
City Council Regular Meeting

DEPARTMENT: Public Works

FROM: Eric Oscarson, Public Works Director

MEETING: February 20, 2023

SUBJECT:

Consider approval of a contract for the purchase of four (4) service trucks with Rockdale Country Ford through the BuyBoard Cooperative in the amount of \$250,693.00. (*Staff Contact: Kip Dernovich, Deputy Director – Operations Public Works*)

SUMMARY:

The Public Works Department is responsible for the purchase, replacement, maintenance, and overall lifecycle management of the City's fleet. Purchasing and 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 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 six criteria to create an annual vehicle replacement schedule. The six criteria include: 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.

All replacement equipment requested in this action was planned in the budget process and approved in the Fiscal 2023 operating budget by City Council. Requested funding includes a 10% contingency due to the volatility of the automobile market (availability of vehicles / purchase of an equivalent model). To ensure that the quoted BuyBoard pricing is fair and competitive, Equipment Services staff reached out to four (4) vehicle dealerships (two (2) local and two (2) within the DFW area). Staff received three (3) no responses and one (1) local vehicle dealership that stated they didn't have any vehicles the City was requesting on their lot and to order the vehicles would take more than one year.

The total amount of funding available through the FY2023 budget process for the purchase of fleet vehicles was \$178,500.00. The total cost of the fleet purchase is \$250,693.00. Overages

are due to only specific vehicle types being available and not the vehicle type budgeted for (e.g. Ford F250's available and F150's budgeted). The FY23 ERF budget is \$313,500 with anticipated expenses of \$312,194, including these purchases. Staff anticipate delivery of the vehicles in late summer of 2023.

The table below indicates the list of vehicles to be purchased in this fiscal year's budget.

Vehicle	Quantity	Unit Price	Total Cost
Replacement Vehicles			
<i>Water</i>			
Ford F-250 Pick-Up 2WD	2	\$48,174.25	\$96,348.50
Ford F-350 Pick-Up 4WD	1	\$79,767.25	\$79,767.25
Ford F-350 Pick-Up 4WD	1	\$72,977.25	\$72,977.25
Sub-Total			\$249,093.00
BuyBoard Fee (Ford)	4	\$400.00	\$1,600.00
Grand Total			\$250,693.00

OPTIONS

- 1) Approve a contract for the purchase of fleet vehicles with Rockdale Country Ford through the BuyBoard Cooperative in the amount of \$250,693.00.
- 2) Deny a contract for the purchase of fleet vehicles with Rockdale Country Ford through the BuyBoard Cooperative in the amount of \$250,693.00.

RECOMMENDATION:

Approval of a contract for the purchase of fleet vehicles with Rockdale Country Ford through the BuyBoard Cooperative in the amount of \$250,693.00.

FISCAL IMPACT:

Budgeted Y/N: Y

Fund Name: Governmental Equipment Replacement Fund

Full Account #s: 502-8211-559

Amount: \$250,693.00

Project (if applicable):

Financial

Considerations:

STAFF CONTACT:

Name: Kip Dernovich

Title: Deputy Director – Operations Public Works

kdernovich@burlesontx.com

817-426-9842