



AGENDA MEMORANDUM

Future Item for the City Council Meeting of December 18, 2012
Action Item for the City Council Meeting of January 8, 2013

DATE: 12/18/2012

TO: Ronald L. Olson, City Manager

FROM: Michael Barrera, Assistant Director of Financial Services
mikeb@cctexas.com
361-826-3169

Robert Rocha, Fire Chief
rocha@cctexas.com
361-826-3932

Rescue Pumper

CAPTION:

Motion approving the lease purchase of one (1) rescue pumper from Siddons-Martin Emergency Group, of Denton, Texas based on the cooperative purchasing agreement with the Houston-Galveston Area Council of Governments (H-GAC), in the amount of \$425,000. The rescue pumper will be used by the Fire Department. Funds for the lease purchase of the rescue pumper will be provided through the City's lease/financing program.

PURPOSE:

The rescue pumper is used to fight fires and is required to maintain the existing level of emergency response service within the community.

BACKGROUND AND FINDINGS:

The rescue pumper will be used by the Fire Rescue Division of the Fire Department for emergency response services. This unit is a replacement to the fleet.

Currently, the City operates 27 fire fighting units in the fleet with 22 operating as front line units and 5 units placed in reserve status. The existing rescue pumper will replace one of the front line units which will likely be placed in reserve status. The existing reserve unit will be taken out of service and sold at public auction or transferred to another public agency.

ALTERNATIVES:

Not applicable.

OTHER CONSIDERATIONS:

The rescue pumper will be funded for a sixty-month period with an estimated interest rate of 2.75%. The annual interest rate will be determined after the acceptance of the rescue pumper. The estimated annual payment for the Fire Department is \$91,074.84. Total estimated cost over the sixty-month period, including principal of \$425,000 and interest of \$30,374.20, is \$455,374.20.

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: 2012-2013 | Project to Date Expenditures (CIP only) | Current Year | Future Years | TOTALS |
|-------------------------------|--|---------------------|---------------------|----------------|
| Line Item Budget | | \$710,413.00 | \$440,195.06 | \$1,150,608.06 |
| Encumbered / Expended Amount | | \$79,264.91 | | \$79,264.91 |
| This item | | \$15,179.14 | \$440,195.06 | \$455,374.20 |
| BALANCE | | \$615,968.95 | | \$615,968.95 |

Fund(s): Fire Department

Comments:

The \$15,179.14 financial impact shown above represents two months of payments that will be encumbered through the end of this fiscal year. The remaining \$440,195.06 for the fifty eight 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