



Tropical Storm Chantal Fleet/Equipment Replacement Strategy Pre-Mortem Exercise: July 14, 2025

Participants: Town Manager Eric Peterson, Assistant Town Manager Matt Efird, Administrative Services Director Jen Della Valle, Finance Director Dave McCole, Budget Director Emily Bradford, Public Works Manager Dustin Hill, Safety and Risk Manager Phil Cundiff, Utility System Superintendent Joel Lashley, Fleet Maintenance Supervisor David Wisely, and Administrative Intern Sheala James

1. Objective

- a. Replace all flood-damaged vehicles and equipment for Public Works and Utilities to restore normal operations within six months.

2. Pre-Mortem Scenario

- a. It is now eight months post-Chantal. The replacement effort has far exceeded the initial cost estimate. The town's operations are under-equipped, and key services are lagging. What has gone wrong?
- b. What assumptions are most fragile? What is not being said? What would a journalist or outsider question?

3. Brainstorming

Possible Cause of Failure	Category (Procurement, logistics, etc.)	Likelihood of Failure (L/M/H)	Impact of Failure (L/M/H)	Notes
Equipment not available on cooperative contracts	Procurement	High	Medium	All planned purchases have co-op pricing
Insurance payout lower than expected	Finance	High	Medium	Part of Public Works facility was in floodplain, may limit insurance coverage

Additional unanticipated equipment failures	Logistics	High	High	Some equipment Fleet was able to place in service will likely have lingering water damage.
Rushed replacement = not preferred vehicles, less reliability	Logistics	Medium	High	Fleet has standardized pickups on Ford platform, Public Works normally upgrades brush truck bodies, etc.
Staff takes too long putting together a plan. Opportunities for quick replacements are lost	Procurement	High	High	Some vehicles are readily available, others have 6-12 months wait times.
Increased repair budget for equipment not being replaced	Operations	High	Medium	If replacement plan is too conservative, additional vehicles could fail without funding available for replacement.

4. Risk Themes

Theme	Specific Risks	Risk Rating (H/M/L)	Notes
Supply Chain	Delays on receiving purchases	High	Regional impact of storm, tariff delays
Financial	Insurance shortfall	High	Outdated valuations, inadequate coverage, high retention
Regulatory	FEMA/NCEM Documentation noncompliance	High	May not receive any outside assistance. Documentation also necessary for insurance recovery.
Communications	Misalignment with public expectations	Medium	Confusion on timelines, services

Operational	Staff shortages	High	Loss of Public Works/Utilities/Fleet staff could delay restoration of services
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5. Mitigation Plans

Risk	Mitigation Strategy	Early Warnings	Owner
Equipment delays	Multiple quotes, accept trade-offs on vehicle type, act quickly, buy something for short term and resell as able to replace	Delivery dates beyond 90 days	Public Works Manager
Reimbursement eligibility	Engage OCEM, NCEM and insurance early to vet replacements and documentation	Unclear reimbursement guidance, missing or inadequate documentation	Safety and Risk Manager
Insurance shortfall	Ensure accurate appraisals, clarity on coverage	Payouts less than market value, limited flood coverage	Safety and Risk Manager
Financial shortfall	Look into lease-purchase, accelerate planned replacement schedule	Anticipated fund balance appropriation reduces available balance below acceptable threshold	Budget Director

6. Key Assumptions

Assumption	Risk if Invalid	Mitigation	Notes
Vehicles can be obtained within 6 months	Service gaps, cost overruns	Phased replacements, rentals, mutual aid	Critical vehicles to be prioritized
Losses will be covered by insurance	Significant budget impact	Explore external funding/reimbursement (NCEM, FEMA)	Need to determine floodplain coverage restrictions
Replacements should match/exceed losses	May miss out on available vehicles, costs may increase	Review “needs” vs wants, prioritize timing of replacements	Also exploring “buy then upgrade” strategy

7. Action Items/Next Steps

Task	Owner	Due Date	Notes
Validate list of needed replacements	Fleet Supervisor	7/14/25	Completed
Review insurance coverage and potential cost recovery	Safety and Risk Manager	7/25/25	Insurance adjuster to visit this week (7/14-7/18)
Review and update “wants” and “needs” for replacements	Public Works Manager, Utility System Superintendent	7/14/25	Completed
Produce budget options based on replacement priorities	Budget Director	7/16/25	Special board meeting scheduled
Evaluate saving utility beds and focusing on locating cab and chassis	Public Works/Fleet/Utilities	7/31/25	Could save \$12k + 1 month on each service bed truck needed

Attachment 1: List of Vehicle/Equipment Replacement Needs

Asset #	Year	Make/Model	Class	Replacement Cost	Insured Value	Status
202	2022	Peterbilt New Way	Solid Waste	\$400,000	\$297,388	
212	2013	F-450 Dump Truck	Dump Truck	\$80,000	\$47,746	
222	2014	Freightliner Leaf Truck	Leaf Truck			
227	2014	F-150 Tommy Gate	Pickup Truck	\$55,000	\$20,016	
229	2015	Mack New Way	Solid Waste			
253	2018	Freightliner Pac Mac	Brush Truck	\$232,000	\$134,000	
254	2018	Freightliner 114SD	Dump Truck			
276	2020	F-250	Pickup Truck			
279	2022	Freightliner Pac Mac	Brush Truck	\$232,000	\$157,987	
403	2022	F-250 Service Body	Pickup Truck	\$75,000	\$45,908	
405	2023	Freightliner 114SD	Dump Truck	\$150,000	\$141,203	
416	2023	F-250	Pickup Truck			
437	2024	Peterbilt New Way	Solid Waste			
438	2024	Isuzu New Way Rear Loader	Solid Waste	\$155,000	\$142,628	
440	2024	F-550 Versalift	Bucket Truck	\$155,000	\$147,384	
443	2024	F-350 Service Body	Pickup Truck			
833	2022	Freightliner Leaf Truck	Leaf Truck			
420F	2013	CAT Backhoe	Heavy Equipment			
8147	2007	International Dump Truck	Dump Truck	\$150,000	\$58,000	
N/A	2018	LeeBoy Asphalt Roller	Heavy Equipment			
N/A	2015	Kubota Mowing Tractor	Heavy Equipment			
N/A	2023	Falcon Hot Box	Heavy Equipment			
N/A	2015	Kubota Mini Excavator	Heavy Equipment			
N/A	2023	Kubota Mini Excavator	Heavy Equipment			
N/A	2023	Kaufman Equipment Trailer	Trailer			
N/A	2015	Kaufman Equipment Trailer	Trailer			
N/A	2023	Kaufman Equipment Trailer	Trailer			
N/A	2022	John Deere Boom Mower	Heavy Equipment			
			Total	\$1,684,000	\$1,192,260	

* Replacement costs do not include tax, tag title, upfit (lights and decals), or small equipment. Those numbers are included in the budget spreadsheet.