



STAFF REPORT

DATE: June 18, 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.

There are 51 pieces of equipment that have exceeded their useful life and are proposed for replacement at this time. The number of procurements per category is listed below:

Category	Description	Qty.
Public Safety	8 Trucks, 7 Cars, 2 Vans, 10 SUVs	27
Public Works	8 Trucks, 1 Van, 1 SUV, 1 Valve Exerciser Trailer	11
Recreation	2 Trucks, 1 Utility Tractor	3
Support Services	7 Trucks, 3 Vans	10

The existing vehicles being replaced are on average 17 years of age and have an average of 120,000 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 Caldwell Country Chevrolet utilizing the TASB BuyBoard Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
Bldg. Serv.	Chevrolet 2500 Truck	1	\$26,275.00	\$26,275.00
Bldg. Serv.	Chevrolet 2500 Service Body Truck	1	\$34,558.00	\$34,558.00
Police	Chevrolet Malibu	7	\$20,612.00	\$144,284.00
Water Dist.	Chevrolet 1500 Truck	1	\$26,830.00	\$26,830.00
W&S Ops.	Chevrolet 1500 Truck	2	\$26,830.00	\$54,060.00*
W&S Ops.	Chevrolet 2500 Truck	2	\$28,775.00	\$57,550.00

*Includes \$400.00 BuyBoard fee for all Caldwell Country Chevrolet purchases

The purchase pricing from Grande Truck Center utilizing the TASB BuyBoard Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
Bldg. Serv.	Ford F550/UTEM Aerial Truck	1	\$126,360.10	\$126,360.10

The purchase pricing from Rockdale Country Ford utilizing the Texas SmartBuy Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
Fire	Ford F250 Truck	1	\$38,366.00	\$38,366.00

The purchase pricing from Rockdale Country Ford utilizing the TASB BuyBoard Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
Code Enf.	Ford Escape SUV	1	\$21,316.00	\$21,316.00
Fire	Ford Explorer Interceptor	1	\$45,316.00	\$45,316.00*
Permit Insp.	Ford Escape SUV	1	\$21,316.00	\$21,316.00
Police	Ford Escape SUV	7	\$20,985.00	\$146,895.00

*Includes \$400.00 BuyBoard fee for all Rockdale Country Ford purchases

The purchase pricing from Rush Truck Center utilizing the TASB BuyBoard Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
Animal Serv.	Ford 250 Transit Cargo Van H-EL	1	\$35,719.40	\$35,719.40
Animal Serv.	Ford F250 Truck & Module	1	\$61,092.24	\$61,092.24
Custodial	Ford Transit Connect Van	2	\$26,683.56	\$53,367.12
I.T.	Ford Transit Connect Van	1	\$29,219.00	\$29,219.00
Police	Ford 250 Transit Cargo Van H-L	1	\$33,495.75	\$33,495.75
W&S Ops.	Ford 150 Transit Cargo Van M-L	1	\$31,400.12	\$31,400.12*
Drain Maint.	Ford F250 Truck	2	\$34,304.80	\$68,609.60

*Includes \$400.00 BuyBoard fee for all Rush Truck Center purchases

The purchase pricing from Silsbee Ford utilizing the TASB BuyBoard Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
Parks	Ford F150 Truck	2	\$29,065.00	\$58,130.00
Police	Ford F150 Truck	4	\$26,758.00	\$107,032.00
Police	Ford F150 Truck	1	\$28,288.00	\$28,288.00
Police	Ford F150 Truck	1	\$35,649.00	\$35,649.00
SW Res.	Ford F150 Truck	1	\$24,059.00	\$24,059.00*
W&S Eng.	Ford F150 Truck	4	\$33,605.00	\$134,420.00
Drain Eng.	Ford Explorer	1	\$29,649.00	\$29,649.00

*Includes \$400.00 BuyBoard fee for all Silsbee Ford purchases

The purchase pricing from United Ag and Turf utilizing the Sourcewell Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
Parks	John Deere 5075E Tractor	1	\$27,245.26	\$27,245.26

The purchase pricing from Vermeer utilizing the TASB BuyBoard Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
W&S Ops.	Vermeer Vactron LP573XDT	1	\$79,483.00	\$79,483.00

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

Category	FY19
Public Safety	\$718,769.39
Public Works	\$371,640.72
Recreation	\$85,375.26
Support Services	\$404,199.22
Total	\$1,579,984.59

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
Animal Services	349-6070-441.61-10	\$96,811.64	\$98,500.00
Building Services	349-3258-426.61-10	\$187,193.10	\$191,500.00
Code Enforcement	349-4053-450.61-10	\$21,316.00	\$23,500.00
Custodial Services	349-3259-426.61-10	\$53,367.12	\$53,500.00
Drainage Utility Engineering	375-3435-432.61-10	\$29,649.00	\$31,700.00
Drainage Utility Maintenance	375-3448-434.61-10	\$68,609.60	\$101,411.55
Fire	349-7070-442.61-10	\$83,682.00	\$101,916.73
Information Technology	349-2705-419.61-10	\$29,219.00	\$30,000.00
Parks & Public Grounds	349-3025-425.61-10	\$85,375.26	\$96,250.00
Permits & Inspections	349-4052-450.61-10	\$21,316.00	\$23,000.00
Police	349-6000-441.61-10	\$495,643.75	\$532,866.00
Solid Waste Residential	388-3460-439.61-10	\$24,059.00	\$43,055.90
Water Distribution	387-3410-436.61-10	\$26,830.00	\$29,302.00
Water & Sewer Engineering	387-3435-432.61-10	\$134,420.00	\$136,000.00
Water & Sewer Operations	387-3420-438.61-10	\$222,493.12	\$251,954.00

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:

Building Insp & CE
Fire Department
Parks and Public Grounds
Police Department
Public Works Department
Support Services
Purchasing
Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Quotes

Certificates of Interested Parties