

Agenda Item: 3.c

Meeting Date: February 6, 2024

MEMORANDUM

To: City Commission

Date: 2024-01-26

From: Sue Bartlett

Subject: Fiscal Year 2024 Fleet Replacement Plan - Vehicle and Equipment Purchases of Sixteen (16) Assets, Totaling \$1,771,494.90.

Presenter(s): Suzanne "Sue" Bartlett, Public Works Director; Scott Caterson, Fleet Services Manager; and available Department & Division Directors.

Recommend: Staff recommends approval of the FY24 Fleet Replacement Plan (including Solid Waste) purchases, as detailed herein, for a total expenditure of \$1,771,494.90.

Epic Goal(s): Goal #4 – Be the statewide model for environmental sustainability stewardship.

Boards & Committees: N / A

Budget Impact: Refer to attached Exhibit A - "FY24 Fleet Replacements - Budget Impact Summary, Funding by Acct - FY24 FRP Purchases".

Past Action: N / A

Next Action: N / A

Attachments: [A. FY24 Fleet Replacements - Budget Impact Summary, Funding by Acct - FRP Purchases.pdf](#), [B. Purchasing Agent Memo - FY24 Fleet Replacement Package.pdf](#), [C. Fleet Srvcs Manager - FY24 Replacement Memo \(01-26-24\).pdf](#), [D. Vehicle Quotes \(Exhibits D1 - D7\) - \[Veh's #115, 157, 614, 615, 640, 681, 378, 562, 760, 928, 443, 460, & 489\].pdf](#), [E. Budget Adjustment \(BA-BT\) Request Forms \(Exhibits E1 - E4\).pdf](#), [F. FY24-29 Adopted Business Plan - \(Pgs. #30-33, #190-193 &](#)

Background:

Scott Caterson, Fleet Services Manager, has submitted a compilation of City owned equipment which he recommends for replacement as part of the annual fleet replacement package. This agenda item is designed to bring the entire FY24 departmental fleet replacements at one time for Commission consideration. However, one item, a Command Center to be outfitted onto the bed of a budgeted Fire Department pick-up truck, will be placed on a future agenda for Commission consideration. To further facilitate transparency and a better understanding of the Fleet Replacement Plan (FRP) Citywide, this agenda staffing addresses vehicles and equipment recommended for replacement with the FY24 FRP, as well as those assets deferred based upon thorough evaluation and collaboration with the end user stakeholders. Recommendations include assets budgeted in FY24, as well as assets previously deferred / budgeted.

Refer to the Municipal Business Plan CIP (FY24 - FY29) pages included in Exhibit F. This agenda item addresses all variances from that plan, made to obtain the most conservative expenditure of funds, while maintaining the quality and extended life cycle of all assets. Recommendations are based on "Out of Yard Hours" and mileage used, asset condition, remaining life, maintenance and repair costs or trends, and replacement costs. Though the life cycles are based on industry standards ranging from 7 to 15 years, the schedule is intentionally flexible so as to ensure the active fleet is effective in meeting Citywide operational needs, and therefore reviewed annually.

Due to various factors, some budget adjustments are recommended and are detailed in various Exhibits, and changes are reflected in the Budget Amendment / Budget Transfer forms, Exhibit E (E1-E4), which will be brought before the Commission at a future date for approval. Auction proceeds from those vehicles and equipment replaced will be returned to the appropriate fund balance and are anticipated to alleviate some of the noted shortfalls. The availability of vehicles and equipment is improving, however, there are budgeted replacement assets included and recommended herein which may not be able to be acquired in FY24, requiring orders to be placed well in advance of acquisition. This situation is not unique; thus, the Finance Department ensures funds are rolled over to the future year in which these assets can be acquired. Finance also ensures funds are budgeted in the current year and available for Purchase Orders (PO's) to be issued, which is required by vendors at the time the orders are placed. These accounting practices are routinely followed by staff, and is being highlighted at this time, due to the increased frequency of this situation occurring.

In addition to collaborating with user departments on any changes to core service and asset needs, every effort has been made to find the most fuel-efficient replacements. An example of an adjustment made due to core service need changes in the Fire Department is the replacement of an existing SUV based Command Center vehicle, subsequently deemed inadequate for its intended purpose. As such, the proposed replacement is a pick-up truck (the chassis is included in this FRP recommendation) to be

outfitted to the truck bed. The Command Center, with the associated tools and equipment is estimated at approximately \$100,000, and as previously mentioned will be brought before the Commission for approval at a future date in FY24. Funds for this asset change are included in the approved FY24 Budget. The associated budget transfers are included in Exhibit E.

The established FRP process includes checks and balances, commencing with the verification of funds, confirmation of the proper purchasing method and appropriate detailed quotes by the Finance Department (Purchasing and Budget). As with prior year's, departments were required to review energy alternatives, and coordinate with the Sustainability Program Manager to ensure alignment with the "Ready for 100 Program", as outlined in the Dunedin Resiliency Energy Action Master Plan (DREAM). The collaboration between all parties provides the opportunity for resources to exchange information from diverse disciplines, ensuring we continue to encourage the use of renewable resources whenever possible, thus reducing our dependency on fossil fuels.

The FY24 FRP recommendations are to defer replacement of twenty-one (21) assets for future year replacement, as detailed in the Fleet Services Manager's Memo, Exhibit C. One (1) administrative vehicle has been sent to surplus, without replacement, as a result of staff consolidation and optimization of vehicles at the new City Hall. We are confident additional savings can be realized as we pool vehicles and closely monitor future use patterns. The FY24 FRP recommendations also include the acquisition of three (3) additional assets to coincide with the FTE's: one (1) for the Parks and Recreation Department, Horticulture Specialist; and two (2) for Public Works Facilities, Craftworker positions.

Therefore, staff hereby recommends Commission approval of the purchase of the sixteen (16) assets (vehicles / equipment), as detailed herein for a total cost of \$1,771,494.90.