



## AGENDA MEMORANDUM

Action Item for the City Council Meeting February 14, 2023

**DATE:** February 14, 2023

**TO:** Peter Zanoni, City Manager

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### Combined 165 Vehicles and Equipment Procurement

#### **CAPTION:**

Resolution authorizing the acquisition of 165 vehicles and equipment by specific departments, of which 160 units are outright purchases and 5 units are lease-purchases through JP Morgan, totaling \$7,748,323.84, with such items to be acquired in the manner, at the amounts, and from the sources stated, with FY 2023 funding of \$7,162,287.58 and the remaining balance of \$586,036.26 for lease-purchase items to be funded through the annual budget process.

#### **SUMMARY:**

Resolution authorizes the acquisition of a total of 165 vehicles and equipment by various departments. All 165 units are purchased through BuyBoard, Goodbuy, and The Interlocal Purchasing System (TIPS) Cooperatives with 160 units to be outright purchased and 5 units to be lease-purchased. Of the 165 units, 97 are replacements and 68 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:**

The Airport is authorized to acquire by purchase one Ford F150 Standard Cab Truck and one Ford Mach E sedan from Silsbee Ford for a total amount of \$103,526.96 with FY 2023 funding from the Fleet Equipment Replacement Fund. All items identified in this section are to be acquired through the TIPS Cooperative.

Asset Management – Facilities Division is authorized to acquire by purchase seven Chevrolet

Express Vans from Lake Country Chevrolet for a total amount of \$308,885.50 with FY 2023 funding from the Fleet Equipment Replacement Fund. All items identified in this section are to be acquired through the TIPS Cooperative.

Asset Management – Fleet Division is authorized to acquire by purchase one Ford F150 Crew Cab and two Ford F150 Extended Cabs from Silsbee Ford for a total amount of \$152,639.41 with FY 2023 funding from the Fleet Equipment Replacement Fund. All items identified in this section are to be acquired through the TIPS Cooperative.

Corpus Christi Water – Waste Water Division is authorized to acquire by purchase eight Chevrolet Express Vans from Lake Country Chevrolet for a total amount of \$356,980.80 with FY 2023 funding from the Fleet Equipment Replacement Fund; two Ford F150 Crew Cabs, six Ford F150 Extended Cabs, three Ford Mavericks, and two Ford Ranger Crew Cabs from Silsbee Ford for a total amount of \$547,094.74 with FY 2023 funding from the Fleet Equipment Replacement Fund. All items identified in this section are to be acquired through the TIPS Cooperative.

Corpus Christi Water – Water Division is authorized to acquire by lease-purchase (i) three Wach Standard LX-VMS Skid attachments and (ii) one Wach Standard LX-VMS trailer from EH Wachs for a total amount of \$545,372.60 with \$45,447.70 FY 2023 funding from the Water Fund; (iii) purchase five Ford F150 Extended Cabs and (iv) five Ford Ranger Extended Cab from Silsbee Ford for a total amount of \$416,699.23 with FY 2023 funding from the Fleet Equipment Replacement Fund. Items (i) and (ii) identified in this section are to be acquired through the BuyBoard Cooperative; (iii) and (iv) identified in this section are to be acquired through the TIPS Cooperative.

The Communications Department is authorized to acquire by purchase one Ford Explorer from Silsbee Ford for a total amount of \$39,834.03 with FY 2023 funding from the Fleet Equipment Replacement Fund. The Explorer identified in this section is to be acquired through the TIPS Cooperative.

Development Services is authorized to acquire by purchase nine Ford Escapes and one Ford F150 Extended Cab from Silsbee Ford for a total amount of \$318,111.30 with FY 2023 funding from the Fleet Equipment Replacement Fund. All items identified in this section are to be acquired through the TIPS Cooperative.

The Engineering Department is authorized to acquire by purchase twenty-one Ford F150 Extended Cabs from Silsbee Ford for a total amount of \$961,083.90 with FY 2023 funding from the Fleet Equipment Replacement Fund. All items identified in this section are to be acquired through the TIPS Cooperative.

The Gas Department is authorized to acquire by purchase (i) one Chevrolet Express Van, from Lake Country Chevrolet for a total amount of \$60,619.90 with FY 2023 funding from the Fleet Equipment Replacement Fund; (ii) one Ford F150 Crew Cab and (iii) eight Ford F150 Extended Cabs from Silsbee Ford for a total amount of \$554,933.92 with FY 2023 funding from the Fleet Equipment Replacement Fund; (iv) lease-purchase one Ford F450 Crew Cab with Canopy Body from Silsbee Ford for a total amount of \$97,484.54 with \$11,373.18 FY 2023 funding from the Gas Fund. Items (i), (ii), and (iii) identified in this section are to be acquired through the TIPS Cooperative; (iv) identified in this section is to be acquired through the Goodbuy Cooperative.

The Health Department is authorized to acquire by purchase six Ford Escapes from Silsbee Ford

for a total amount of \$185,496.00 with FY 2023 funding from the Fleet Equipment Replacement Fund. All items identified in this section are to be acquired through the TIPS Cooperative.

The Information Technology Department is authorized to acquire by purchase one Chevrolet Express van and one Chevrolet Tahoe PPV from Lake Country Chevrolet for a total amount of \$80,374.53 with FY 2023 funding from the Fleet Equipment Replacement Fund; one Ford Escape from Silsbee Ford for a total amount of \$30,613.50 with FY 2023 funding from the Fleet Equipment Replacement Fund. All items identified in this section are to be acquired through the TIPS Cooperative.

The Library is authorized to acquire by purchase one Chevrolet Express Van from LakeCountry Chevrolet for a total amount of \$49,042.40 with FY 2023 funding from the Fleet Equipment Replacement Fund. All items identified in this section are to be acquired through the TIPS Cooperative.

Neighborhood Services is authorized to acquire by purchase three Ford Escapes, one Ford Explorer, and one Ford F150 Extended Cab from Silsbee Ford for a total amount of \$177,242.58 with FY 2023 funding from the Fleet Equipment Replacement Fund. All items identified in this section are to be acquired through the TIPS Cooperative.

Parks & Recreation Department is authorized to acquire by purchase one Ford Explorer, six Ford F150 Crew Cabs, two Ford F150 Extended Cabs, and three Ford F150 Standard Cabs from Silsbee Ford for a total amount of \$571,012.00 with FY 2023 funding from the Fleet Equipment Replacement Fund. All items identified in this section are to be acquired through the TIPS Cooperative.

The Police Department is authorized to acquire by purchase thirty-two Chevrolet Tahoe PPV's and four Chevrolet Tahoe PPV 4X4 from Lake Country Chevrolet for a total amount of \$1,572,732.72 with FY 2023 funding from the Fleet Equipment Replacement Fund and Crime Control Fund; three Ford F150 Police Responders from Silsbee Ford for a total amount of \$150,685.99 with FY 2023 funding from the Crime Control Fund. All items identified in this section are to be acquired through the TIPS Cooperative.

Public Works – Storm Water Division is authorized to acquire by purchase three Ford F150 Crew Cabs from Silsbee Ford for a total amount of \$158,522.32 with FY 2023 funding from the Fleet Equipment Replacement Fund. All items identified in this section are to be acquired through the TIPS Cooperative.

Public Works – Streets Division is authorized to acquire by purchase four Ford F150 Crew Cabs and one Ford F150 Extended Cab from Silsbee Ford for a total amount of \$257,119.73 with FY 2023 funding from the Fleet Equipment Replacement Fund. All items identified in this section are to be acquired through the TIPS Cooperative.

Solid Waste is authorized to acquire by purchase one Ford F150 Crew Cab from Silsbee Ford for a total amount of \$52,215.24 with FY 2023 funding from the Fleet Equipment Replacement Fund. The Crew Cab identified in this section is to be acquired through the TIPS Cooperative.

**PROCUREMENT DETAIL:**

This procurement is through the BuyBoard, TIPS, and Goodbuy 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 52% 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 \$7,162,287.58 funded by various department funds. The remaining balance of \$586,036.26 for the lease-purchase items will be funded through the annual budget process. The interest rate for the lease-purchase items is 5.75% for a total cost of \$642,857.14 and a term of 60 months. Contingent funding of 10% has been included in the amounts and is authorized to be accessed and expended only on an as-needed basis and per individual item acquired, due to the ongoing volatility of market conditions and continuing supply chain issues being experienced.

**FUNDING DETAIL:**

Various

**RECOMMENDATION:**

Staff recommends approval of this item as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution  
Exhibit 1 Spreadsheet  
Exhibit 2 Spreadsheet