
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 two (2) replacement pieces of equipment with Bobcat of North Texas – Fort Worth through the BuyBoard Cooperative in the amount of \$147,058.75. (*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 / equipment 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 three (3) equipment dealerships. Staff received three (3) responses and has moved forward with the lowest quote.

The total amount of funding available through the FY2023 budget process for the purchase of this equipment was \$140,000.00. The total cost of the equipment purchase is \$147,058.75. Overages of \$7,058.75 are due to only specific vehicle types being available. Anticipated funds raised from auction will assist in bringing the overages to zero. The FY23 ERF budget was \$2.4M

with anticipated expenses of \$2.2M for the street division purchase. The FY23 ERF for the water fund is \$313,500 with anticipated expenses of \$312,194. 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 Equipment			
Water Department			
Mini-Excavator	1	\$65,501.00	\$65,501.00
<i>Street Department</i>			
Compact Tract Loader	1	\$80,757.75	\$80,757.75
BuyBoard Fee (Ford)	2	\$400.00	\$800.00
Grand Total			\$147,058.75

OPTIONS

- 1) Approve a contract for the purchase of two (2) replacement pieces of equipment with Bobcat North Texas – Fort Worth through the BuyBoard Cooperative in the amount of \$147,058.75.
- 2) Deny a contract for the purchase of two (2) replacement pieces of equipment with Bobcat North Texas – Fort Worth through the BuyBoard Cooperative in the amount of \$147,058.75.

RECOMMENDATION:

Approval of a contract for the purchase of two (2) replacement pieces of equipment with Bobcat North Texas – Fort Worth through the BuyBoard Cooperative in the amount of \$147,058.75.

FISCAL IMPACT:

Budgeted Y/N: Y

Fund Name: Governmental Equipment Replacement Fund

Full Account #s:

Amount: \$147,058.75

Project (if applicable):
Financial
Considerations:

STAFF CONTACT:

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