



AGENDA MEMORANDUM

Future Item for the City Council Meeting of March 10, 2015
Action Item for the City Council Meeting of March 24, 2015

DATE: March 10, 2015

TO: Ronald L. Olson, City Manager

FROM: Gabriel Maldonado, Interim Procurement Manager
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Lease-Purchase of Aerial Platform Vehicle Unit

CAPTION:

Motion approving the lease-purchase of one (1) aerial platform vehicle unit from Siddons-Martin Emergency Group, Houston, Texas for a total amount of \$1,199,000.00, of which \$21,199.88 is required for the remainder of FY 2014-2015. The award is based on the cooperative purchasing agreement with the Texas Local Government Purchasing Cooperative (TLGPC). Financing for the lease-purchase will be provided through the City's lease-purchase financing contractor.

PURPOSE:

The aerial platform vehicle unit will be used by the Fire Rescue Division of the Fire Department for emergency response services.

BACKGROUND AND FINDINGS:

This unit will replace an existing aerial platform unit, allowing Fire Rescue to maintain the current level of service in the community.

ALTERNATIVES:

None.

OTHER CONSIDERATIONS:

Financing for the lease-purchase is based on a sixty-month term with an estimated interest rate of 2.35% for an annual payment of \$254,398.56. The total estimated cost over the five-year period, including principal of \$1,199,000.00 and interest of \$72,992.80, is \$1,271,992.80. Funding for this purchase is from monies already part of the Fire Department's lease payment schedule for FY 2014-2015.

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:

Fire Department

FINANCIAL IMPACT:

x Operating Revenue Capital Not applicable

Fiscal Year: 2014-2015	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		\$1,169,790.84	\$1,250,792.92	\$2,420,583.76
Encumbered / Expended Amount		\$1,148,590.96	\$0	\$1,148,590.96
This item		\$21,199.88	\$1,250,792.92	\$1,271,992.80
BALANCE		\$0	\$0	\$0

Fund(s): General Fund

Comments:

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Price Sheet