



**MEETING DATE:** March 24, 2025

**PRESENTED BY:** JC Avila, Fleet Director

**AGENDA ITEM:** Approval of updated pre-negotiated service agreements for hourly labor rates and parts mark ups for fleet repairs on all city units to include special equipment and Sanitation Units for the remainder of the 2024-2025 Fiscal Year pursuant to Texas Local Government Code Section 252.022 (a)(2)- Avila

**NATURE OF REQUEST:**

Staff is requesting approval of the updated pre-negotiated agreements with AG Fleet Services. Service agreements included repair hourly labor rates and parts mark-ups for all the City's Fleet and Special Equipment to include the Sanitation Units and are valid for the remainder of the 2024-2025 Fiscal Year (04/01/2025-09/30/2025). On 09/23/2024, staff received approval for the agreements with these vendors, however, the vendors have advised of changes that need to be reconsidered. AG Fleet Services increased their hourly labor rate from \$145/hourly to \$165/hourly. Pursuant to Texas Local Government Code Section 252.022 (a)(2) a procurement necessary because of unforeseen damage to public machinery, equipment, or other property. The city reserved the right to acquire the parts and only seek labor services in an effort to apply cost savings. Services and parts would be acquired on an as needed basis and would be determined solely by the City of Mission. Attached are the updated hourly labor rates, percentage mark ups on parts, and the letters forwarded by the vendor notating the changes above.

**BUGETED:** (Yes) / No / N/A **FUND:** General/Sanitation Fund **ACCT. #:** Various Accounts

**BUDGET:** \$812,500/ **EST. COST:** \$ **CURRENT BUDGET BALANCE:** \$392,226/  
\$500,000 \$246,384

**BID AMOUNT:** \$

**STAFF RECOMMENDATION:**

Approval

**Departmental Approval:** Finance, Purchasing

**Advisory Board Recommendation:** N/A

**City Manager's Recommendation:** Approval *MRP*

**RECORD OF VOTE:** **APPROVED:** \_\_\_\_\_  
**DISAPPROVED:** \_\_\_\_\_  
**TABLED:** \_\_\_\_\_

\_\_\_\_\_ **AYES**

\_\_\_\_\_ **NAYS**

\_\_\_\_\_ **DISSENTING** \_\_\_\_\_