



## **AGENDA MEMORANDUM**

Future Item for the City Council Meeting of September 19, 2017  
Action Item for the City Council Meeting of October 24, 2017

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**DATE:** September 19, 2017

**TO:** Margie C. Rose, City Manager

**FROM:** E. Jay Ellington, Director of Parks and Recreation Department  
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(361) 826-3464

<b>Motion to authorize rental payments for two motor graders and three loaders</b>
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**CAPTION:**

Motion to authorize payments totaling \$219,736 for the rental of the beach operations equipment (two motor graders and three loaders) from Doggett Heavy Machinery Services LLC for the period June 2017 through January 2018.

**PURPOSE:**

To authorize rental payments for two motor graders and three loaders from Doggett Heavy Machinery Services LLC.

**BACKGROUND AND FINDINGS:**

The current rental equipment will be returned and replaced with the new purchased equipment, which is anticipated to be delivered in January 2018.

The calculated monthly rental amount is \$27,467.00 under the current rental agreement. The total of rental payments from June 2017 through January 2018 is \$219,736. The payments are included in the Adopted FY2017-18 Budget in the General Fund and State HOT Beach Fund.

**ALTERNATIVES:**

None

**OTHER CONSIDERATIONS:**

The continued rental of the current beach operations equipment under the current agreement has been necessary to preserve or protect the public health and safety of the municipality's residents consistent with Texas Local Government Code Section 252.022 (a)(2).

**CONFORMITY TO CITY POLICY:**

City Council must authorize payments over \$50,000.

**EMERGENCY / NON-EMERGENCY:**

Non-emergency

**DEPARTMENTAL CLEARANCES:**

Parks and Recreation Department  
Legal

**FINANCIAL IMPACT:**

X Operating

☐ Revenue

☐ Capital

☐ Not applicable

<b>Fiscal Year: 2017-2018 12940</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget	\$234,000.00	\$0.00	\$234,000.00
Encumbered / Expended Amount	\$6,861.33	\$0.00	\$6,861.33
This item	\$126,224.00		\$126,224.00
BALANCE	\$100,914.67	\$0.00	\$100,914.67

Fund(s): General Fund

**Comments:** The Current Year "This item" includes rental payments for two loaders and one grader.

<b>Fiscal Year: 2017-2018 13836</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget	\$170,000.00	\$0.00	\$170,000.00
Encumbered / Expended Amount	\$10,740.00	\$0.00	\$10,740.00
This item	\$93,512.00		\$93,512.00
BALANCE	\$65,748.00	\$0.00	\$65,748.00

Fund(s): State HOT Fund

**Comments:** The Current Year "This item" includes rental payments for one loader and one grader.

**RECOMMENDATION:**

Staff recommends approval of the motion as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Rental Equipment List