



City of Burlington
Department of Public Works
645 Pine Street
Burlington, VT 05402
802.863.9094 P
802.863.0466 F

Chapin Spencer
DIRECTOR OF PUBLIC WORKS
Martha Q. Keenan
Capital & Asset Mgmt. Program Manager
Lee Perry
Interim Assistant Director Maintenance Division

Date: July 23, 2020
To: Board of Finance, City Council
From: Chapin Spencer, Director Public Works
Lee Perry, Assistant Director – Fleet Maintenance Division
Martha Keenan, Capital & Asset Management Program Manager
Subject: Approval to Order and Finance 30 vehicles and equipment

Background:

The Department of Public Works coordinates fleet purchases for the General Fund and several enterprise / special revenue funds. In collaboration with the Clerk/Treasurers Office, we request approval to order (30) pieces of equipment and vehicles to be financed through two leases, one five year lease and one ten year lease; with the financing to be negotiated by the Clerk Treasurer's Office within 60 days of approval to purchase. The total cost of the equipment is \$2,300,334.00. We are seeking timely approval in August to ensure all equipment is received in time for upcoming work, as the delivery of some items can take up to a year.

The Department of Public Works Fleet Maintenance Manager has identified (30) pieces of equipment are to be replaced on the FY21 Fleet replacement schedule. Deferment of six pieces of equipment will maintain fiscal responsibility. The listing of the replacement vehicles is in the table below. Wherever possible, we are replacing gas and diesel vehicles/equipment with hybrid or electric power.

With the new Fleet Policy in place, the Fleet Maintenance Manager and the AD of Fleet Maintenance met with each Department Head to review the recommended replacements and receive input. With that information, the Fleet Maintenance Manager researched electric and hybrid options on each item, calculated the carbon pricing on fossil fuel options, and made his recommendations to the Fleet Committee. Department representatives and BED subsequently reviewed these recommendations. BED provided further recommendations and available incentives resulting in further refinement of the recommendations before you. The proposed equipment was reviewed by the Fleet Committee, Departments, BED, the Administration, and the TEUC for approval and the basis for each equipment recommendation.

The Fleet Manager provided written specifications and requested bids from at least three vendors for each vehicle. He is recommending the best option available to move the City toward our NetZero goals and provide reliability for the work designated for each piece of equipment.

The Clerk Treasurers Office will seek competitive pricing from financial institutions to ensure the most advantageous lease terms are obtained for these vehicles with a rate not to exceed 4% for both the five year and ten-year leases.

Funding:

The payment of the lease is from the approved FY21 Fleet Budget within the newly created Fleet Reserve Fund, which was created through collaboration by merging Department vehicle line items approved as part of the FY20 budget.

	Account Number	Account Description	2021 Mayors Recommended
Fund: 115 - Fleet - Capital Lease			
REVENUES			
<i>INTERGOV - Intergovernmental Revenues</i>			
	4990_100	Interfund Transfer Proceeds General Fund	561,722.0000
<i>Account Classification Total: INTERGOV - Intergovernmental Revenues</i>			\$561,722.00
<i>OTHER REV - Other Revenue</i>			
	4720_100	Use of Fund Balance March 2019 Tax	284,246.0000
	4750	Gain/Loss On Asset	50,000.0000
<i>Account Classification Total: OTHER REV - Other Revenue</i>			\$334,246.00
REVENUES Total			\$895,968.00
EXPENSES			
	7200_115	Capital Leases Equipment	775,080.0000
	7250	Capital Lease Interest	120,888.0000
<i>Account Classification Total: GEN OPER - General Operating</i>			\$895,968.00
EXPENSES Total			\$895,968.00
REVENUE GRAND Totals:			\$895,968.00
EXPENSE GRAND Totals:			\$895,968.00
Grand Totals:			\$0.00

Motions:

Board of Finance:

To approve and recommend that the City Council authorize the Director of Public Works to purchase 30 pieces of equipment —subject to review and approval by the City Attorney—for a total value of \$2,300,334 with financing determined by the Clerk Treasurer's Office at a rate not to exceed 4% and a term of 5 years for some equipment and 10 years for the longer-term equipment, dependent on the expected life of the equipment.

City Council:

To approve and authorize the Director of Public Works to purchase 30 pieces of equipment — subject to review and approval by the City Attorney—for a total value of \$2,300,334 with financing determined by the Clerk Treasurer's Office at a rate not to exceed 4% and a term of 5 years for some equipment and 10 years for the longer-term equipment, dependent on the expected life of the equipment.

FY21 FLEET CAPITAL SUMMARY

Department	Division	Vehicle	Recommendation	Vehicle Units	Total Cost		
					Fossil Fuel	Hybrid (after rebates)	Electric (after rebates)
DPW	Maintenance	Forklift	Electric	1	\$ 25,930	\$ -	\$ 30,365
Police	Administrative	Taurus	Electric	1	\$ 33,023	\$ 34,670	\$ 36,820
Parks		P/U 150 4x2	Electric	1	\$ 29,361	\$ -	\$ 21,782
Parks		Walking Mower	Electric	2	\$ 12,000	\$ -	\$ 13,000
Fire		Car	Electric	1	\$ 20,964	\$ -	\$ 31,700
Police	Line	Cruiser	Hybrid	4	\$ 201,956	\$ 219,220	\$ -
Parks	Cemetery	P/U F150	Fossil Fuel	1	\$ 29,361	\$ 46,577	\$ -
Parks		P/U F250 XL 4x4	Fossil Fuel	2	\$ 86,900	\$ 115,672	\$ -
Parks		Flatbed F550XL	Fossil Fuel	1	\$ 56,223	\$ 71,824	\$ -
Parks		Van E350	Fossil Fuel	1	\$ 46,479	\$ 62,283	\$ -
Parks	Cemetery	Mower	Fossil Fuel	1	\$ 6,000	\$ -	\$ 6,500
Parks		Walking Mower	Fossil Fuel	2	\$ 6,000	\$ -	\$ 6,500
DPW	Streets	Sidewalk Sweeper	Fossil Fuel	1	\$ 135,400	\$ -	\$ 283,900
Fire		P/U F150	Fossil Fuel	1	\$ 54,312	\$ 69,469	\$ -
Fire		P/U F350 with Plow	Fossil Fuel	1	\$ 41,567	\$ 57,658	\$ -
DPW	Streets	Street Sweeper	Fossil Fuel (No Alternatives)	1	\$ 236,377	\$ -	\$ -
Parks		Tractor JD 5225	Fossil Fuel (No Alternatives)	1	\$ 55,500	\$ -	\$ -
DPW	Streets	Backhoe	Fossil Fuel (No Alternatives)	1	\$ 138,768	\$ -	\$ -
DPW	Streets	Plow Truck 7500	Fossil Fuel (No Alternatives)	1	\$ 183,613	\$ -	\$ -
DPW	Streets	Sidewalk Tractor	Fossil Fuel (No Alternatives)	4	\$ 584,216	\$ -	\$ -
DPW	Streets	Recycling Truck	Fossil Fuel (No Alternatives)	1	\$ 286,731	\$ -	\$ -
Total				30	\$ 2,270,681	\$ 2,392,233	\$ 2,558,475

DEFERRED EQUIPMENT						
STREETS	S51	1994	ON THE RD TRLR	ET 800016 BVRTL	CONST. TRAILER	\$9,000.00
STREETS	S01	2011	FORD	F250 XL SD 4X4	STAFF	\$55,667.00
PARKS	PR53	2001	MID-ATLANTIC	MALS16	TRAILER	\$9,000.00
PARKS	PR54	2001	MID-ATLANTIC	MALS16	TRAILER	\$9,000.00
POLICE	P046	2004	FORD	E350	ID VAN	\$59,500.00
POLICE	P135	2001	PACE	CARGO SPORT	RANGE TRAILER	\$9,000.00
						\$151,167.00

If you have any questions, please contact me at lperry@burlingtonvt.gov or 802-540-0701.