



STAFF REPORT

DATE: February 19, 2019

TO: Ronald L. Olson, City Manager

FROM: Jonathan Locke, Executive Director of Finance

SUBJECT: Procurement of Fleet Replacement Vehicles.

BACKGROUND AND FINDINGS:

Funding for the acquisition of replacement vehicles and equipment was approved as part of the City's 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.

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.
Sanitary Sewer	2019 Peterbilt/Progress Vacuum Truck	1
Sanitary Sewer	2018 Isuzu/John Bean Sewer Cleaner Truck	1
Solid Waste Commercial	2020 Chevrolet 1500 Stake Bed Truck	1
Solid Waste Commercial	2019 Ford F550 Container Hauler Truck	1
Street Operations	2019 Chevrolet 1500 Pickup	1
Street Operations	2020 Chevrolet 3500 Service Body Truck	2
Utility Collections	2019 Ford F150 Pickup	7
Water Distribution	2020 Chevrolet 3500 Service Body Truck	1
Water & Sewer Ops	2020 Chevrolet 3500 Service Body Truck	1

The existing vehicles being replaced are on average 15 years of age and have an average of 125,000 miles.

THE ALTERNATIVES CONSIDERED:

- 1.) Defer replacement, which could cause the departments to operate in a reduced resource capacity, incur increased maintenance costs, and lose any remaining 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 Rush Truck Center for one (1) Sanitary Sewer Division vacuum truck utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Cost/Unit	Total
2019 Peterbilt/Progress Vacuum Truck	\$172,877.00	\$172,877.00

The purchase pricing from Rush Truck Center for one (1) Sanitary Sewer Division Sewer Cleaner truck utilizing the Houston Galveston Area Council (HGAC) Cooperative is as follows:

Make/Model	Total
2018 Isuzu/John Bean Sewer Cleaner Truck	\$146,556.00

The purchase pricing from Caldwell Country for one (1) Solid Waste Commercial Division half-ton stake bed truck utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Total
2020 Chevrolet 1500 Stake Bed Truck	\$29,918.00*

*Includes \$400.00 BuyBoard fee for all six (6) Caldwell Country purchases

The purchase pricing from Chastang Ford for one (1) Solid Waste Commercial Division container hauler truck utilizing the Houston Galveston Area Council (HGAC) Cooperative is as follows:

Make/Model	Total
2019 Ford F550 Container Hauler Truck	\$78,886.00

The purchase pricing from Caldwell Country for one (1) Street Operations Division half-ton pickup truck utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Total
2019 Chevrolet 1500 Pickup Truck	\$29,935.00

The purchase pricing from Caldwell Country for two (2) Street Operations Division one-ton service body trucks utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Cost/Unit	Total
2020 Chevrolet 3500 Service Body Truck	\$50,545.00	\$101,090.00

The purchase pricing from Silsbee Ford for seven (7) Utility Collections Division half-ton pickup trucks utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Cost/Unit	Total
2019 Ford F150 Pickup Truck	\$23,960.00	\$168,120.00*

*Includes \$400.00 BuyBoard fee for the seven (7) Silsbee Ford purchases

The purchase pricing from Caldwell Country for one (1) Water Distribution Division one-ton service body truck utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Total
2020 Chevrolet 3500 Service Body Truck	\$41,598.00

The purchase pricing from Caldwell Country for one (1) Water & Sewer Operations Division one-ton service body truck utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Total
2020 Chevrolet 3500 Service Body Truck	\$43,973.00

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

Item	FY19
Sanitary Sewer 2019 Peterbilt/Progress Vacuum Truck	\$172,877.00
Sanitary Sewer 2018 Isuzu/John Bean Sewer Cleaner Truck	\$146,556.00
Solid Waste Commercial 2020 Chevrolet 1500 Stake Bed Truck	\$29,918.00
Solid Waste Commercial 2019 Ford F550 Container Hauler Truck	\$78,886.00
Street Operations 2019 Chevrolet 1500 Pickup Truck	\$29,935.00
Street Operations 2020 Chevrolet 3500 Service Body Trucks	\$101,090.00
Utility Collections 2019 Ford F150 Pickup Trucks	\$168,120.00
Water Distribution 2020 Chevrolet 3500 Service Body Truck	\$41,598.00
Water & Sewer Ops 2020 Chevrolet 3500 Service Body Truck	\$43,973.00
Totals	\$812,953.00

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?

These expenditures are budgeted in the following accounts:

Division/Department	Account	Cost	Available Funds
Sanitary Sewer	387-3415-437.61-35	\$172,877.00	\$209,573.00
Sanitary Sewer	387-3415-437.61-10	\$146,556.00	\$200,000.00
Solid Waste Commercial	388-3465-439.61-10	\$108,804.00	\$136,856.00
Street Operations	349-3445-434.61-10	\$131,025.00	\$157,188.00
Utility Collections	387-2050-411.61-10	\$168,120.00	\$176,000.00
Water Distribution	387-3410-436.61-10	\$41,598.00	\$65,000.00
Water & Sewer Operations	387-3420-438.61-10	\$43,973.00	\$288,700.00

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

Yes, in the amount indicated in the table above.

RECOMMENDATION:

Staff recommends that City Council approve the procurement of the fleet, 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:

Caldwell Country Quotes
Chastang Ford Quotes
Rush Truck Center Quotes
Silsbee Ford Quote
Certificates of Interested Parties