



## Legislation Text

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**File #:** 23-1612, **Version:** 1

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Resolution to Authorize the Purchase of Two Automated Side Load EV Refuse Trucks on Mack Chassis' from Fredrickson Supply (Sourcewell - \$1,483,601.78)

The attached resolution authorizes the purchase of two automated side load refuse trucks on Mack all-electric chassis' with Labrie refuse bodies at \$741,800.89 each for a total of \$1,483,601.78 through the Sourcewell government cooperative purchasing program (#091219-LEG) for use by the Public Works Unit of the Public Services Area.

The City is requesting the replacement of four refuse trucks this fiscal year. The first two trucks, considered by City Council on their October 2<sup>nd</sup> agenda, are diesel powered chassis. The two refuse trucks included in this resolution are all-electric powered chassis. The City previously ordered two all-electric refuse trucks in 2021 with delivery still pending. All-electric refuse trucks are very new to the market and real-world usage data on these electric trucks is non-existent. The City needs to see how these trucks will operate on a daily basis, determine if the battery capacity will be adequate for our routes (including winters), and how long they will take to re-charge. Without usage data, staff is not comfortable replacing all four of these units with all-electric trucks. Additionally, since the delivery of the first two electric refuse trucks we ordered in 2021 is so far behind schedule we are not comfortable with a 100% replacement strategy in favor of electric refuse trucks at this time. We would like to avoid a situation where our inability to receive these vehicles in a timely manner causes delays in solid waste services for residents. This is why we are recommending two of the four to be electric: In case they can't perform to our needs, and in case they can't be delivered within the time frames that we require.

The City currently has four fast chargers at the Wheeler Service Center for a total of four electric refuse trucks. Generating charging usage data is another important component to our electric conversion of the Fleet. Existing electric capacity is limited at Wheeler and determining how much electric charging these refuse trucks actually need allows us to look at other charging options and possibly avoid a very costly expansion of electrical infrastructure at Wheeler.

These new all-electric automated side load refuse trucks will replace #8532, a 2017 Mack rear load refuse truck with 12,776 hours of use, and #8632, a 2017 Mack automated side load refuse truck with 10,050 hours of use. With an expected 18-24 months for delivery of the new trucks, both existing trucks will be well beyond their useful life when removed from service.

The Office of Sustainability and Innovation (OSI) agreed to fund the full purchase of one of these all-electric refuse trucks using funds from the FY24 Climate Action Millage budget. This allowed City Council to approve the purchase a new front load refuse truck on June 20<sup>th</sup>, using replacement funds collected from truck #8632, to handle expansion of the City's refuse and recycling program collections. The remaining replacement funds from truck #8632 and all replacement funds from truck #8532 will be used towards the purchase of the second all-electric refuse truck. A funding deficit in the amount of \$344,233.89 for the second all-electric refuse truck will be covered by OSI utilizing the FY25 Climate Action Millage budget if so approved by Council.

These automated side load refuse trucks are used by Public Works solid waste staff to collect residential trash and compost.

Labrie Environmental Group was awarded contract #091219-LEG by the Sourcewell government cooperative purchasing program for refuse equipment. Fredrickson Supply of Grand Rapids, MI, is a dealer of record for Labrie Environmental Group under the Sourcewell government cooperative purchasing program.

The Mack all-electric chassis' being used for these trucks, which are procured through a separate supplier by Fredrickson Supply, may be subject to a materials surcharge from the manufacturer. These surcharges are more common on heavy vehicles because of the significant lead time to procure materials in this current economic climate and the amounts of materials used in fabricating these vehicles. Staff is requesting that a contingency in the amount of \$20,000.00, \$10,000.00 per chassis, be approved to cover any surcharge.

Fredrickson Supply complies with the requirements of the City's Conflict of Interest and Non-Discrimination ordinances.

Budget/Fiscal Impact: Adequate funding for the purchase of this equipment is available in the FY24 Fleet Services Fund Operations and Maintenance budget, the FY24 Climate Action Millage budget, and the FY25 Climate Action Millage budget if so approved by City Council.

These new side load refuse trucks will be placed on a 7-year replacement schedule which is consistent with our other side load refuse trucks. Public Works will have an annual replacement cost of approximately \$117,299.00 per truck for these units. This Fleet replacement cost covers the future cost of replacing these trucks.

Green Fleet Policy: The Green Fleet Committee approved the need for the replacement of this equipment, that the proposed replacement is consistent with the Green Fleet Policy and recommended the approval of this resolution. The Sustainability and Innovations Manager has concurred with the actions of the Committee.

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Reviewed by: John Fournier, Deputy City Administrator

Approved by: Milton Dohoney Jr., City Administrator

Whereas, The Fleet & Facilities Unit needs to purchase replacement equipment for the City's fleet;

Whereas, Competitive bids were received by the Sourcewell government cooperative purchasing program and Labrie Environmental Group was awarded contract #091219-LEG for refuse equipment;

Whereas, Fredrickson Supply of Grand Rapids, MI, is a dealer of record for Labrie Environmental Group under the Sourcewell government cooperative purchasing program;

Whereas, Fredrickson Supply complies with the requirements of the City's Conflict of Interest and Non-Discrimination Ordinances; and

Whereas, Adequate funds for the purchase of these new refuse trucks are available in the approved FY2024 Fleet Services Fund Operations and Maintenance budget, the approved FY2024 Climate Action Millage budget, and the FY2025 Climate Action Millage budget if so approved;

RESOLVED, That City Council approve the issuance of a purchase order to Fredrickson Supply for the purchase of two Labrie automated side load refuse trucks on Mack all-electric chassis' in the amount of \$1,483,601.78 and authorize a chassis surcharge contingency of \$20,000.00, subject to City Administrator approval, to cover potential chassis price increases;

RESOLVED, That funds for the purchase of these vehicles in the amount of \$397,567.00 comes from the approved FY2024 Fleet Services Fund Operations and Maintenance budget, in the amount of \$741,800.89 from the approved FY2024 Climate Action Millage budget, and in the amount of \$344,233.89 from the FY2025 Climate Action Millage budget if so approved, including any contingency;

RESOLVED, That all amounts herein are without regard to fiscal year;

RESOLVED, That the equipment being replaced (nos. 8532 and 8632) be sold at the next City vehicle auction after the equipment is removed from service; and

RESOLVED, That the City Administrator be authorized to take the necessary actions to implement this resolution.