



AGENDA MEMORANDUM

Action Item for the City Council Meeting May 9, 2023

DATE: May 9, 2023

TO: Peter Zanoni, City Manager

FROM: Charles Mendoza, Director of Asset Management
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Cost Increases for Vehicles Previously Approved by City Council

CAPTION:

Resolution authorizing the additional expenditure of \$320,655.89 for the acquisition of 35 previously approved vehicles for various departments, with FY 2023 funding provided from the identified funds.

SUMMARY:

Resolution authorizing the approval of price increases on a total of 35 vehicles previously approved through City Council.

BACKGROUND AND FINDINGS:

On December 14, 2021, Council approved Legistar #22-0013, the purchase of one Ford F250 crew cab 4X4 for the Fire Department, one Ford F250 extended cab with service body for Parks and Recreation, and one Ford F250 crew cab XLT 4X4 for CCW–Water Division from Silsbee Ford, of Silsbee, Texas for a total amount of \$122,768.75 with FY 2022 funding from the Fleet Equipment Replacement Fund in the amount of \$81,248.25, and the General Fund in the amount of \$41,520.50. Since the approval, the manufacturer canceled production, requiring the reorder with a total price increase of \$54,929.25. To reflect the price increase, the Fire Department, Parks and Recreation, and CCW–Water Division are authorized to acquire by purchase the trucks identified in this section from Silsbee Ford for a total amount of \$177,698.00. Additional funding for the price increase for FY 2023 is in the amount of \$31,754.75 from the Fleet Equipment Replacement Fund and \$23,174.50 from the General Fund. The items listed will be acquired

through the TIPS Cooperative.

On January 25, 2022, Council approved Legistar #22-0045, the purchase of one Ford F150 extended cab truck for the Airport, four Ford F150 extended cab trucks for Asset Management–Facilities Division, two Ford F150 crew cab trucks for Asset Management–Fleet Division, seven Ford F150 extended cab trucks for Engineering, two Ford F150 crew cab trucks for the Fire Department, one Ford F150 crew cab truck for the Gas Department, three Ford Escape sedans for the Police Department, three Ford F150 crew cab trucks for Public Works–Street Division, six Ford F150 crew cab and two Ford F150 extended cab trucks for Solid Waste Services, and one Ford F150 crew cab truck for CCW–Wastewater Division from Silsbee Ford, of Silsbee, Texas for a total amount of \$1,069,032.26 with FY 2022 funding from the Fleet Equipment Replacement Fund. Since the approval, the manufacturer canceled production, requiring a reorder with a total price increase of \$265,726.64. To reflect the price increase, the Airport, Asset Management–Facilities and Fleet Divisions, Engineering, Fire, Gas, Public Works–Streets Division, Solid Waste Services, and CCW–Wastewater Division are authorized to acquire by purchase the trucks identified in this section from Silsbee Ford for a total amount of \$1,334,758.90. Additional funding for the price increase for FY 2023 funding is the amount of \$265,726.64 from the Fleet Equipment Replacement Fund. The items identified in this section will be acquired through the TIPS Cooperative.

ALTERNATIVES:

The alternative would be to continue using current units that are beyond their expected service lives. This would increase the cost of repairs and loss of productive man-hours due to more frequent maintenance issues.

FISCAL IMPACT:

The FY 2023 fiscal impact of these cost increases of \$320,655.89 is funded by various department funds.

FUNDING DETAIL:

Various Departments

RECOMMENDATION:

Staff recommends approval of this item as presented.

LIST OF SUPPORTING DOCUMENTS:

Resolution
Exhibit