

Agenda Item: {{section.number}}C

September 3, 2024

TO: THE ENGINEERING, OPERATIONS, AND WATER RESOURCES COMMITTEE

Director Gracie Torres

Director Fauzia Rizvi

FROM: Tim Barr, Deputy General Manager

AUTHORIZE THE REFURBISHMENT OF TWO TRUCK BODIES AND THE PURCHASE OF ONE NEW TRUCK BODY TO BE INSTALLED ON THREE RECENTLY PURCHASED FORD F-550 CHASSIS

RECOMMENDATION:

Staff requests that the Engineering, Operations, and Water Resources Committee recommend the Board of Directors:

1. Approve a \$350,000 increase to the medium/heavy-duty truck acquisition budget from \$206,000 to \$556,000 in the Board adopted Capital Improvement and Facilities Plan for Fiscal Years 2024-2025 and 2025-2026. Funds will be used to refurbish two existing service bodies and purchase one new service truck body to be installed on three recently purchased Ford F-550 truck chassis under the Asset Replacement Reserve RES05 of the Fleet Fund 14; and

2. Authorize the General Manager to execute a contract and open the associated purchase order with USA Truck Bodies, Inc. to refurbish two existing bodies and purchase one new service truck body for an amount up to \$350,000.

EXECUTIVE SUMMARY:

On November 15, 2023, the Board of Directors authorized staff to purchase three Ford F-550 truck chassis for approximately \$206,000 in order to maintain operational flexibility. Staff is now requesting authorization to purchase and/or refurbish three corresponding service truck bodies. Recent trends in inflation and supply chain demand challenges have caused prices to climb, making it more cost effective to refurbish two of Western Municipal Water District's existing 11-year-old service truck bodies and purchase a new one. Two existing vehicle bodies are in serviceable condition while the third is more expensive to repair when compared to the replacement cost.

BUDGET IMPACT:

The proposed action seeks funding of up to \$350,000 to refurbish two existing service truck bodies and purchase one new body to be installed on the three recently purchased Ford F-550 truck chassis. The Board-adopted Capital Improvement and Facilities Plan for Fiscal Year 2024-2025 and Fiscal Year 2025-2026 includes \$250,000 and \$150,000, respectively, (\$400,00 total) for the acquisition of three service truck bodies under the Asset Replacement Reserve RES05 of Fleet Fund 14, which is sufficient to cover the additional budget request in the proposed action.

DETAIL:

Western Municipal Water District's (Western Water) medium/heavy-duty vehicles ensure service reliability through superior range, carrying and/or towing capacity, reliability, and efficiency during routine and emergency response events. Vehicle availability, along with service, cost and regulatory changes has prompted staff to re-evaluate vehicle maintenance and procurement processes. Two of the existing service bodies can be refurbished at approximately 70-percent of the cost to buy new and will provide an additional 8-10 years of service life. The third service body must be replaced. Staff sought quotes from multiple vendors, but ultimately located just two vendors that would refurbish the brand of service body Western Water is seeking to repair and retain.

The table below outlines the costs provided by the two vendors from whom staff was able to acquire quotes.

Item	Quantity	USA Truck Bodies, Inc.	California Truck Equipment Co.
Refurbish Service Truck Body	2	\$96,663 each	\$137,042 each
Purchase New Truck Body	1	\$136,899 each	\$149,571 each
Purchase Cost		\$330,225	\$423,655
Contingency (6%)		\$19,775	-
Requested Budget Increase		\$350,000	-

The service bodies will be equipped with an array of enhanced auxiliary equipment including but not limited to a crane, air compressor, lighting, and welder. While the estimated total purchase cost including tax is \$330,225, to ensure smooth delivery, staff is requesting up to \$350,000 to cover unexpected contingencies.

Reason for Action:

Staff seeks to maintain our medium/heavy duty fleet vehicles to ensure service reliability.

Solution:

Approve a \$350,000 increase to the medium/heavy-duty truck acquisition budget and authorize execution of a contract to refurbish two existing truck bodies and purchase one new service truck body.

STRATEGIC PRIORITIES REFERENCE:

This action is consistent with Western's Strategic Priority of Superior Service.

PROPOSED DATE OF ACTION:

If approved by the Committee, this item is scheduled for consideration by the full Board of Directors at their meeting on September 18, 2024.

LEGAL COUNSEL REVIEW:

Not applicable.

Respectfully submitted by:

Tim Barr, Deputy General Manager