



MEMORANDUM

TO: City Council

FROM: Bill Robeson, Assistant City Manager/ Director of Public Works

BY: Dan Kies, Public Works Manager
Shannon Sweeney, City Engineer

SUBJECT: Public Works Budget Reallocation for Vehicle Replacement; and Resolution Declaring Vehicles as Surplus

DATE: April 8, 2025

RECOMMENDATION:

- 1) Carry over \$160,000 of unspent FY 2023-24 funds into FY 2024-25 for the replacement of a bucket truck. Authorize the City Manager to approve the purchase of a bucket truck following competitive bidding per the City's Purchasing Policy;
- 2) Reallocate \$140,000 in FY 2024-25 funds from the purchase of a medium-duty dump truck to the purchase of three light-duty trucks and authorize the purchase of the vehicles from Arroyo Grande Chevrolet for \$120,113.72; and
- 3) Adopt a Resolution declaring specified equipment to be surplus and authorizing the sale or disposal thereof.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

All requested funds were previously budgeted and not spent. The bucket truck was budgeted in FY 2023-24 and is being requested as a carryover now that staff are ready to make this purchase. FY 2024-25 has \$140,000 budgeted to replace a dump truck, staff is recommending reallocating these funds for the replacement of three light-duty trucks.

BACKGROUND:

The Public Works Department operates 40 vehicles and other equipment. This vehicle pool is assessed annually. As vehicles age, they become less reliable and some become non-compliant with California State emissions requirements.

Starting January 1, 2025, Advanced Clean Fleet regulations require, in part, that the City purchase electric technology for a portion of its larger vehicles, such as the bucket truck. A bucket truck is a specialized truck that has been equipped with a lift and platform that allows workers to access elevated areas (e.g. tree canopies, windows on higher stories). Bucket trucks of the size needed by the City are currently exempt from the Advanced

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Clean Fleet regulations, because no electric bucket trucks are being manufactured. Purchasing this vehicle now would enable staff to purchase a gasoline-powered bucket truck at considerable cost savings.

Additionally, staff is recommending that three light duty pickup trucks to be purchased in lieu of the one medium-duty dump truck because maintenance on the current pickup trucks exceed maintenance costs on the dump truck. The dump truck will be incorporated into the FY 2025-27 budgeted process.

ANALYSIS OF ISSUES:

The Public Works Department vehicle fleet is aging. As the fleet ages, the cost of maintenance of the vehicles increases due to more significant and costly repairs. Replacement of older vehicles avoids these high maintenance costs. In addition, there is more downtime associated with the older vehicles which impacts the Department’s ability to meet service expectations. The City’s Fleet Maintenance Coordinator has been successful in extending the useful life of the current vehicles beyond the typical 10-year service life, as the pickup trucks slated for replacement are 17,19, and 24 years old.

The three replacement ½ ton service vehicles will be used by the Streets Division. Three older pickup trucks from the City’s vehicle fleet will be cycled out and sent to public auction, if approved by the City Council.

Staff received three quotes for new pickup trucks. The results are summarized below:

Vendor	Vehicle	Unit Price	Total Price
Arroyo Grande Chevrolet	2 single cab 1500	\$37,382.82	\$120,113.72
	1 crew cab 1500	\$45,348.08	
Mullahey Ford	2 single cab F150	\$38,609.56	\$120,456.00
	1 crew cab F150	\$43,236.88	
Cole Dodge RAM	2 single cab 2500	\$44,495.00	\$132,351.11
	1 crew cab 1500	\$43,361.11	

Arroyo Grande Chevrolet is the low bid for the purchase of these three vehicles, at \$120,113.72.

The bucket truck is used for work activities that require working at heights of up to 40 feet, for such tasks as tree trimming, replacement of light bulbs, and seasonal decorations.

ALTERNATIVES:

The following alternatives are provided for the City Council’s consideration:

1. Approve staff’s recommendation as stated herein;
2. Do not approve the carryover, reallocation, and purchase;
3. Direct staff to reprioritize vehicle replacements; or

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4. Provide other direction to staff.

ADVANTAGES:

Replacement of the aging fleet vehicles will reduce vehicle maintenance costs and downtime. Additionally, the existing bucket truck is over 20 years old and no longer meet California emission standards. The replacement vehicle will comply with APCD emission standards.

DISADVANTAGES:

Staff's recommendation defers the purchase of the medium-duty dump truck until it is incorporated into the FY 2025-27 budget. While deferring this purchase is not ideal, staff determined that the maintenance costs of the pickups will exceed maintenance costs of the dump truck, thereby reducing overall maintenance costs.

ENVIRONMENTAL REVIEW:

Carrying over, reallocating, and purchasing vehicles with previously budgeted funds is not a project subject to the California Environmental Quality Act ("CEQA") because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060 (c)(2) and (3), 15378.)

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

ATTACHMENTS:

1. Proposed Resolution