



REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>June 24, 2023</u>
Requested By: <u>Ray Mayo, Director</u>
Department: <u>Public Works</u>
<input checked="" type="radio"/> Report <input type="radio"/> Resolution <input type="radio"/> Ordinance

Appropriation	
Source of Funds:	<u>009-Motor Pool</u>
Account Number:	<u>Various 8050</u>
Amount Budgeted:	<u>N/A</u>
Amount Requested:	<u>N/A</u>
Budgeted Item:	<input type="radio"/> Yes <input checked="" type="radio"/> No

Exhibits: Letter of Intent Exhibit, Summary of Vehicle Replacement 2024/ 2025

SUMMARY & RECOMMENDATION

The shortage of vehicles and equipment across the nation is presenting challenges for all buyers. Build slots for certain types of vehicles are limited. The window of opportunity is sometimes very short and comes with inadequate notice. In some cases, the dealers provide a last-minute notice to staff that a letter of intent is needed to secure a vehicle. If that vehicle or equipment exceeds \$50,000.00, Council approval is required.

To mitigate this issue, Staff is requesting City Council to authorize the City Manager to issue a “letter of intent to purchase” to vehicle and equipment dealers. A letter of intent will be utilized to secure a build slot for certain replacement vehicles and equipment indicated on the Summary of Vehicle Replacement 2024/2025 and new vehicles being added to the fleet in the 24/25 budget year. Quotes will be obtained through cooperative purchasing vendors as necessary. The final purchase amounts and awards will come back to City Council for approval after October 1, 2024.

Benefits:

- Orders placed in advance have a higher chance of getting filled.
- Purchase commitments provided to the dealer will provide an advantage over other orders.

Liabilities:

- Build slots and existing stock for equipment and vehicles is in short supply.
- Dealers are promised a certain number of vehicles but cannot control the decisions made at the factory level.

Staff recommends approval of “Letters of Intent to Purchase” in order to secure availability of vehicles and equipment for purchase after October 1, 2024.

STRATEGIC PLAN STRATEGY AND GOAL

3.0 The City of La Porte will have and maintain a strong infrastructure and up to date facilities in order to continue to provide superior services for our citizens.

ACTION REQUIRED BY CITY COUNCIL

Authorize the City Manager to issue “Letters of Intent to Purchase” to secure build slots for replacement vehicles and equipment and additions to the fleet for fiscal year 2024-25.

Approved for the City Council meeting agenda

Corby D. Alexander, City Manager

Date