

TO: James L. App, City Manager
FROM: Doug Monn, Public Works Director
SUBJECT: Yearly Vehicle and Equipment Replacement
DATE: November 1, 2011

NEEDS: For the City Council to consider the purchase of vehicles and equipment budgeted for replacement in Fiscal Year 2012 as established by the City's Equipment Replacement Program/policy.

FACTS:

1. The FY12 replacement list is comprised of only the most critical Vehicles & Equipment necessary for field tasks. Staff has reviewed all vehicles and equipment in the City Fleet, extending their replacement dates whenever possible.
2. With the exception of a single police sedan, all equipment suggested for replacement is allocated to Water Enterprise fund. All equipment is replacement and will not constitute any expansion of the City Fleet.
3. The following vehicles and equipment are budgeted for replacement purchases in the FY2011-12 budget and funded in the respective Water Enterprise Fund or Vehicle Replacement Fund:

Existing Vehicle/Equipment	Replacement	Fund	BID AMT
(1) 2001 Dodge ½ ton PU	(1) Ford F350 diesel truck w/utility box	Water	\$60,000
(1) 1999 GMC 3500 1 ton truck	(1) Ford F550 truck w/service body	Water	\$100,000
(1) 1985 diesel Generator	(1) 220/440 3 phase Natural Gas/Propane Generator	Water	\$28,000
(1) Chevy Classic Sedan	(1) Mid size sedan	General Fund	\$25,000

4. Prices were compiled using the State bid list and Governmental Agency Cooperative bidding to achieve the lowest cost possible.

ANALYSIS &

CONCLUSION: The City has an adopted equipment replacement policy based on the useful life of the equipment. The policy does not speak to replacement of equipment as the result of obsolescence, increasing or changing workloads that grow to exceed their capabilities.

Prior to being considered for replacement, equipment is examined to determine if the useful life can be extended and/or the equipment can still satisfy the needs it was intended. The FY12 requested purchases are limited to equipment or vehicles essential to maintenance operations for which the useful equipment life has been exhausted, ineffectual or obsolete.

Attached for review is a detailed list of Existing Vehicles and Equipment slated for replacement and the suggested replacements.

Existing Vehicle or Equipment

Replacement unit & criteria

2001 Dodge pickup (#301)

F350 diesel truck w/utility box

- Meets the replacement criteria for years under adopted replacement policy
- Is currently out of service due to broken rear differential.
- Has an extensive history of maintenance.
- Last three 3-year repair history cost: \$9,812.

1999 GMC 3500 Truck (#308)

F550 Heavy Duty Service Truck

- Exceeds replacement criteria for years under the adopted replacement policy.
- Larger unit is needed for towing and hauling essential repair equipment for regular duty and after hour emergencies.
- Vehicle being replaced has an extensive repair history.
- Last 3-year repair history cost of vehicle being replaced: \$12,452.57

1985 Generator (#320)

220-440 3 phase Natural Gas/Propane Generator

- Exceeds replacement by many criteria by many years
- Part mostly unavailable, must be fabricated at a high cost.
- No longer meets State Air Toxic Control measures for portable generators.
- Potential fines associated with continued use exceed value of unit.

Chevy Classic Sedan (#686)

Mid size sedan

- Exceeds the replacement criteria for mileage and years.
- Last 3-year repair history cost: \$4,503

POLICY

REFERENCE: City of Paso Robles Vehicle/Equipment Replacement Policy

FISCAL

IMPACT: The Fiscal Year 2011/2012 budget contains 4 requested vehicles and equipment totaling \$213,000:

- Three (3) of the needed pieces of equipment totaling \$188,000 is funded in the current FY12 Water budget.
- One (1) of the needed pieces of equipment totaling \$25,000 will be funded by General Fund contributions already made to the Vehicle Replacement Fund.

- OPTIONS:**
- a. Adopt Resolution No. 11-xx allowing the purchase of the new vehicles and equipment.
 - b. Amend, modify, or reject the above option.

Attachments: (1)

- 1) Resolution

RESOLUTION NO. 11-xxx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AUTHORIZING THE PURCHASE OF VEHICLES AND EQUIPMENT BUDGETED FOR
REPLACEMENT IN FISCAL YEAR 2012

WHEREAS, the City has adopted vehicle replacement policies based on the useful life of the vehicles/equipment; and

WHEREAS, prior to being considered for replacement, equipment is examined to determine if the useful life can be extended or has been exhausted; and

WHEREAS, the City's equipment replacement policies and dedication to modernization of the equipment has allowed increase productivity; and

WHEREAS, the FY12 replacement list, ATTACHMENT A, is comprised of only the most critical vehicles/equipment that are essential to maintenance for field tasks; and

WHEREAS, the FY2011-12 budget contains 4 requested vehicles and/or equipment totaling \$213,000; and

WHEREAS, with the exception of a single police sedan, all equipment is budgeted for replacement purchases in the FY2011-12 budget and funded in the respective Water Enterprise Funds or Vehicle Replacement General Fund; and

WHEREAS, prices were compiled using the State bid list and Governmental Agency Cooperative bidding to achieve the lowest cost possible.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. That the City Council of the City of Paso Robles does hereby authorize the purchase of vehicles and equipment in the amount of \$213,000 and authorizes the City Manager to execute the purchase.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 1st day of November 2011 by the following votes:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Duane Picanco, Mayor

Caryn Jackson, Deputy City Clerk

ATTACHMENT "A"

Replacement	Fund	BID AMT
(1) 2001 Dodge ½ Ton PU	Water	\$60,000
(1) 1999 GMC 3500 1 ton truck	Water	\$100,000
(1) 1985 diesel Generator	Water	\$28,000
(1) Chevy Classic Sedan	General Fund	\$25,000