

## MEMORANDUM

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**DATE:** August 2, 2022

**TO:** Honorable Mayor and City Commission

**VIA:** James Slaton, City Manager

**FROM:** Stephanie Edwards, Support Services Manager

**SUBJECT:** Agreement renewal with the Polk County Board of County Commissioners (BoCC) Fleet Management Division for City vehicle and equipment maintenance services.

**SYNOPSIS:** *Staff is requesting Commission approval to renew our existing maintenance agreement with the BoCC for an additional twelve month period.*

### RECOMMENDATION

It is recommended that the City Commission take the following actions:

1. Approve the agreement to extend the existing contract for an additional twelve month period.
2. Authorize the City Manager to execute the agreement on behalf of the City.

### BACKGROUND

In August of 2009, the City of Lake Wales (COLW) entered into an agreement with the Polk County Board of County Commissioners for fleet maintenance services. Per the agreement, BoCC's Fleet Management Division provides maintenance services on all City-owned vehicles and equipment at the City's fleet facility located on Crystal Avenue. The initial term of the agreement was for a twelve month period with the option to renew annually upon mutual agreement between the City and the BoCC. The agreement has been renewed each consecutive fiscal year since the initial agreement in 2009.

Under the terms of the agreement, Polk County Fleet Management (PCFM) provides:

- All labor, parts and outsourced services related to routine, breakdown and/or preventative maintenance. Repairs related to accidents and/or abuse are included but are not within PCFM's basic rate structure.
- Management of accident and/or abuse related repairs in coordination with COLW management personnel.
- Tire maintenance, replacement and/or repairs.
- Service and/or breakdown support, 24 hours/day 7 days/week.
- Repair and/or maintenance of allied tools, equipment and/or small engine machinery.
- Maintenance reporting through the current PCFM automated Fleet Management Information System (FMIS).
- Access to and service from all PCFM's network of garage facilities Countywide.
- Repair and/or maintenance of COLW owned generators, when requested.
- Repairs to shop equipment owned by the COLW if the failed equipment was rendered inoperative due to PCFM.

The Polk County Fleet Management Division provides the City with a fixed-rate fee schedule for maintenance services prior to the beginning of each fiscal year. These fees are based on historical equipment repair costs incurred by Polk County Fleet Management throughout the previous year.

Prior to the agreement with Polk County Fleet Management, the City operated its own Fleet Maintenance Department. A five-year summary of the City's total fleet maintenance costs are outlined below:

**Fiscal Year Actual (Pre-County Contract 2004-2009)**

<b>Fiscal Year Actual (Pre-County Contract 04-09)</b>	<b>Salaries</b>	<b>M&amp;R Vehicles</b>	<b>Operating Supplies Vehicles</b>	<b>M&amp;R Vehicles Refurbishment</b>	<b>Fleet Operating Budget</b>	<b>Total</b>
<b>5-Year Average</b>	<b>126,744</b>	<b>153,571</b>	<b>33,928</b>	<b>3,808</b>	<b>49,778</b>	<b>367,829</b>

**Fiscal Year Actual (Post- County Contract 2016-2021)**

<b>Fiscal Year Actual (Post- County Contract 17-22)</b>	<b>Salaries</b>	<b>M&amp;R Fleet Contract</b>	<b>Operating Supplies Vehicles/M&amp;R Fleet Non-Contract (budget)</b>	<b>M&amp;R Vehicles Refurbishment</b>	<b>Fleet Operating Budget</b>	<b>Total</b>
2017/2018	N/A	295,006	22,300	0	21,583	338,889
2018/2019	N/A	300,014	22,300	0	23,813	346,127
2019/2020	N/A	249,641	22,300	0	25,827	289,768
2020/2021	N/A	218,519	22,300	0	20,970	259,961
2021-2022	N/A	293,031	22,300	0	24,837	340,168
<b>5-Year Average</b>	<b>N/A</b>	<b>227,538</b>	<b>22,300</b>	<b>0</b>	<b>23406</b>	<b>314,983</b>

**OTHER OPTIONS**

The City Commission may choose not to enter into this agreement and 1) direct staff to develop a request for proposal for fleet maintenance services or 2) direct staff to assume the responsibility of our own fleet maintenance services.

**FISCAL IMPACT**

The annual maintenance fee for FY 22/23 is \$279,660. This fee is a decrease of \$13,371 from FY 21/22.

**ATTACHMENTS**

MOU Extension  
 Vehicle Maintenance Memorandum of Understanding (MOU)  
 City of Lake Wales FY22-23 Fleet Maintenance Cost