

BUDGET RESOLUTION 2021-154

A RESOLUTION AMENDING THE FISCAL YEAR 2020-2021 BUDGET TO TRANSFER FUNDS FROM VARIOUS RESERVE FOR CONTINGENCY FUNDS TO SUPPORT THE REPLACEMENT PURCHASE OF 20 VEHICLES IN THE AMOUNT OF \$3,333,942

WHEREAS, staff recommends the purchase of 20 replacement vehicles; and

WHEREAS, the total replacement cost is \$3,333,942; and

WHEREAS, the funding for the replacement vehicles will be transferred from the Electric, Public Works Sanitation, and Water Resources Reserve for Contingency accounts to their corresponding Machinery and Equipment accounts; and

WHEREAS, these replacement purchases will utilize the Sourcewell and Florida Sheriffs Association contract pricing.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF OCALA, FLORIDA, duly assembled in regular session, that the FY2021 budget be amended as outlined below:

Sources:

453-099-999-534-81-99800	Sanitation Reserve for Contingencies	(\$1,278,311)
455-099-999-536-81-99800	Water Resources for Contingencies	(\$857,606)
457-099-999-531-81-99800	Electric Reserve for Contingencies	(\$1,198,025)

Uses:

453-023-602-534-66-64010	Sanitation - Machinery & Equipment	\$1,278,311
455-030-602-533-66-64010	Water Resources/Utility - Mach & Equip	\$751,788
455-030-602-535-66-64010	Water Resources/Waste Wtr-Mach & Equip	\$105,818
457-032-602-531-66-64010	Electric - Machinery & Equipment	\$1,198,025

This resolution adopted this 6 day of July, 2021.

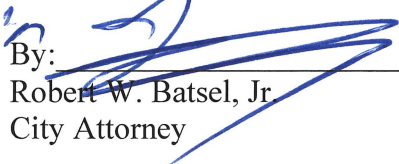
CITY OF OCALA

By: 
Justin Grabelle
President, Ocala City Council

ATTEST:


By: 
Angel B. Jacobs
City Clerk

Approved as to form and legality:

By: 

Robert W. Batsel, Jr.
City Attorney

Reviewed for accounting accuracy & completeness:

By: 

Sandra Wilson
City Manager

CITY OF OCALA

CITY COUNCIL REPORT

Council Meeting Date: 07/06/21

Subject: Enterprise Departments' FY22 Vehicle Replacements

Submitted By: John King

Department: Fleet & Facilities Management

STAFF RECOMMENDATION (Motion Ready): Adopt Budget Resolution 2021-154 amending the Fiscal Year 2020-2021 budget to transfer funds from various Reserve for Contingency funds to purchase vehicles for the Electric, Public Works Sanitation, and Water Resources in the amount of \$3,333,942

OCALA'S RELEVANT STRATEGIC GOALS: Operational Excellence

PROOF OF PUBLICATION: N/A

BACKGROUND:

Fleet is requesting the purchase of replacement vehicles that have exceeded their useful life for the departments below.

Department	Cost
Electric	\$ 1,198,025
PW-Sanitation (453)	\$ 1,278,311
Water Resources (455)	\$ 857,606
Total	\$ 3,333,942

FINDINGS AND CONCLUSIONS:

Commodity prices affecting the auto industry continue to increase affecting both inventory supply and equipment cost. Industry analysts project increases of approximately 20% in 2022. Issuing early purchase orders for the Enterprise Departments' FY22 vehicles and equipment will save the City approximately \$600,000. In addition, these purchases will reduce equipment downtime, maintenance cost, and increase efficiency. Staff recommends approval of these purchases utilizing the Sourcewell and Florida Sheriffs Association awarded contracts.

FISCAL IMPACT:

The Enterprise Departments' FY22 vehicles and equipment replacement cost total \$3,333,942. Funding is available in various Reserve for Contingency accounts and will be transferred to its corresponding Machinery and Equipment accounts below:

Account	Description	Amount
453-023-602-534-66-64010	Sanitation - Machinery & Equipment	\$1,278,311
455-030-602-533-66-64010	Water Resources/Utility - Mach & Equip	\$751,788
455-030-602-535-66-64010	Water Resources/Waste Wtr-Mach & Equip	\$105,818
457-032-602-531-66-64010	Electric - Machinery & Equipment	\$1,198,025

The attached budget resolution allocates funding in the appropriate accounts to facilitate the purchase.

PROCUREMENT REVIEW:

This purchase is in compliance with the City's Procurement policies.

LEGAL REVIEW:

N/A. Direct supply purchase from the Sourcewell and Florida Sheriffs Association contracts.

ALTERNATIVE:

Approve, Deny, Amend

SUPPORT MATERIALS:

Award Letter FSA20-VEH18.0 (PDF)

Award Letter FSA20-EQU18 (PDF)

National_Auto_Fleet_120716-Contract_Extension.docx (PDF)