks are equipped with CNG engines and are replacing diesel-fueled vehicles.

**ALTERNATIVES:**

Not applicable.

**OTHER CONSIDERATIONS:**

Financing for the lease-purchase of the Peterbilt trucks with automated side loaders is based on a sixty-month term with an estimated interest rate of 2.18% for an annual payment of \$400,820.76. The total estimated cost over the five-year period, including principal of \$1,897,112.00 and interest of \$106,991.80, is \$2,004,103.80.

**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:**

Solid Waste Department.

**FINANCIAL IMPACT:**

Operating

Revenue

Capital

Not applicable

<b>Fiscal Year: 2013-2014</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget		\$2,697,427.67	\$1,903,898.61	\$4,601,326.28
Encumbered / Expended Amount		\$2,338,954.54	\$0	\$2,338,954.54
This item		\$100,205.19	\$1,903,898.61	\$2,004,103.80
BALANCE		\$258,267.94		\$258,267.94

Fund(s): General Fund

**Comments:** The \$100,205.19 financial impact shown above represents three (3) months of payments that will be encumbered through the end of this fiscal year. The remaining \$1,903,898.61 for the last fifty-seven (57) months of the lease-purchase payments will be requested for future fiscal years during the normal budget process.

**RECOMMENDATION:**

Staff recommends approval of the motion as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Price Sheet