



City of Keller

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Legislation Text

File #: 19-099, **Version:** 1

To: Mark R. Hafner, City Manager

From: Alonzo Liñán, Director of Public Works

Subject:

Consider a resolution approving the purchase of one (1) replacement Ford F-650 truck in advance of the adoption of the Fiscal Year 2019-20 budget, from Enterprise FM Trust of Kansas City, Missouri; and authorizing the City Manager to execute all purchase documents relating thereto on behalf of the City of Keller, Texas.

Action Requested:

Consider a resolution approving the purchase of one (1) replacement Ford F-650 truck from Enterprise FM Trust of Kansas City, Missouri in advance of the FY20 budget in the amount of \$129,436.71.

Background:

This requested F-650 replacement truck is a general service truck with the capability for providing the required weight carrying and towing capacity for operations of the Water Distribution division of the Public Works Department. Because of the type and size of equipment being utilized by the division, a truck of this class is requested.

The existing F-650 will be aged 9 years when replaced as proposed. Total repair costs in the last two fiscal years have exceeded \$10,000, while emissions control repairs in FY 2018-19 has been deferred in anticipation of replacement. In addition to mileage, trucks of this class are used to provide power for operations while at idle, causing additional wear on the vehicle. If approved, the new F-650 will include an hour meter to quantify hours for future maintenance and information gathering efforts. Mileage is currently displayed at 48,630.

An aftermarket compressor unit has been included with this proposed purchase. This unit provides the capacity to run heavy duty equipment and is the lowest price available for this purpose. The previous compressor unit was repurposed from a prior vehicle to the existing vehicle. It is currently 12 years old, is at the end of its expected service life and is unable to provide power to new and existing equipment.

The City created a Fleet Management Plan during FY 2011-12 to provide standards and improve consistency and efficiency in the management and procurement of City vehicles. The plan established a Fleet Management Committee made up of representatives from Public Works, Parks, Finance, Administration, Police, Fire, Utility Billing and Building Services to implement fleet policies and review vehicle requests during the annual budget process. The Fleet Management Plan is applicable to all on-road City vehicles.

During the FY 2018-19 budget process, all fleet requests were submitted to the Fleet Committee for review. The committee met as a group and evaluated this truck, recommending approval as the truck met the replacement criteria in terms of age, condition, repair cost and auction value. The City Manager reviewed the requests during departmental budget meetings and because of the type, size and price of this truck, it was decided to defer replacement to the FY 2019-20 budget year in order to build sufficient fund balance in the Fleet Replacement Fund. This truck replacement is subject to the terms of the City's agreement with Enterprise FM Trust for the fleet.

Upon further investigation and meetings with Enterprise, this truck is being requested for replacement ahead of the adoption of the FY 2019-20 budget in order to allow for the long lead times and delays at the manufacturer. These delays are estimated to bring the final delivery date 8-10 months after the order date. If ordered, final delivery of the requested replacement Ford F-650 is expected in January or February 2020. Ford is currently the only manufacturer with a history of producing vehicles in this size and class.

Financial Impact:

This item was not funded in the FY 2018-19 budget, but is to be requested in the FY 2019-20 budget in anticipation of a FY 2019-20 delivery. The total cost of the vehicle is \$129,436.71, including equipment and accessories to be paid from the Fleet Replacement Fund through transfers from the Water & Wastewater Utility Fund.

Citizen Input/Board Review:

The Fleet Committee reviewed the age, condition, repair cost, fuel cost, description of use and salvage value to determine if replacing the vehicle met the conditions for replacement, which it does.

Legal Review:

Not applicable.

Alternatives:

City Council has the following alternatives:

- Approve as submitted
- Approve with changes
- Denial

Council Action:

Staff recommends approval of the proposed resolution as presented.