



AGENDA MEMORANDUM

Ordinance for the City Council Meeting of April 11, 2017

DATE: April 11, 2017

TO: Margie C. Rose, City Manager

FROM: Jim Davis, Director of Fleet Maintenance
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<p>Appropriating Funds for Purchase of One Peterbilt 320 Compressed Natural Gas (CNG) Recycling Truck</p>
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CAPTION:

Ordinance appropriating \$219,000 from the reserved future replacement account into the capital outlay expenditure account in Maintenance Services Fund No. 5110 for the purchase of one 2012 Peterbilt 320 compressed natural gas (CNG) recycling truck; amending the FY2016-17 operating budget adopted by Ordinance No. 030965 by increasing expenditures by \$219,000; authorizing the City Manager or designee to execute all necessary documents to purchase the recycling truck for \$219,000 from Rush Truck Center, of New Braunfels, through the Texas Local Government Purchasing Cooperative dba Buyboard, for use by Solid Waste Operations; and declaring an emergency.

PURPOSE:

The purchase will enable the Solid Waste recycling fleet to increase spare equipment in order to accommodate both scheduled and unscheduled maintenance on these recycling vehicles.

BACKGROUND AND FINDINGS:

On March 3, 2017, a CNG powered recycling truck was destroyed by fire. Recycling collections requires 11 trucks per day, with one spare vehicle available currently. The purchase of truck in question will increase the recycling fleet's spare vehicles to two. Purchase of this additional vehicle significantly reduces the City's risk in recycling collection. Purchase of this 2012 unit is \$219,000, which represents significant savings to the City. This is a new unit left in inventory that has never been titled by the dealership. Current cost of an equivalent 2017 unit is \$328,000.

ALTERNATIVES:

The only option is to delay the purchase of the capital equipment until after the adoption of the FY 2017-2018 budget; however, the delay would negatively impact operations and increase risk in the ability of the Solid Waste Department to collect recyclables.

OTHER CONSIDERATIONS:

Not applicable

CONFORMITY TO CITY POLICY:

This purchase conforms to the City's purchasing policies and procedures and State statutes regulating procurement. This procurement is necessary because of unforeseen damage to public machinery, equipment or other property pursuant to Texas Local Government Code section 252.0222(a)(3)

EMERGENCY / NON-EMERGENCY:

Emergency

DEPARTMENTAL CLEARANCES:

Fleet Maintenance
Solid Waste Operations

FINANCIAL IMPACT:

X Operating ☐ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2016-2017	Current Year	Future Years	TOTALS
Line Item Budget	\$219,000	\$0.00	\$219,000
Encumbered / Expended Amount	\$0.00	\$0.00	\$0.00
This item	\$219,000	\$0.00	\$219,000
BALANCE	\$0.00	\$0.00	\$0.00

Fund(s): Maintenance Services Fund - 5110

Comments: N/A

RECOMMENDATION:

Staff recommends approval of the ordinance as presented.

LIST OF SUPPORTING DOCUMENTS:

Ordinance

Price Sheet