



AGENDA MEMORANDUM

Action Item for the City Council Meeting July 16, 2024

DATE: July 16, 2024

TO: Peter Zaroni, City Manager

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Purchase and Lease-Purchase of 29 Vehicles and Equipment

CAPTION:

Resolution authorizing the acquisition of 20 replacement and nine additional vehicles/heavy equipment by various City Departments, of which 21 units will be outright purchases and eight units will be lease-purchases, through the BuyBoard, Sourcewell, HGAC, and TIPS Cooperatives for a total amount of \$6,700,089.63, with FY 2024 funding amount for these 29 units totaling \$4,381,549.00, with \$669,152.87 coming from the General Fund, \$2,445,218.84 coming from the Fleet Equipment Replacement Fund, \$1,054,365.89 coming from the Storm Water Fund, \$112,689.40 coming from the Facility and Property Management Fund, and \$100,122.00 coming from the Wastewater Fund, with the remaining balance of \$2,318,540.63 for the lease purchase items being funded through the annual budget process.

SUMMARY:

This resolution authorizes the acquisition of 20 replacement vehicles and equipment and nine additional vehicles and equipment by various City Departments, of which 21 units will be outright purchases and eight units will be lease-purchases. All 29 units will be purchased through the BuyBoard, Sourcewell, HGAC, and TIPS Cooperatives.

BACKGROUND AND FINDINGS:

Asset Management:

Asset Management will purchase three additional Toyota Tacoma trucks from Silsbee Toyota through the TIPS Cooperative for \$112,689.40, with funding from the FY 2024 Facility and Property Management Fund through the TIPS Cooperative. Facilities hired additional field staff who will receive the current supervisor vehicles, and the additional Toyota Tacoma trucks will be used by Asset Management supervisors to inspect field staff work. The current supervisor trucks are larger than the Toyota Tacoma trucks, which will allow the field staff to carry more equipment.

Corpus Christi Water:

The Corpus Christi Water (CCW) Department will purchase one additional PipeHunter Jetter trailer from Underground, Inc. through the HGAC Cooperative for \$100,122.00, with funding from the FY 2024 Wastewater fund. CCW currently has two jetting trucks, with one to be replaced in FY25 and one to be replaced in FY26. Due to age, they are downed for expensive repairs often. The additional PipeHunter Jetter trailer is less expensive, has greater off-road maneuverability due to less weight, and has a shorter lead time to receive, than a jetting truck. The trailer will be used to unclog wastewater service lines. CCW will also purchase one replacement Kubota M5 Tractor from Ewald Kubota, Inc. through the Sourcewell Cooperative for \$72,396.74, with funding from the FY 2024 Fleet Equipment Replacement Fund. The replacement tractor will be used to maintain 200 acres of City property at Wesley Seale Dam.

CCW will also purchase one replacement Freightliner M2 crew truck and one replacement Freightliner M2-106 chassis from Houston Freightliner, Inc. through the HGAC Cooperative for a combined amount of \$319,825.00, with funding from the FY 2024 Fleet Equipment Replacement Fund. The crew truck will be used to transport staff and equipment for the repairs of wastewater mains, service lines, and manholes. The chassis will be used to support the Vactor impact body that is listed below.

CCW will also purchase one replacement Vactor impact body from Kinloch Equipment and Supply, Inc. through the HGAC Cooperative for \$284,395.10, with funding from the FY 2024 Fleet Equipment Replacement Fund. The Vactor impact body will be installed onto replacement Freightliner 106 chassis for the replacement Freightliner M2 crew truck. The Vactor impact body is used to flush wastewater mains and services lines as well as to clear manholes of water.

Gas:

The Gas Department will purchase one replacement Freightliner M2-106 canopy crew truck from Houston Freightliner, Inc. through the HGAC cooperative for \$215,924.50, with funding from the FY 2024 Fleet Equipment Replacement Fund. The canopy crew truck will be used to transport construction personnel and equipment to job sites.

The Gas Department will also purchase one replacement Western Star flatbed truck from Doggett Freightliner through the BuyBoard Cooperative for \$219,774.50, with funding from the FY 2024 Fleet Equipment Replacement Fund. The flatbed truck will be used to transport pipe and material to construction job sites.

Police:

The Corpus Christi Police Department (CCPD) will purchase one replacement Ford F-450 regular cab wrecker truck from Silsbee Ford through the TIPS Cooperative for \$172,139.83, with funding from the FY 2024 General Fund. The wrecker truck will be used to move vehicles and equipment in the Vehicle Impound facility.

Public Works:

Public Works will purchase one additional Peterbilt Digger Derrick from National Auto Fleet Group through the Sourcewell Cooperative for \$374,984.50, with funding from the FY 2024 General Fund. The digger derrick will be used for the installation and maintenance of traffic signal poles. This purchase will reduce reliance on contractual support and provide improved response time for emergencies. The purchase of the additional digger derrick is an FY 2024 Budget Initiative.

Public Works will also purchase one additional Gradall XL3100 excavator from Waukesha-Pearce Industries LLC., through the BuyBoard Cooperative for \$610,416.89, with funding from the FY 2024 Storm Water Fund. The excavator is part of a new supervisor and eight-person crew that will provide minor channel maintenance to ditches in residential neighborhoods for the maintenance and repairs of storm

water system lines. The purchase of the additional excavator is an FY 2024 Budget Initiative.

Public Works will also purchase three additional and five replacement Western Star 47X 18-yard dump trucks from Doggett Freightliner through the BuyBoard Cooperative for \$1,776,852.00, with funding from the FY 2024 Fleet Equipment Replacement Fund and the FY 2024 Storm Water Fund. The dump trucks are part of a new supervisor and eight-person crew that will provide minor channel maintenance to ditches in residential neighborhoods and will be used to haul material to and from wastewater repair sites. The purchase of the three additional dump trucks is an FY 2024 Budget Initiative.

Solid Waste:

The Solid Waste Department will lease-purchase: two replacement MAC walking floor trailers from BTE Body Co. Inc., through the BuyBoard Cooperative for \$328,947.12, with funding from the FY 2024 General Fund. The trailers will be used to haul refuse from the transfer station to the landfill.

Solid Waste will also lease-purchase one replacement Western Star 47X McNeilus rear packer and three replacement Western Star 47X roll-off trucks from Doggett Freightliner through the BuyBoard Cooperative for a combined amount of \$1,238,609.39, with funding from the FY 2024 General Fund. The rear packers will be used to remove refuse and recycled material from alleyways and town-home subdivisions. The roll trucks will be used to haul wastewater sludge from wastewater treatment plants to the landfill.

Solid Waste will also lease-purchase one replacement Kenworth L770 refuse truck from MHC Kenworth Dallas through the BuyBoard Cooperative for \$502,404.35, with funding from the FY 2024 General Fund. The refuse truck will be used for residential curbside collection.

Solid Waste will also lease-purchase one replacement Peterbilt 220 refuse truck from Rush Truck Centers of Texas through the BuyBoard Cooperative for \$370,608.31, with funding from the FY 2024 General Fund. The refuse truck will be used to remove refuse and recycled material from smaller alleyways and town-home subdivisions.

Below is a summary table that provides an overview of the 29 vehicles/equipment to be purchased/lease-purchased from each of the four co-ops (BuyBoard, Sourcewell, HGAC, and TIPS). The summary table includes a description of the vehicles/equipment as well as respective quantities and pricing.

Co-op	Description	Quantity	Cost
BuyBoard	MAC Walking floor Trailers	2	\$328,947.12
BuyBoard	Western Star Rear Packer	1	\$381,134.72
BuyBoard	Western Star Roll-Off Trucks	3	\$857,474.67
BuyBoard	Kenworth w/LaBrie ASL Refuse Truck	1	\$502,404.35
BuyBoard	Peterbilt ASL Refuse Truck	1	\$370,608.31
BuyBoard	Western Star Dump Trucks	8	\$1,776,852.00
BuyBoard	Western Star Flatbed Truck	1	\$219,774.50
BuyBoard	Gradall Excavator	1	\$610,416.89
Total		18	\$5,047,612.56
Sourcewell	Kubota Tractor	1	\$72,396.74
Sourcewell	Peterbilt Digger Derrick	1	\$374,984.50
Total		2	\$447,381.24
HGAC	Freightliner Canopy Crew Truck	1	\$215,924.50
HGAC	Freightliner Chassis for Vector Body	1	\$122,930.50

HGAC	Freightliner Crew Truck	1	\$196,894.50
HGAC	Vactor Body	1	\$284,395.10
HGAC	Jetter Trailer	1	\$100,122.00
Total		5	\$920,266.60
TIPS	Ford F450 Wrecker Truck	1	\$172,139.83
TIPS	Toyota Tacoma Trucks	3	\$112,689.40
Total		4	\$284,829.23
Sum Total		29	\$6,700,089.63

PROCUREMENT DETAIL:

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

Asset Management and Purchasing conducted a bid process and cooperative cost comparison for a group of 98 vehicles. As compared to the eight local dealers, the cooperatives had either the best price or the second-best price on all but five of the 98 units. However, pricing is not the only driver for purchase. With the automotive market still recovering from a strike and global supply demand, vehicle availability drives pricing. The local dealers have a two-week turnover time on their lots, whereas the City bid process and the City Council approval process take up to five or six months. The local dealers no longer want to bid on vehicle delivery because they do not want to hold units that long. Additionally, City Departments require certain specifications for their respective units to fulfill mission requirements, which may not be available in locally purchased units. If not already fitted, then the City would have to pay retail for upfitting rather services rather than receiving discounted pricing rolled into the purchase price through the cooperatives.

Procurement has modified their business practices for a proactive approach to the City’s vehicle procurement process. The modified business practice uses all resources available to ensure that vehicles and equipment are sourced and delivered in a timely manner while using economically favorable methods. The FY 2024 budget includes 236 new and replacement vehicles and equipment. With the approval of this item, a total of 96% (228 units) will have been procured year-to-date.

ALTERNATIVES:

The alternative is not to approve these purchases and lease-purchases and instead continue using current units that are beyond their expected service lives. This would increase the cost of repairs and result in a loss of productive man-hours due to more frequent maintenance issues. It would also affect employee safety since the current units are beyond their expected services lives and could suffer malfunctions and other issues.

FISCAL IMPACT:

The FY 2024 fiscal impact of these purchase totals \$4,381,549.00 funded by various department funds. The remaining balance of \$2,318,540.63 for the lease-purchase units includes \$258,725.55 in total interest based upon a 4.50% interest rate and a term of 60 months. The \$2,318,540.63 will be funded through the annual budget process for the Solid Waste Department.

All of the 29 units were approved as part of the FY 2024 Budget process. Five of the units are FY 2024 Budget Initiatives (one Peterbilt Digger Derrick for Public Works, one Gradall XL3100 excavator for Public Works, and three Western Star 47X 18-yard dump trucks for Public Works).

FUNDING DETAIL:

Fund Name	Accounting Unit	Account No.	Amount
General	1020-12504-31	530190	\$16,447.38
General	1020-12510-31	530190	\$62,707.41
General	1020-12513-31	530190	\$42,873.75
General	1020-11770-29	550020	\$172,139.83
General	1020-12460-33	550020	\$374,984.50
Wastewater	4200-33600-46	550020	\$100,122.00
Storm Water	4300-32005-47	550020	\$1,054,365.89
Fleet Equipment Replacement	5111-12431-13	550020	\$223,030.50
Fleet Equipment Replacement	5111-30201-13	550020	\$72,396.74
Fleet Equipment Replacement	5111-32000-13	550020	\$1,109,872.50
Fleet Equipment Replacement	5111-33000-13	550020	\$604,220.10
Fleet Equipment Replacement	5111-34000-13	550020	\$435,699.00
Facility and Property Management	5115-40300-12	550020	\$112,689.40
Total			\$4,381,549.00

RECOMMENDATION:

Staff recommends approval of this item authorizing the acquisition of 20 replacement and nine additional vehicles/equipment by various City Departments, as presented.

LIST OF SUPPORTING DOCUMENTS:

- Resolution
- Exhibit 1 Spreadsheet
- Exhibit 2 Spreadsheet