
DEPARTMENT MEMO

DEPARTMENT: Public Works

FROM: Aaron Russell, P.E.

MEETING: July 6, 2020

SUBJECT:

Consider approval of a minute order for the purchase of replacement vehicles from Caldwell Country Chevrolet of Caldwell Texas in the amount of \$105,818. (*Staff Presenter: Aaron Russell P.E, Public Works Director*)

SUMMARY:

Replacing fleet assets in a timely manner prevents the increased maintenance and indirect costs from exceeding the capital dollars saved by extending vehicle replacement. Indirect or "hidden" costs associated with delayed asset replacement include:

- Reduced employee efficiency and lost productivity.
- Increased fleet size to compensate for higher out of service rates
- Larger repair costs resulting from driver neglect or even abuse of older vehicles with which the operators are unhappy.
- Increased accident rates or liability exposure.
- Perhaps most importantly, poorer company image as City vehicles are often the most visible City symbols.

Given this along with the fiscal magnitude and operational importance of the City of Burleson's vehicles and equipment, Equipment Services staff use a scorecard evaluation with six criteria including Age, Miles/Hours, Type of Service, Reliability, Maintenance and Repair Costs, as well as Condition. This method effectively determines the optimal time vehicles and/or equipment should be replaced. The table below summarizes the scorecard criteria. According to the City's Equipment Replacement Policy, assets will be replaced with a total score of 21 or higher.

| FACTORS | POINTS |
|----------------------------|--|
| Age | One point for each 20% of expected Class Service Life based on in-service date. This score may exceed 5 points. |
| Miles/Hours | One point for each 20% of expected Life Miles or Hours of use. This score may exceed 5 points. |
| Type of Service | 1 to 5 points are assigned based on the type of service that vehicle receives. For instance, a police car would be given a 5 due to its severe service duty. In contrast, an administrative sedan would be given a 1. |
| Reliability | Points are assigned as 1, 3, or 5 depending on comparison to average Maintenance Cost Per Mile (MCPM) of class. Points are assigned as 1 point if MCPM mile is less than 75 % of average MCPM in class, 3 points if > 75% but < 120 % average MCPM in class, and 5 points if > 120% of average MCPM in class. |
| Maintenance & Repair Costs | <p>The Formula for Maintenance cost is Target Maintenance cost divided by (Original Purchase Price x .2)</p> <p>Target Maintenance cost is found by taking Maintenance & Repair costs and subtracting Non-Targeted Repair costs. Examples of Non-Targeted Repairs would be repair cost after accident.</p> <p>This provides a 1 when targeted maintenance cost = 20 % of Original Purchase cost and a 5 when Targeted Maintenance costs are equal to Purchase cost. This score may exceed 5.</p> |
| Condition | This factor takes into consideration body condition, rust, interior condition, accident history, anticipated repairs, etc. A scale of 1 to 5 points is used with 5 being Poor Condition. See Exhibit D for guidelines to score condition. |

The table below indicates the list of vehicles to be replaced along with new vehicles approved for purchase in the fiscal year budget. These vehicles will be purchased using the BuyBoard purchasing cooperative.

| Department | Unit Replaced | Cost |
|--------------|---------------|-------------------|
| Police Dept. | | \$ |
| | 591 | 63,844.00 |
| | | \$ |
| | 135 | 41,974.00 |
| | | \$ |
| | TOTAL | 105,818.00 |

Unit 591 was originally purchased as a commercial vehicle enforcement (CVE) vehicle. It was never funded for replacement since the funds from the commercial motor vehicle fund purchased the vehicle. In 2017 the CVE program was discontinued. Since then, the vehicle has been used as a support vehicle for the Police department. In 2018, as part of its five year plan the Police department proposed a budget for one sergeant, four officers, and five vehicles to stand up a Strategic Response Team (SRT). Unfortunately, demands on the Police communication function required a shift in priorities resulting in additional staff for communications. The Police department utilized existing personnel to stand up the five person unit utilizing the CVE truck along with two traffic units. The replacement of the CVE truck with a police Tahoe and the inclusion of the vehicle in the replacement program would provide the SRT with a more functional vehicle for policing, as the design of the CVE truck was narrowly focused and equipped only for commercial vehicle inspections.

Unit 135 is a Ford Taurus that is currently used as an undercover surveillance vehicle. Since its purchase in December of 2005, the Criminal Investigations division has identified a need for a multipurpose, cargo capable crime scene vehicle for rapid response to crime scenes. A crime scene vehicle would allow investigators to store necessary equipment in the vehicle where it would be readily available to respond to scenes. Currently investigators store significant amounts of equipment and instruments in closets at the Police Department. This equipment must be carried down to vehicles every time they respond to a crime scene. This is inefficient, takes significant time, and requires one or more vehicles and trips to get the needed equipment to the scene. The cargo capability of the proposed crime scene vehicle will eliminate the need for multiple trips to the scene.

OPTIONS:

- 1) Approve a minute order for the purchase of replacement vehicles from Caldwell Country Chevrolet of Caldwell Texas in the amount of \$105,818.
- 2) Deny a minute order for the purchase of replacement vehicles from Caldwell Country Chevrolet of Caldwell Texas in the amount of \$105,818.

RECOMMENDATION:

Approve a minute order for the purchase of replacement vehicles from Caldwell Country Chevrolet of Caldwell Texas in the amount of \$105,818.

FISCAL IMPACT:

Budgeted Y/N: Y

Fund Name: Equipment Replacement Fund

Full Account #s: 502-8211-559-7438

Amount: \$105,818.00

Project (if applicable):

Financial Considerations:

STAFF CONTACT:

Aaron Russell, P.E.

Public Works

arussell@burlesontx.com

817-426-9837