
DEPARTMENT MEMO

City Council

DEPARTMENT: Public Works
FROM: Eric Oscarson, Public Works Director
MEETING: July 10, 2023

SUBJECT:

Consider approval of a contract for the purchase of fleet vehicles with Caldwell Country Chevrolet through the BuyBoard Cooperative in the amount of \$199,706.75. *(Staff Presenter: Eric Oscarson, Public Works Director)*

SUMMARY:

The Public Works Department is responsible for the maintenance and overall lifecycle management of the City's fleet. Replacing fleet assets in a timely manner prevents the increased maintenance and indirect costs from exceeding the capital dollars saved by extending vehicle replacement. Indirect or "hidden" costs associated with delayed asset replacement include:

- Reduced employee efficiency and lost productivity.
- Increased fleet size to compensate for higher out of service rates
- Increased accident rates or liability exposure.

Given this, along with the fiscal magnitude and operational importance of the City of Burleson's vehicles and equipment, Equipment Services staff use a scorecard evaluation with six criteria including Age, Miles/Hours, Type of Service, Reliability, Maintenance and Repair Costs, as well as Condition. This method effectively determines the optimal time vehicles and/or equipment should be replaced. According to the City's Equipment Replacement Policy, assets will be replaced with a total score of 21 or higher.

The Approved Replacement Policy allows for discretion by the Fleet Manager to replace or retain items outside of the scorecard system. These criteria for the replacement of these asset have been evaluated by the Director of Public Works over Equipment Services. Based on available data, these assets are in need of replacement.

A letter of intent was issued and vehicles were approved in the FY 2022 Budget Process. The vehicles are now available from the manufacturer to be purchased.

The table below indicates the vehicle to be replaced or an addition to the fleet.

Replacement Equipment	Cost
<i>Equipment Services Chevrolet 3500 (Unit 93)</i>	\$ 61,949.25
<i>Facilities Maintenance Chevrolet 1500 (Unit 92)</i>	\$ 42,495.25
5% Contingency	\$ 5,222.22
<i>Buyboard Fee</i>	\$ 400.00
Grand Total	\$ 110,066.72

New Equipment	Cost
<i>Building Inspections Chevrolet 1500</i>	\$ 42,495.25
<i>Engineering Inspections Chevrolet 1500</i>	\$ 42,495.25
5% Contingency	\$ 4,249.53
<i>Buyboard Fee</i>	\$ 400.00
Grand Total	\$ 89,640.03

The total costs associated with this proposed purchase is \$199,706.75, which includes a 5% contingency fee. These costs are planned expenditures, and fall within the allotted amounts in the FY23-24 Equipment Replacement Fund budget. Staff is recommending purchasing all equipment utilizing the BuyBoard Purchasing Cooperative.

Staff reached out to other vendors to obtain comparison quotes. The quote that we have received proved Caldwell Chevrolet to be the best value. Staff has been requesting the remaining quotes for over one month by sending regular emails and making more than a dozen phone calls, we have not received responses to these communications.

OPTIONS:

- 1) Approve a contract for the purchase fleet vehicles with Caldwell Country Chevrolet through the BuyBoard Cooperative in the amount of \$199,706.75.
- 2) Deny a contract for the purchase fleet vehicles with Caldwell Country Chevrolet through the BuyBoard Cooperative in the amount of \$199,706.75.

RECOMMENDATION:

Approve a contract for the purchase of fleet vehicles with Caldwell Country Chevrolet through the BuyBoard Cooperative in the amount of \$199,706.75.

FISCAL IMPACT:

Budgeted Y/N: Y

Fund Name: Governmental Equipment Replacement Fund

Full Account #s: 6021302-71001

Amount: \$199,706.75

Project (if applicable):
Financial Considerations:

STAFF CONTACT:

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