



STAFF REPORT

DATE: January 8, 2019

TO: Ronald L. Olson, City Manager

FROM: Jonathan Locke, Executive Director of Finance

SUBJECT: Procurement of Fleet Replacement Vehicles and Equipment.

BACKGROUND AND FINDINGS:

Funding for the acquisition of replacement vehicles and equipment was approved as part of the City's FY 2018 and FY 2019 Budget processes. The Fleet Services Division maintains an annual vehicle and equipment replacement schedule. The criteria used to establish this replacement schedule is based upon available funding, units per category, age, mileage/hours, repair costs, and department/division feedback. The annual fleet replacement budget for FY 2017 and FY 2018 was \$752,155 and \$4,444,596, respectively. The FY 2019 Budget includes \$4,613,300 for fleet replacement.

In addition to the budgeted replacement vehicles, this fleet procurement addresses the replacement of a street sweeper that was involved in a single vehicle roll-over accident October 15, 2018. The sweeper unit was damaged beyond repair. The total cost to replace the street sweeper is \$240,760. The City received insurance proceeds in the amount of \$196,166 leaving a balance of \$44,594 to replace the vehicle.

The following proposed vehicles and equipment will be utilized to support each department's mission and replace those that have exceeded their useful life. The procurements are listed below:

Department/Division	Description	Qty.	Fund Year
Solid Waste Commercial	2020 Autocar/McNeilus Front Loader	3	FY18 & 19
Solid Waste Commercial	2020 Autocar/Galbreath Roll-Off	1	FY19
Solid Waste Residential	2020 Autocar/Bridgeport Auto Side Loader	4	FY18 & 19
Solid Waste Residential	2020 Freightliner/McNeilus Rear Loader	1	FY18
Solid Waste Residential	2020 Freightliner/Petersen Brush Truck	2	FY18 & 19
Drainage Utility Maint.	2019 TYMCO Model 600 Regen Air Sweeper	1	FY19

The existing vehicles being replaced are on average 13 years of age and have an average of 156,000 miles.

THE ALTERNATIVES CONSIDERED:

- 1.) Defer replacement, which will cause the departments to continue to operate in a reduced resource capacity, incur increased maintenance costs, and lose residual value in the existing vehicles.
- 2.) Replace the vehicles in order to provide safe and effective services and achieve the least cost of ownership.

Which alternative is recommended? Why?

The second alternative is recommended in order to meet the departments' mission and operate in the safest and most cost effective manner.

CONFORMITY TO CITY POLICY:

The City of Killeen is a member of several purchasing cooperatives that are in compliance with Texas Local Government Code section 271.102. Purchases made through a cooperative satisfy competitive bid requirements.

FINANCIAL IMPACT:

The purchase pricing from Chastang Enterprises, Inc. for three (3) Solid Waste Commercial Division front loader refuse trucks utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Cost/Unit	Total
2020 Autocar/McNeilus Front Loader Refuse Truck	\$292,374.00	\$877,122.00

The purchase pricing from Chastang Enterprises, Inc. for one (1) Solid Waste Commercial Division roll-off truck utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Total
2020 Autocar/Galbreath Roll-Off Truck	\$215,322.00

The purchase pricing from Chastang Enterprises, Inc. for four (4) Solid Waste Residential Division automated side loader refuse trucks utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Cost/Unit	Total
2020 Autocar/Bridgeport Auto Side Loader Refuse Truck	\$283,752.00	\$1,135,408.00 *

*Includes \$400 BuyBoard fee for the purchase of the eight (8) Chastang Enterprises, Inc. vehicles.

The purchase pricing from Freightliner of Austin for one (1) Solid Waste Residential Division rear loader refuse truck utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Total
2020 Freightliner/McNeilus Rear Loader Refuse Truck	\$194,663.90

The purchase pricing from Freightliner of Austin for two (2) Solid Waste Residential Division brush trucks utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Cost/Unit	Total
2020 Freightliner/Petersen Brush Truck	\$156,996.40	\$314,392.80 *

*Includes \$400.00 BuyBoard fee for all three (3) Freightliner of Austin purchases

The purchase pricing from TYMCO, Inc. for one (1) Drainage Utility Maintenance Division street sweeper utilizing the Houston Galveston Area Council (HGAC) Cooperative is as follows:

Make/Model	Total
2019 TYMCO Model 600 Regenerative Air Sweeper	\$240,760.00 *

*TML Insurance settlement will cover \$196,166.

What is the amount of the expenditure in the current fiscal year? For future years?

Item	FY19
Solid Waste Commercial 2020 Autocar/McNeilus Front Loaders	\$877,122.00
Solid Waste Commercial 2020 Autocar/Galbreath Roll-Off	\$215,322.00
Solid Waste Residential 2020 Autocar/Bridgeport Auto Side Loader Trucks	\$1,135,408.00
Solid Waste Residential 2020 Freightliner/McNeilus Rear Loader Truck	\$194,663.90
Solid Waste Residential 2020 Freightliner/Petersen Brush Trucks	\$314,392.80
Drainage Utility Maintenance 2019 TYMCO Model 600 Regen Air Sweeper	\$240,760.00
Total	\$2,977,668.70

Is this a one-time or recurring expenditure?

These are one-time expenditures.

Is this expenditure budgeted? If not, where will the money come from?

Upon approval of the FY 2018 Carry Forward Budget Amendment, funds will be available as shown below:

Division/Department	Account	Cost	Available Funds
Solid Waste Commercial	388-3465-439.61-10	\$1,092,444.00	\$1,229,300.00
Solid Waste Residential	388-3460-439.61-10	\$1,644,464.70	\$1,687,520.00
Drainage Utility Maintenance	375-3445-434.61-35	\$240,760.00	\$240,760.00

Is there a sufficient amount in the budgeted line-item for this expenditure?

Yes, upon approval of the FY 2018 Carry Forward Budget Amendment.

RECOMMENDATION:

Staff recommends that City Council approve the procurement of the fleet as stated above and that the City Manager or designee be authorized to execute any change orders as permitted by state and local law.

DEPARTMENTAL CLEARANCES:

Public Works Department
Purchasing
Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Chastang Quotes
Freightliner Quotes
TYMCO Quote
Certificates of Interested Parties