

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Dave Klotzle, City Engineer/ Public Works Director
Prepared By: Ashraf Rostom, Public Works Superintendent/Inspector

DATE: June 7, 2013 (CC Meeting of 06/19/13)

SUBJECT: Consider Resolution Amending the Fiscal Year 2012/13 Budget to Fund the Procurement of Maintenance Vehicles

DISCUSSION

The Public Works Department utilizes three utility trucks to carry out street maintenance activities on a daily basis. The trucks currently in service are described as follows:

<u>Vehicle No.</u>	<u>Description</u>	<u>Mileage</u>
43	2002 Ford F-350 (gas)	93,000
58	2006 Ford F-250 (gas)	58,000
66	2007 Ford F-450 (diesel)	40,000

The California Air Resources Board (CARB) requires that all light and heavy duty vehicles with a Gross Vehicle Weight Rating (GVWR) between 14,000 and 19,500 pounds with an engine manufactured between 2003 and 2006, must have a Best Available Control Technology (BACT) system installed such as a diesel Particulate Matter (PM) filter.

The 2007 F-450 truck has 2006 engine and a GVWR of 16,000 pounds and therefore requires a PM filter to comply with CARB requirements. The estimated cost to install a PM filter on Vehicle No. 66 is \$14,500. The annual maintenance cost of the PM filter is estimated to be \$500.

Recently, Vehicle No. 66 had to be taken to the Simi Valley Ford Dealer for a repair that required the truck body to be removed, and the truck was out of service for one week. Had this repair not been covered under warranty, it would have cost more than \$3,700. Staff has determined that Vehicle No. 66 has the potential for continual high maintenance costs and the requirement to install a PM filter outweighs the current truck value of about \$11,500.

Staff recommends replacing Vehicle No. 66 with a Ford F-250. By replacing the larger and heavier F-450 truck with an F-250, staff expects there to be a \$700 annual savings in fuel costs, as well as lower maintenance costs including tire replacements since the F-450 has dual rear wheels and the F-250 does not. The electric powered crane currently installed on the F-450 will be transferred to the new F-250. The F-250 is of an adequate size to meet the needs for Public Works Street Maintenance activities.

Staff also recommends the purchase of a second F-250 to replace Vehicle No. 43, an F-350, since it has 93,000 miles and has outlived its useful life. Staff expects this replacement to yield a \$500 annual savings in fuel costs, as well as lower maintenance costs including tire replacements since the F-350 has dual rear wheels and the F-250 does not.

The 2006 F-250, Vehicle No. 58, will remain in service at this time.

FISCAL IMPACT

The estimated cost of an F-250 to replace Vehicle No. 66 including the trade-in value, is shown below.

<u>Description</u>	<u>Est. Cost (\$)</u>
F-250 Purchase Price	\$18,126
Cost of auxiliary equipment **	\$14,300
Shipping	\$350
Sub-total	<u>\$32,776</u>
Sales tax & fees	\$3,082
Trade-in Value 2007 F450 # 66	<u>(\$11,500)</u>
	<u>\$24,358</u>

** including utility body, safety lights, and transfer of radio and crane

The estimated cost of an F-250 to replace Vehicle No. 43, is shown below. The 2002 F-350 will be surplus to auction in its 'as-is' condition.

<u>Description</u>	<u>Est. Cost (\$)</u>
F-250 Purchase Price	\$18,126
Cost of auxiliary equipment **	\$12,300
Shipping	\$350
Sub-total	<u>\$30,776</u>
Sales tax & fees	<u>\$2,922</u>
Total	<u>\$33,698</u>

** including utility body, safety lights, and transfer of radio

The total estimated combined cost for the two vehicles is \$58,056. A budget expenditure increase of \$60,000 is requested from the Equipment Replacement Fund (4003) to cover the purchase price and any contingency costs.

Upon City Council approval, the new vehicles will be purchased by "piggy-backing" on an existing State of California purchase contract with Ford which was established via competitive bidding. The estimated delivery time for the new vehicles is approximately three (3) weeks after placing the order.

A resolution amending the Fiscal Year 2012/13 budget (Attachment 2) is required to appropriate funding from the Equipment Replacement Fund to purchase the vehicles.

STAFF RECOMMENDATION (ROLL CALL VOTE)

Adopt Resolution 2013 - _____ amending the Fiscal Year 2012/13 budget to appropriate \$60,000 from Equipment Replacement Fund (Fund 4003)

Attachment: Resolution 2013 - _____

RESOLUTION NO. 2013-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA, AMENDING THE FISCAL YEAR 2012/13 BUDGET TO APPROPRIATE \$60,000 FROM EQUIPMENT REPLACEMENT FUND (4003) FOR THE PURCHASE OF PUBLIC WORKS MAINTENANCE VEHICLES

WHEREAS, on June 20, 2012, the City Council adopted the Operating and Capital Improvements Projects budget for Fiscal Year 2012/13; and

WHEREAS, the adopted budget does not include the purchase of Public Works maintenance vehicles; and

WHEREAS, a staff report has been presented to the City Council requesting a budget adjustment to appropriate \$60,000 from Equipment Replacement Fund (4003); and

WHEREAS, Exhibit "A", attached hereto and made a part hereof, describes said budget amendment and its resultant impact to the budget line items.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOORPARK DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That a Budget amendment in the aggregate increase of \$60,000 as more particularly described in Exhibit "A", is hereby approved.

SECTION 2. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original resolutions.

PASSED AND ADOPTED this 19th day of June, 2013.

Janice S. Parvin, Mayor

ATTEST:

Maureen Benson, City Clerk

Attachment: Exhibit 'A': Appropriation and Budget Detail

EXHIBIT "A"

**BUDGET AMENDMENT FOR
EQUIPMENT REPLACEMENT FUND (4003) TO APPROPRIATE \$60,000 FOR
THE PURCHASE OF PUBLIC WORKS MAINTENANCE VEHICLES
FY 2012-2013**

FUND ALLOCATION FROM:

Fund	Account Number	Amount
Equipment Replacement	4003-5500	\$ 60,000.00
Total		\$ 60,000.00

DISTRIBUTION OF APPROPRIATION TO EXPENSE ACCOUNTS:

Account Number	Current Budget	Revision	Amended Budget
4003.8310.0000.9505	\$ -	\$ 60,000.00	\$ 60,000.00
	\$ -	\$ -	\$ -
Total	\$ -	\$ 60,000.00	\$ 60,000.00

Finance Approval: *St Bon Ahlers*