

**FINANCIAL IMPACT STATEMENT
For Council Action Items**

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator John Hunt, CityFleet Manager		2. Telephone No. (503) 823-4302	3. Bureau/Office/Dept. OMF/ Bureau of Internal Business Services/ CityFleet
4a. To be filed (date) Dec 2, 2010	4b. Calendar (Check One) Regular Consent 4/5ths <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		5. Date Submitted to FPD Budget Analyst: Nov 22, 2010

1) Legislation Title:

*Authorize competitive selection process to purchase replacement catch basin cleaners for approximately \$1,200,000 (Ordinance)

2) Purpose of the Proposed Legislation:

The purpose of this ordinance is to authorize CityFleet to procure replacement vehicles in accordance with City Code 5.33. There are three catch basin cleaners (EQ # 967001, 995008, and 995009) that are scheduled for life-cycle replacements by CityFleet for the Bureau of Environmental Services. The estimated cost to replace the three vehicles is \$1,200,000 (\$400,000 per unit).

3) Revenue:

Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated please identify the source.

This request does not impact City revenues.

4) Expense:

What are the costs to the City as a result of this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years) (If the action is related to a grant or contract please include the local contribution or match required)

This action is estimated to cost the Bureau of Environmental Services (BES) capital budget \$1,200,000 in FY 2010-11. BES budgets for scheduled vehicle and equipment replacement within the BES capital budget and the procurement of these three vehicles is included in the FY 2010-11 CIP. There is no estimated increase in ongoing operations or maintenance for these replacement vehicles for BES.

The cost to delay this purchase would be significant. Retaining vehicles beyond the economic life-cycle leads to costly repairs and lowers salvage values. This would affect BES expenses for regular repairs and maintenance and could be outside the FY 2011 Adopted Budget amounts.

Staffing Requirements:

5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation? (If new positions are created please include whether they will be part-time, full-time, limited term or permanent positions. If the position is limited term please indicate the end of the term.)

No additional staffing is required for this request.

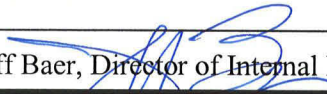
6) Will positions be created or eliminated in *future years* as a result of this legislation?

This action does not impact future staffing levels.

Complete the following section if you are accepting and appropriating a grant via ordinance. This section should only be completed if you are adjusting total appropriations, which currently only applies to grant ordinances.

7) Change in Appropriations (If the accompanying ordinance amends the budget, please reflect the dollar amount to be appropriated by this legislation. If the appropriation includes an interagency agreement with another bureau, please include the partner bureau budget adjustments in the table as well. Include the appropriate cost elements that are to be loaded by the Grants Office and/or Financial Planning. Use additional space if needed.)

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount


Jeff Baer, Director of Internal Business Services

APPROPRIATION UNIT HEAD (Typed name and signature)



CITY OF PORTLAND
OFFICE OF MANAGEMENT AND FINANCE

Sam Adams, Mayor
Kenneth L. Rust, Chief Administrative Officer
Jeffrey B. Baer, Director, Bureau of Internal Business Services

CityFleet

John Hunt, Manager
City Fleet
2835 N Kerby Avenue
Portland, Oregon 97227
(503) 823-2277
FAX (503) 823-4374
TTY (503) 823-6868

DATE: November 17, 2010

TO: Mayor Sam Adams

FROM: Jeffrey Baer, Director
Bureau of Internal Business Services/OMF

FOR MAYOR'S OFFICE USE ONLY

Reviewed by Bureau Liaison _____

184285

RE: *Authorize competitive selection process to purchase replacement catch basin cleaners for approximately \$1,200,000 (Ordinance)

1. INTENDED THURSDAY FILING DATE: December 2, 2010
2. REQUESTED COUNCIL AGENDA DATE: December 8, 2010
3. CONTACT NAME & NUMBER: Jeffrey Baer, 503-823-6852
4. PLACE ON: CONSENT REGULAR
5. BUDGET IMPACT STATEMENT ATTACHED: Yes No N/A
6. (3) ORIGINAL COPIES OF CONTRACTS APPROVED AS TO FORM BY CITY ATTORNEY ATTACHED: Yes No N/A

7. BACKGROUND/ANALYSIS

CityFleet has reviewed the 2011 replacement schedule and the condition of Bureau of Environmental Services catch basin cleaners and has determined that the vehicles requested are appropriate. The estimated cost of these catch basin cleaners is \$400,000 per truck, or \$1,200,000 for all three.

8. FINANCIAL IMPACT

This action is estimated to cost the Bureau of Environmental Services (BES) capital budget \$1,200,000 in FY 2010-11. BES budgets for scheduled vehicle and equipment replacement within the BES capital budget and the procurement of these three vehicles is included in the FY 2010-11 CIP. There is no estimated increase in ongoing operations or maintenance for these replacement vehicles for BES.

9. RECOMMENDATION/ACTION REQUESTED

CityFleet recommends approval and requests Council authorization to procure these vehicles.

The Council declares that an emergency exists because delay in proceeding with the purchases may result in additional expenses and will unnecessarily deprive the City of the use of these vehicles at an early date.

An Equal Opportunity Employer

To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.