

City of Seguin
Finance Department
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Memorandum

Date: December 15, 2015

To: Mayor and City Councilmembers
Douglas Faseler, City Manager

From: Twila Wood
Purchasing Manager

Subject: Purchase of a Dump Truck

The City's 2015-2016 Budget provides for the purchase of a Dump Truck in the amount of \$75,000 for Water/Wastewater Utilities. The new equipment is required due to the addition of a new work crew in the department.

The equipment is available on a State of Texas term contract. The Texas Procurement and Support Services Cooperative Purchasing Program (State of Texas CO-OP) provides volume purchasing power to local governments through the use of state term contracts, multiple-award schedule (TxMAS) contracts, and piggyback contracts. Use of these contracts meet all competitive bidding requirements.

A quote for a 2016 Freightliner M2-106 with an 7-8 cu.yd. capacity dump body in the amount of \$83,021 was obtained from Doggett Freightliner in San Antonio. Delivery is expected within 30 days.

The purchase is over budget by \$8,021. In November, Council approved the purchase of two backhoes for the Water/Wastewater Utilities Department. The budget allowed \$90,000 each, or \$180,000. The purchase price was \$85,384 each, totaling \$170,768, leaving an available balance of \$9,232 which will provide the additional funding needed for the purchase of the dump truck.

Staff recommends approval.