

Agenda Item:

3.b

Meeting Date:

January 22, 2026

MEMORANDUM

To: City Commission

Through: Jennifer K. Bramley, City Manager

From: Sue Bartlett

Date: 2026-01-14

Subject: FY26 City of Dunedin Vehicle Replacement Plan (VRP) - Vehicle and Equipment Purchases of Twenty-Three (23) Assets, for a total expenditure of \$1,788,225.53.

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

Staff Recommendation: Motion to approve the purchase of Twenty-Three (23) Vehicle / Equipment Replacement Assets from various funds and Departments, as detailed herein, for a total expenditure of \$1,788,225.53.

Strategic Themes: Environmental Resiliency and Sustainability, Good Governance, and Infrastructure, Planning, and Growth.

Boards & Committees: N / A

Budget Impact: Funding allocations are from various Department accounts (Acct.), as noted below:
~ Fire: \$76,582 (#550-2220-522-056406-PS);
~ Parks & Rec/Special Events: \$178,400 (#550-4259-572-056406-CR);
~ Parks Maintenance: \$202,693 (#550-4647-572-056406-CR);
~ Water Production: \$30,160 (#550-5165-533-056406-ZZ);
~ Water Distribution: \$86,641 (#550-5166-533-056406-ZZ);
~ Wastewater Collections: \$277,404 (#550-5266-533-056406-ZZ);
~ Solid Waste Residential: \$30,160 (#550-5430-534-056406-ZZ);
~ Solid Waste Residential: \$250,650.53 (#440-5430-534-056406-SW); and
~ Streets Maintenance: \$655,535 (#550-6300-541-056406-TR).
Refer to additional details in "Exhibit D" - Budget Division, Finance Department.

Past Action: Budgeted planned replacements.

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| Next Action: | Purchase of replacement vehicles and equipment, subject to Commission approval of staff recommendation. |
| Attachments: | Exhibit A. FY2026 Fleet Replacement Memo and LAC letter.pdf Exhibit B. All Quotes Price Page FY2026.pdf Exhibit C. Purchasing Memo Fleet Replacement Fund List FY 2026.pdf Exhibit D. Budget Detail FY2026 Vehicles Replacement Plan Summary Final.pdf |
| Background: | <p>Scott Caterson, Fleet Services Manager, has submitted a compilation of City owned equipment which he recommends be replaced as part of the annual fleet replacement package, itemized by department / fund account. The recommendations are adjusted from the vehicles and equipment list approved in the FY26 Budget, as detailed in Exhibit A. This agenda item was originally designed to bring the FY26 departmental fleet replacements at one time for Commission consideration. However, due to an award notification received on January 12, 2026 of a \$520,000 FDEP grant submittal for reimbursement of purchase price, a subsequent award recommendation for additional planned replacements only, which will not include additional assets, will be scheduled for Commission award in the very near future.</p> <p>The recommendations in this agenda item include assets budgeted in FY26. Assets previously deferred have been budgeted in adjusted future years based on their condition. The Fleet memorandum outlines which assets have been deferred, and which will be recommended for Commission approved during the upcoming budget process. Refer to the Municipal Business Plan CIP (FY2026-FY2031) located on the website at: (https://www.dunedin.gov/files/assets/city/v/1/finance/documents/budget-docs/fy-2026-adopted-budget-pdf-version-compressed.pdf) for budget details.</p> <p>This agenda item includes all variances from the approved 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 many variables including, hours and mileage used, asset condition, remaining life, maintenance and repair costs or trends, and replacement costs, efficiency recommendations and improvements to the business processes. Although the life cycles are based on industry standards ranging from 6 to 15 years, the replacement schedule is intentionally flexible to ensure the fleet is effective in meeting Citywide operational needs, and therefore reviewed annually. As outlined in the attachment to the Fleet memorandum (Exhibit A), staff will continue to align the fleet and reserves with accepted industry</p> |

standards.

The Finance Department has reviewed the proposed purchases and acquisition methods for compliance with Purchasing policies and guidelines, and has provided a memorandum regarding the same (Exhibit C). The Budget Division has reviewed all the accounts and proposed purchases, and due to a variety of factors, some adjustments are outlined and none of those changes require any Budget Amendments / Budget Transfers (Exhibit D). It should be noted, that Auction proceeds from the sale of any surplus / replaced vehicles and equipment will be returned to the appropriate fund balance. As per the aforementioned FDEP grant award, any subsequent VRP purchase recommendation will be accompanied by a Budget Amendment / Budget Transfer form to utilize those grant funds, and will be brought before the Commission at a future date for approval.

The availability of vehicles and equipment is improving, however, there are budgeted replacement assets included and recommended for approval that may not be able to be acquired in FY26; as such, those orders must be placed well in advance of acquisition. This situation is not unique, and 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 are available for a Purchase Order (PO) to be issued, which is required by the vendor at the time the order is placed.

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. The established process includes checks and balances, starting with the verification of funds, confirming the proper purchasing method and appropriate detailed quotes (Exhibit B) by the Finance Department (Purchasing and Budget). Departments are 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). Further, Fleet Services provides expertise regarding availability of equipment using alternate fuels and the infrastructure to support them. Collaboration between all stakeholders provides the opportunity for resources to exchange information from diverse disciplines and to encourage the use of renewable resources and reduce our dependency on fossil fuels.

The recommendations include deferring the replacement of seventeen (17) assets for future year replacement, as detailed in the Fleet memorandum (Exhibit A). Recommendations also include the acquisition of a Solid Waste funded asset. A

substitution has been made to the truck budgeted for Solid Waste, as outlined in Exhibit A [attachment from Lorick Associates Consulting, Inc.,(LAC)] regarding the Solid Waste asset replacement plan. No additional assets are recommended, however replacing the assets in a timely manner to keep maintenance costs reasonable, and to replace them while there is still an appropriate salvage value to return to the fund is recommended.

The goal is to provide a "right size" fleet with reliable assets, reducing the need for "spares" that are essential to ensure services are consistently provided with the optimized number of vehicles and equipment. Further, as previously mentioned, the recent FDEP awarded grant assists the City by covering the cost of two (2) specific assets via reimbursement of documented purchase expenditures by that grants. As a result, a revised replacement plan for Solid Waste is being developed, and the budget will be updated accordingly.

As such, staff hereby recommends Commission approval for the purchase of twenty-three (23) vehicles / equipment, for a total expenditure of \$1,778,225.53, as detailed herein.