



AGENDA MEMORANDUM

Action Item for the City Council Meeting April 25, 2023

DATE: April 25, 2023
TO: Peter Zanoni, City Manager
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Combined 38 Vehicles and Equipment Procurement, 31 Replacements and Seven New Added to the Fleet

CAPTION:

Resolution authorizing the acquisition of 38 vehicles and equipment of which 31 are replacements and seven are additions, by various departments; 31 units will be outright purchases and seven units will be lease purchases through JP Morgan, for a total of \$4,579,313.60 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 \$2,768,914.55 and the remaining balance of \$1,810,399.05 for the lease purchase items will be funded through the annual budget process.

SUMMARY:

Resolution authorizes the acquisition of a total of 38 vehicles and equipment by various departments. All 38 units are purchased through Sourcewell, HGAC, BuyBoard, and The Interlocal Purchasing System (TIPS) Cooperatives with 31 units to be outright purchases and seven units to be lease-purchased. Of the 38 units, 31 are replacements and seven 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:

Corpus Christi Water – Waste Water Division is authorized to acquire by lease purchase (i) one 85G Compact Excavator from Doggett Heavy Machinery Services for a total amount of \$201,977.64 with \$20,197.74 funding from the FY 2023 Waste Water Fund. Additionally, the Waste Water Division is authorized to acquire by purchase (ii) one 17G Compact Excavator for a total amount of \$53,224.00 from Doggett Heavy Machinery Services; (iii) one Kubota

RTX1100CWL-HS Truckster with broom attachment for a total amount of \$37,590.16 from Kubota Tractor Corporation; (iv) one Chevrolet 1500 Crew Cab 4x4 for a total amount of \$53,624.12; (v) one Chevrolet 1500 Crew Cab 4x4 for the total amount of \$51,396.62 from Lake Country Chevrolet; (vi) one Ford F250 Extended Cab for a total amount of \$54,922.73 from Silsbee Ford. Items (ii) through (vi) identified in this section will be purchased with FY 2023 funding of \$250,757.63 from the FY 2023 Fleet Equipment Replacement Fund. Items (i) and (ii) identified in this section are to be acquired through the Sourcewell Cooperative. Item (iii) identified in this section will be acquired through the BuyBoard Cooperative and items (iv), (v), and (vi) identified in this section will be purchased through the TIPS Cooperative.

Corpus Christi Water – Water Division is authorized to acquire by lease purchase (i) one 444P Wheel Loader from Doggett Heavy Machinery Services for a total amount of \$234,912.39 with \$23,491.26 FY 2023 funding from the Water Fund. Additionally, the Water Division is authorized to acquire by purchase (ii) three 17G Compact Excavator for a total amount of \$159,672.00; (iii) two 50G Compact Excavators for a total amount of \$196,069.24; (iv) one BA84C 84" Angle Broom for a total amount of \$11,427.68 from Doggett Heavy Machinery Services; (v) one Kubota ZD1211RL-3-72R mower for a total amount of \$20,661.47 from Kubota Tractor Corporation; (vi) one Ford F250 Crew Cab for the total amount of \$80,693.25 and (vii) one Ford F250 Crew Cab 4x4 Diesel for a total amount of \$71,212.08 from Silsbee Ford. Items (ii) through (vii) identified in this section will be purchased with FY 2023 funding of \$539,735.72 from the Fleet Equipment Replacement Fund. Items (i), (ii), (iii) and (iv) identified in this section are to be acquired through the Sourcewell Cooperative. Item (v) identified in this section will be purchased through the BuyBoard Cooperative; items (vi) and (vii) identified in this section will be purchased through the TIPS Cooperative.

The Gas Department is authorized to acquire by lease purchase (i) one 650P Dozer with Side Boom from Doggett Heavy Machinery Services for a total amount of \$399,744.47 with \$39,974.46 funding from the FY 2023 Gas Fund; (ii) one 50GSL/ BR 50T on RGN Lowboy from J&B Pavelka for a total amount of \$100,670.23 with \$10,067.04 funding from the FY 2023 Gas Fund. Additionally, the Gas Department is authorized to acquire by purchase (iii) two 17G Compact Excavators for a total amount of \$89,629.94 and (iv) one 35G Compact Excavator for a total amount of \$86,359.85 from Doggett Heavy Machinery Services (v) one Eager Beaver 20XPT 20 Ton Tag Lowboy Trailer for a total amount of \$32,655.19 from J&B Pavelka Incorporated; (vi) three Chevrolet 1500 Crew Cab 4x4 pickup trucks from Lake Country Chevrolet for a total amount of \$154,189.86; (vii) one F250 Extended Cab Service Body Bi-Fuel CNG pickup truck from Silsbee Ford for a total amount of \$87,497.30; (viii) one Toyota RAV4 SUV from Silsbee Toyota for a total amount of \$31,627.75. Items (iii) through (viii) identified in this section will be purchased with FY 2023 Funding of \$481,959.89 funding from the Fleet Equipment Replacement Fund. Items (i), (iii), and (iv) identified in this section are to be acquired through the Sourcewell Cooperative. Items (ii) and (v) will be purchased through the HGAC Cooperative; Items (vi), (vii), and (viii) identified in this section will be purchased through the TIPS Cooperative.

The Health Department is authorized to acquire by purchase one Ford F250 Crew Cab 4x4 Diesel pickup truck from Silsbee Ford for a total amount of \$71,063.85 with funding from the FY 2023 Fleet Equipment Replacement Fund through the TIPS Cooperative.

Neighborhood Services is authorized to acquire by purchase one Ford F350 Crew Cab 4x4 Gas pickup truck from Silsbee Ford for a total amount of \$98,367.78 with funding from the FY 2023 Fleet Equipment Replacement Fund through the TIPS Cooperative.

Parks & Recreation Department is authorized to acquire by purchase (i) two 772GP Motor Graders from Doggett Heavy Machinery Services for a total amount of \$940,430.04; (ii) one Ford F350 Extended Cab Service Body Diesel pick-up truck from Silsbee Ford for a total amount of \$86,066.75 and (iii) one Toyota RAV4 Hybrid from Silsbee Toyota for a total amount of \$35,439.25. Items (i) through (iii) identified in this section will be purchased with FY 2023 funding of 1,061,936.04 Fleet Equipment Replacement Fund. Item (i) identified in this section will be purchased through the Sourcewell Cooperative. Items (ii) and (iii) identified in this section will be purchased through the TIPS Cooperative.

Solid Waste is authorized to acquire by lease purchase (i) one 644P Waste Handler for a total amount of \$522,211.23 with FY 2023 funding of \$52,221.12 from the General Fund; (ii) one 644P Wheel Loader from Doggett Heavy Machinery Services for a total amount of \$489,064.03 with FY 2023 funding of \$48,906.42 from the General Fund; (iii) one Ford F250 Regular Cab 4x4 Diesel from Silsbee Ford for a total amount of \$62,974.58 with FY 2023 funding of \$6,297.48 from the General Fund. Additionally, Solid Waste is authorized to acquire by purchase (iv) two Landa Pressure Washers with 300-gallon tanks from Washing Equipment of Texas for a total amount of \$63,938.12 with FY 2023 funding from the Fleet Equipment Replacement Fund. Items (i) and (ii), identified in this section are to be acquired through the Sourcewell Cooperative. Item (iii) identified in this section will be purchased through the TIPS Cooperative; item (iv) identified in this section will be purchased through the HGAC Cooperative.

PROCUREMENT DETAIL:

This procurement is through Sourcewell, HGAC, BuyBoard, and TIPS 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 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 63% 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 \$2,768,914.55 funded by various department funds. The remaining balance of \$1,810,399.05 for the lease purchase items will be funded through the annual budget process. The interest rate for the lease-purchased items is 7% for a total cost of \$2,011,554.57 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