



# City of Eustis

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TO: EUSTIS CITY COMMISSION

FROM: TOM CARRINO, CITY MANAGER

DATE: AUGUST 3, 2023

RE: RESOLUTION NUMBER 23-68 APPROVAL OF PURCHASE IN EXCESS OF \$50,000 TO PROCURE THREE 2024 XL MAVERICKS UTILIZING THE SOURCEWELL CONTRACT NUMBER 091521-NAF AND 060920-NAF AWARDED TO ALAN JAY FLEET SALES.

**Introduction:**

Resolution Number 23-68 approves a purchase in excess of \$50,000 for the replacement of three-meter reading vehicles.

**Recommended Action:**

Staff recommends approval of Resolution Number 23-68.

**Background:**

Currently the City has staffing for three-meter readers. Their vehicles must be reliable and they are used 5 days a week, with one being used on evenings and weekends for emergency disconnects and reconnects.

The current vehicles are Nissan Frontiers'. The vehicle miles are stop and go miles with an average mileage of 71,219. These vehicles are the first step in our billing process, and without reliable vehicles the bills will not be sent to customers in a timely manner. A schedule is maintained to provide the customer the same time each month for the billing of a cycle which helps smooth the billing and the receipts of payments. This process assists the customers in determining when they will receive and pay their bills.

The current vehicles will be nine years old when we receive delivery in 2024. We currently have four (4) 2015 Nissan Frontiers in the meter reading department. Due do the reduction in our workforce the department has gone from four to three-meter readers.

We will be purchasing three 2024 Ford Maverick Hybrid's with fuel savings for inside city driving estimated at 40 mpg and 33 mpg highway. Currently the Frontiers' fuel usage is 19 mpg city and 23 mpg highway. The 2024 Frontiers' gets 21 mpg city and 28 mpg highway. The increase miles per gallon doubles with the purchasing of the Maverick.

The SourceWell contracted price of the Maverick is \$27,375 compared to the Frontier price of \$31,853, and both prices include the bedliner. The total cost of the purchase will be \$82,125, which is budgeted in 040-3130-536-60-64, \$60,000 was originally budgeted and \$22,125 was transferred from salary and wages savings. Once the vehicles arrive the cost of light bars, tool boxes, seat covers, floor liners and Lenovo laptop holders will run an additional \$7,890 for a total cost of \$90,015.

Once the City takes possession the four Nissan Frontiers, they will be transferred to the Public Works Department to be added to their fleet, but if they are not needed then they will go to auction to be disposed of.

**Alternatives:**

- 1) Approve Resolution 23-68 and authorize the purchase of three Ford Maverick Hybrids.
- 2) Reject Resolution 23-68 and reject the purchase of the three Ford Maverick Hybrids.

**Discussion of Alternatives:**

- 1) Alternative 1 approves the payment.

Advantages:

- The cost of the Maverick's is \$13,434.
- The inside city mpg will increase from 19 to 40 from the replacement vehicle.
- The inside city mpg on a new Frontier is 21 compared to 40 inside city.

Disadvantages:

- None

- 2) Alternative 2 rejects the purchase of new vehicles.

Advantages:

- None

Disadvantages:

- Loss of fuel efficiency.
- Repairs to the old Frontiers will continue as they continue to deteriorate.
- Other mid-size trucks are more expensive than the Maverick.

**Budget Impact:**

The approved FY22-23 Water and Sewer Fund budgets include the cost of two Mavericks. A transfer from savings in salary and wages due from staffing loss will cover the balance. Next years' budget for FY23-24 will be reduced by \$51,000, since the entire fleet will be in place.

**Prepared by:**

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**Reviewed by:**

Nelly Harnisch, Deputy Finance Director