



AGENDA MEMORANDUM

Action Item for the City Council Meeting July 18, 2023

DATE: July 18, 2023

TO: Peter Zanoni, City Manager

FROM: Charles Mendoza, Director of Asset Management
CharlesM2@cctexas.com
(361) 826-1941

Josh Chronley, Assistant Director of Finance-Procurement
Joshc2@cctexas.com
(361) 826-3169

**Combined 29 Vehicles and Equipment Procurement,
19 Replacements and 10 New Added to the Fleet**

CAPTION:

Resolution authorizing the acquisition of 29 vehicles and equipment by various departments, of which 15 units will be outright purchases and 14 units will be lease-purchases through JP Morgan, for \$3,093,334.33, with such items to be acquired in the manner, at the amounts, and from the sources stated with FY 2023 funding in the amount of \$1,357,171.78 and the remaining balance of \$1,736,162.55 for the lease purchase items to be funded through the annual budget process.

SUMMARY:

Resolution authorizes the acquisition of a total of 29 vehicles and equipment by various departments. All 29 units will be purchased through Sourcewell and TIPS Cooperatives with 15 units to be outright purchases and 14 units to be lease purchases. Of the 29 units, 19 are replacements and 10 will be added to the fleet. Due to the difficulty in purchasing fleet vehicles and the nationwide shortage, it is imperative to act quickly.

BACKGROUND AND FINDINGS:

Gas Operations is authorized to acquire by lease purchase (i) four International CV 16000 canopy trucks; (ii) one International CV 19500 welding truck; (iii) one International CV 16000 dump truck from Kyrish Truck Centers in San Antonio, for a total amount of \$682,538.99 with \$34,126.95 FY 2023 funding from the Gas Fund. Items (i), (ii), (iii) identified in this section are to be acquired through the Sourcewell Cooperative.

The Corpus Christi Water – Water Division is authorized to acquire by lease purchase (i) four International CV 16000 crane body trucks; (ii) three International CV 19500 platform trucks from Kyrish Truck Centers in San Antonio, for a total amount of \$1,035,525.97 with \$51,776.31 FY 2023 funding from the Water Fund. Additionally, the Water Division is authorized to acquire by purchase (iii) one International CV 16000 regular cab stake body truck from Kyrish Truck Centers in San Antonio, for a total amount of \$93,462.60; (iv) two STTII-72V-25KBD mowers from Top Equipment in Georgetown, Texas, for a total amount of \$42,248.80. Items (iii) and (iv) identified in this section will be purchased with FY 2023 funding from the Fleet Equipment Replacement Fund. Items (i), (ii), (iii) and (iv) identified in this section are to be acquired through the Sourcewell Cooperative.

The Corpus Christi Water – Wastewater Division is authorized to acquire by lease purchase (i) one International CV 19500 service body truck from Kyrish Truck Centers in San Antonio, for a total amount of \$109,474.59 with \$5,473.74 FY 2023 funding from the Water Fund. Item (i) identified in this section will be acquired through the Sourcewell Cooperative.

The Asset Management – Fleet Division is authorized to acquire by purchase (i) one International CV 16000 regular cab tire truck from Kyrish Truck Centers in San Antonio, for a total amount of \$109,950.39 with FY 2023 funding from the Fleet Equipment Replacement Fund. Item (i) identified in this section will be acquired through the Sourcewell Cooperative.

The Public Works – Storm Water Division is authorized to acquire by purchase (i) one International CV 19500 regular cab 4x4 crane body truck; (ii) three International CV 16000 crew cab 4x4 cage body trucks from Kyrish Truck Centers in San Antonio, for a total amount of \$486,010.31 FY 2023 funding from the Fleet Equipment Replacement Fund. Items (i) (ii) identified in this section will be acquired through the Sourcewell Cooperative.

The Public Works – Street Division is authorized to acquire by purchase (i) one International CV 19500 regular cab bucket truck from Kyrish Truck Centers in San Antonio, for a total amount of \$152,307.69 with FY 2023 funding from the Fleet Equipment Replacement Fund. Item (i) identified in this section will be acquired through the Sourcewell Cooperative.

The Information Technology Department is authorized to acquire by purchase (i) one International CV 19500 regular cab 4x4 bucket truck from Kyrish Truck Centers in San Antonio, for a total amount of \$155,437.19 with FY 2023 funding from the Fleet Equipment Replacement Fund. Item (i) identified in this section will be acquired through the Sourcewell Cooperative.

The Parks and Recreation Department is authorized to acquire by purchase (i) four Chevrolet 1500 crew cab 4x4 trucks from Lake Country Chevrolet in Jasper, Texas, for a total amount of \$205,253.40; (ii) one STTII-72V-25KBD mower from Top Equipment in Georgetown, Texas, for a total amount of \$21,124.40 from FY 2023 Fleet Equipment Replacement Fund. Item (i) identified in this section will be acquired through the TIPS Cooperative; item (ii), identified in this section will be acquired through the Sourcewell Cooperative.

PROCUREMENT DETAIL:

The procurement is through the Sourcewell and TIPS Cooperatives. Contracts awarded through the cooperative have been competitively procured in compliance with Texas Local and State procurement requirements.

Procurement staff have modified their business practices and taken a proactive approach to our vehicle procurement process and used all resources available to ensure vehicles and equipment can be sourced and delivered promptly using economically favorable methods. The FY 2023 budget includes 355 new and replacement vehicles. The approval of this item represents a total of 71% of units procured to date for FY 2023.

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 2023 fiscal impact of these purchases totals \$1,357,171.78 funded by various department funds. The remaining balance of \$1,736,162.55 for the lease purchase items will be funded through the annual budget process. The interest rate for the lease-purchased items is 5% for a total cost of \$1,827,539.55 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