



Legislation Details (With Text)

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Title: Resolution to Approve the Purchase of One Compressed Natural Gas Powered Front Loading Refuse Truck from Bell Equipment Company (ITB # 4250 \$302,357.00)

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
11/8/2012	1	City Council	Approved	Pass

Resolution to Approve the Purchase of One Compressed Natural Gas Powered Front Loading Refuse Truck from Bell Equipment Company (ITB # 4250 \$302,357.00)

The attached resolution authorizes the purchase of a front loading refuse truck powered by a Compressed Natural Gas (CNG) engine. The truck will be used by the Public Services Area, Field Operations Unit.

Bell Equipment Company, Lake Orion, MI using Interstate Volunteer Volvo & GMC, Inc., Chattanooga, TN as its subcontractor/chassis supplier, was the lowest responsible bidder to ITB # 4250, dated September 7, 2012 (see bid tab listed below). The purchase price for a standard diesel powered truck is \$269,100.00 and the upgrade to the CNG powered engine is \$33,257.00 for a total price of \$302,357.00.

<u>Vendor</u>	<u>Truck</u>	<u>CNG Option</u>	<u>Total Cost</u>
Bell Equipment Company	\$269,100.00	\$33,257.00	\$302,357.00
Great Lakes Service Center	\$296,430.00	\$33,257.00	\$329,687.00
Fredrickson Supply, LLC	\$250,786.00	\$33,083.00	\$283,869.00*

*Does not meet specification

By equipping the truck with a CNG powered engine we expect to save approximately \$19,500.00 in fuel cost and Diesel Exhaust Fluid over the truck’s seven year life cycle. As fueling infrastructure in the immediate area improves, we expect the fuel saving amounts to increase. This truck is used for commercial dumpster pickup and the use of a CNG engine reduces noise and emissions in these more dense commercial areas. The CNG engine will produce 121 tons fewer green house gas emissions and use 1,040 fewer barrels of oil in the same time frame.

This purchase follows the goals and guidelines of the City’s Green Fleet Policy to reduce the amount of fuel used and to pay a premium for “greener” vehicles if necessary.

This truck will replace a 2001 front loading truck which had over 15,000 hours of operation. In the last three years, 55% of all repair man hours were spent on breakdowns. In the spring of this year a number of cracks were found in the truck's frame. Given the truck's age, number of hours, condition of the packer body, engine and drive axles it was not practical to have the frame replaced. Therefore the truck was removed from service and sold as scrap.

The Fleet and Facility Unit has budgeted adequate funds for this purchase.

Bell Equipment Company received Human Rights approval on October 4, 2012.

Prepared by: Thomas A. Gibbons, Financial Analyst-Fleet and Facility Unit

Reviewed by: Matthew J. Kulhanek, Manager Fleet and Facilities Unit and Craig Hupy, Public Services Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, The Fleet & Facilities Unit needs to purchase a replacement Front Loading Refuse truck for the City's fleet;

Whereas, Bell Equipment Company was the lowest responsible bidder to ITB # 4250;

Whereas; Purchasing this truck with a Compressed Natural Gas engine will reduce its greenhouse gas emissions by 121 tons, compared to a similar diesel powered engine; and

Whereas, Bell Equipment Company received Human Rights approval on October 4, 2012;

RESOLVED, That City Council approve the issuance of a purchase order to Bell Equipment Company for the purchase of one 2013 Mack MRU 613 chassis with Compressed Natural Gas powered engine and Heil Half Pack model packer body for \$302,357.00;

RESOLVED, That funds are to be available without regard to fiscal year; and

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