



AGENDA MEMORANDUM

Future Item for the City Council Meeting of May 14, 2019
Action Item for the City Council Meeting of May 21, 2019

DATE: May 14, 2019

TO: Keith Selman, Interim City Manager

FROM: Fred Segundo, Director of Aviation

FredS@cctexas.com

(361) 289-0171

Kim Baker, Director of Contracts and Procurement

KimB2@cctexas.com

(361) 826-3169

Lease Purchase of Articulating Boom Lift for CCIA
--

CAPTION:

Motion authorizing a three-year service agreement with All Around Access LLC of Naples, Florida for the lease purchase of an articulating boom lift including a three-year extended warranty service for a total amount not to exceed \$99,889.59.

PURPOSE:

This item allows for the lease purchase of an articulating boom lift with a three-year warranty.

BACKGROUND AND FINDINGS:

The Aviation Department needs an articulating boom lift to perform maintenance and repair projects on the airport terminal, including remote airport structures, on a regular basis. This lift will be used for maintenance and repair of exterior lighting fixtures, external facia of terminal and associated buildings, airside and landside grounds and landscape year-round. The department does not currently own an articulating boom lift and has been renting one to perform maintenance and repairs on the airport property. The department has determined it is more cost effective to lease purchase an articulating boom lift due to the aging terminal and facilities requiring more frequent maintenance. The purchase of an articulating boom lift will also provide the Aviation Department the capability to perform repairs in a timely manner.

The Purchasing Division conducted a competitive Request for Bid (RFB) process and received three bids and one no bid. Staff recommends award to the lowest responsive, responsible bidder, All Around Access LLC.

ALTERNATIVES:

Not applicable

OTHER CONSIDERATIONS:

Financing for the lease purchase of the articulating boom lift is based on a sixty-month term with an estimated interest rate of 4.20% for an annual estimated payment of \$19,977.92. The total estimated cost over the five-year period, including principal of \$89,957.00 and interest of \$9,932.59 is \$99,889.59.

Total Lease Purchase Price:	\$89,957.00
Total estimated allowable interest for Lease:	<u>\$ 9,932.59</u>
Grand Total:	\$99,889.59

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:

Aviation Department

FINANCIAL IMPACT:

X Operating ☐ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2018-2019	Current Year	Future Years	TOTALS
Line Item Budget	\$15,000.00	\$89,900.64	\$104,900.64
Encumbered / Expended Amount	\$0	\$0	\$0
This item	\$9,988.95	\$89,900.64	\$99,889.59
BALANCE	\$5,011.05	\$0	\$5,011.05

Funding Detail:

Fund:	4610 Airport
Organization/Activity:	35040 Facilities
Mission Element:	271 Maintain Facilities on Airport Property
Project # (CIP Only):	N/A
Account:	530190 Lease Purchase Payments

RECOMMENDATION:

Staff recommends approval of the resolution as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation
Service Agreement