

COUNCIL COMMUNICATION

	Number:	26-226	Meeting:	June 29, 2026
	Agenda Item:	44	Roll Call:	26-0762
	Submitted by:	Nickolas Schaul, Finance Director		

AGENDA HEADING:

Authorizing the City Manager to approve the purchase of up to 41 vehicles for use in various City departments for Fiscal Year (FY) 2026-2027 to replace older and less reliable equipment as part of a deliberate and on-going life-cycle management process.

SYNOPSIS:

Recommend authorizing the City Manager to approve the purchase of up to 41 vehicles for use in various City departments for FY 2026-2027 utilizing various State of Iowa Department of Administrative Services (IDAS) and other approved procurement contracts from identified contract holders at such time vehicle model year 2027 pricing and ordering is available.

FISCAL IMPACT:

Amount: Not to exceed \$1,700,000

Funding Source: Fiscal Year (FY) 2026-2027 Recommended Operating Budget, Page 77, Equipment Replacement Fund

ADDITIONAL INFORMATION:

- Typically, individual vehicle purchase recommendations are made for award to specific individual contract holders after the current model year pricing and ordering is available. Current model year contract pricing is not currently available for a number of reasons, which includes unconfirmed current model year government pricing, procurement contract status, and order bank availability. It is not known when major manufacturers will open their respective government order banks or the duration the order banks will remain open to accept and confirm government contract purchases.
- Additionally, major manufacturers continue to evaluate government vehicle orders and provide production allocations to dealers that may reduce availability for unconfirmed government orders. The authority for the City Manager to approve issuance of purchase orders in a timely manner proved essential and effective in previous years. This approval provided Fleet Services the flexibility and responsiveness to efficiently place orders while order banks were open.
- It is not known when order banks for the 2027 model year will be available for government fleet purchasing. Condensed order times are likely and the approved order times may not

coincide with future scheduled City Council meetings to recommend awards in a timely manner prior to the close of order books for contract holders.

- The total estimated fiscal impact of \$1,700,000 was calculated by assessing an inflationary factor and a reduction of government incentives for each class of replacement vehicles. The annual replacements and approved additions to the City's fleet of vehicles have been identified and approved for purchase during the model year 2027 Vehicle Acquisition Review process. The various classes of 41 vehicles intended for purchase include: one (1)-ton cab and chassis; three-quarter ($\frac{3}{4}$)-ton, half ($\frac{1}{2}$)-ton, and one-quarter ($\frac{1}{4}$)-ton compact pickup trucks; compact cargo vans; mid-sized and compact SUVs; and mid-sized sedans for all operating departments in the City.
- 28 of the 41 recommended 2027 vehicle replacement purchases are hybrids. This equates to sixty-eight percent (68%) of the FY-27 vehicle replacement requests. 13 of the 28 hybrids requested for purchase are police interceptors. Hybrids have an affordable purchase price, offer improved fuel efficiency, and possess vehicle characteristics that achieve a broad number of departmental requirements (primarily chassis height and cargo capacity). Ford Mavericks and Police Department hybrid vehicles received high praise during the systematic fleet review and are also competitively priced when compared to equivalent gas only and electric only vehicles. During FY-2025, electric compact vehicles alone were \$13,000 more expensive than a comparable hybrid and \$15,000 more than a comparable unleaded fuel vehicle. In addition to that the projected total cost of ownership was less expensive for a hybrid compact vehicle than comparable electric and unleaded fuel vehicles over a ten-year timeframe.
- Division staff are accepting of proven electric vehicle (EV) applications in their respective divisions, however allocated replacement funding must be maximized to replace the greatest number of vehicles given the fleet's age and departments' operational requirements. Staff evaluated vehicle classes for potential downsizing. For example, changing from half ($\frac{1}{2}$)-ton to quarter ($\frac{1}{4}$)-ton compact pickup truck and downsizing mid-sized sport utility vehicles (SUVs) to compact SUVs when downsizing would not have an operational impact.

PREVIOUS COUNCIL ACTION(S):

Date: June 30, 2025

Roll Call Number: [25-0928](#)

Action: [Authorizing](#) the City Manager to approve the purchase of up to forty-six (46) vehicles for use in various City departments for Fiscal Year (FY) 2025-2026 to replace older and less reliable equipment as part of a deliberate and on-going life-cycle management process. [\(Council Communication No. 25-259\)](#) Moved by Gatto to adopt. Second by Mandelbaum. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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