



STAFF REPORT

DATE: October 19, 2021

TO: Kent Cagle, City Manager

FROM: Jonathan Locke, Executive Director of Finance

SUBJECT: Procurement of Fleet Vehicles and Equipment

BACKGROUND AND FINDINGS:

Funding for the acquisition of replacement vehicles and equipment was approved as part of the City's FY 2022 Budget process. 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, number of vehicles per category, age, mileage/hours, repair costs, and department/division feedback. The approved replacement schedule has been revised to include replacing four additional Police patrol vehicles. This is being done to reduce the number of Police vehicles that are equipped with outdated and inoperable technology.

The annual fleet vehicles and equipment procurement budget for FY 2020 and FY 2021 was \$5,490,100 and \$5,239,955, respectively. The FY 2022 Budget includes \$5,550,872 for fleet replacement and \$429,662 for newly added fleet for a total of \$5,980,534. The fleet replacement budget includes \$297,052 to replace four Police patrol vehicles that have outdated technology.

The newly added fleet include a vehicle for Community Development to be used by the ADA Compliance Officer (\$24,205), Code Enforcement (\$29,553), Fire Department (\$67,200), Water & Sewer Operations (\$144,000), and two units for the new crackseal team in Transportation (\$164,704). There are a total of 63 pieces of fleet approved to be purchased in the FY 2022 Budget, including the six newly added fleet approved during the budget process. A total of 39 pieces of fleet are included in this request, including 37 pieces of fleet that have exceeded their useful life and two of the newly added units. The average age of the fleet being replaced is 12 years. The number of procurements per category is listed below:

Category	Description	Qty
Public Safety	24 Interceptors, 2 Ambulances, 1 Truck, 1 SUV	28
Public Works	5 Refuse Trucks, 3 Construction Equip, 2 Maintenance Equip	10
Aviation	1 Tractor w/Rotary Cutter	1

THE ALTERNATIVES CONSIDERED:

- 1.) Defer purchase of fleet vehicles and equipment, 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.) Purchase the fleet vehicles and equipment 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 to meet the departments' mission and operate in the safest and most cost-effective manner.

CONFORMITY TO CITY POLICY:

The Fleet Department is seeking approval to purchase replacement vehicles for various departments through cooperative contracts. Purchases made through a cooperative contract are exempt from the competitive bidding process as stated in Texas Local Government Code (TLGC) section 271.102, subchapter F; a local government that purchases goods or services under this subchapter satisfies any state law requiring the local government to seek competitive bids for the purchase of the goods or services.

FINANCIAL IMPACT:

The purchase pricing from Caldwell Country Chevrolet utilizing the Texas Association of School Boards (TASB) BuyBoard Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
Fire	Chevrolet 2500 Truck	1	\$51,529.87	\$51,929.87*
Fire	Chevrolet Tahoe	1	\$66,250.88	\$66,250.88

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

The purchase pricing from Chastang Enterprises, Inc. utilizing the Texas Association of School Boards (TASB) BuyBoard Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
SW Comm	Autocar/New Way Front Loader	1	\$338,167.00	\$338,167.00
SW Res	Autocar/BTE Auto Side Loader	3	\$366,634.00	\$1,100,302.00

*Includes \$400.00 BuyBoard fee for all Chastang Enterprises, Inc. purchases

The purchase pricing from CLS Equipment Co., Inc. utilizing the Texas Association of School Boards (TASB) BuyBoard Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
W & S Ops	Vacuum/Valve Exerciser Trailer	1	\$89,110.00	\$89,110.00

The purchase pricing from Crafcro Inc. utilizing the Texas Association of School Boards (TASB) BuyBoard Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
Transportation	SS250D Crack Seal Machine	1	\$58,050.38	\$58,050.38

The purchase pricing from Deere & Company utilizing the Sourcewell Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
KFHRA	JD 6105E Tractor & M20 Cutter	1	\$95,437.68	\$95,437.68

The purchase pricing from Freightliner of Austin utilizing The Interlocal Purchasing System (TIPS) Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
SW Res	Freightliner/Peterson Brush Truck	1	\$208,112.40	\$208,112.40

The purchase pricing from Holt Cat utilizing the Sourcewell Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
SW Trans	Caterpillar 938M Wheel Loader	1	\$218,982.48	\$218,982.48
San Sewer	Caterpillar 420XE Backhoe	1	\$122,135.66	\$122,135.66
Water Dist	Caterpillar 420XE Backhoe	1	\$122,135.66	\$122,135.66

The purchase pricing from Silsbee Ford utilizing the Houston-Galveston Area Council (HGAC)Buy Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
Police	Ford Explorer Interceptor w/Noptic	5	\$77,000.64	\$385,003.20
Police	Ford Explorer Interceptor	19	\$74,262.86	\$1,410,994.34

The purchase pricing from Sterling McCall Ford utilizing the Houston-Galveston Area Council (HGAC)Buy Cooperative is as follows:

Division	Make/Model	Units	Cost	Total Cost
Fire	Ford F550 Ambulance	1	\$301,102.86	\$302,102.86
Fire	Ford F550 Ambulance Re-Mount	1	\$249,745.00	\$249,745.00

*Includes \$1,000.00 HGACBuy fee for all Sterling McCall Ford purchases

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

Category	FY21
Public Safety	\$2,466,026.15
Public Works	\$2,256,995.58
Aviation	\$95,437.68
Total	\$4,818,459.41

Is this a one-time or recurring expenditure?

These are one-time expenditures.

Is this expenditure budgeted?

These expenditures are budgeted in the following accounts:

Division/ Department	Account	Cost	Available Funds
Fire	349-8870-493.61-10	\$670,074.00	\$670,074.00
KFHRA	525-0505-521.61-35	\$95,437.68	\$98,000.00
Police	349-8860-493.61-10	\$1,795,237.54	\$1,795,238.00
	349-8995-493.69-05		
Solid Waste	388-8834-493.61-35	\$1,865,563.88	\$1,865,564.00
	540-9501-491.50-15		
Transportation	349-8834-493.61-35	\$58,050.38	\$58,051.00
Water & Sewer	387-8834-493.61-35	\$333,381.32	\$575,675.00

If not, where will the money come from?

N/A

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

Yes

RECOMMENDATION:

City Council approve the procurement of the fleet vehicles and equipment in the amount of \$4,818,460 and authorize the City Manager or designee to execute change orders in accordance with state and local law.

DEPARTMENTAL CLEARANCES:

Aviation

Fire

Police

Public Works

Purchasing

Finance

Legal

ATTACHED SUPPORTING DOCUMENTS:

Quotes

Certificates of Interested Parties