



## Legislation Text

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**File #:** 21-0095, **Version:** 1

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Resolution to Approve the Purchase of One Front Loading Refuse Truck from Bell Equipment Company (Sourcewell - \$364,568.00)

The attached resolution authorizes the purchase of one 2021 Autocar ACX64 truck chassis with a Heil Half-Pack 44 yard front loading packer body at a total cost of \$364,568.00 from Bell Equipment Company for use by the Public Services Area, Public Works Unit.

Heil Corporation was awarded Contract Number 091219-THC by the Sourcewell cooperative purchasing program for refuse trucks and Bell Equipment Company of Lake Orion, MI, is the dealer of record for Heil Corporation in the State of Michigan.

This front loading refuse truck is used to service commercial dumpsters in the City. The City had three front loading refuse trucks that were scheduled for replacement over 18 months ago. Replacement was delayed as the City considered if it would continue providing commercial dumpster service. Two of these replacement trucks were ordered in August 2020 and the final one is in dire need of replacement. These trucks usually have a 9-12 months lead time for delivery.

The vehicle listed in this resolution will replace a 2013 Mack chassis with a Heil packer body (#8517) with 11,808 hours of operation. Over its service life the total repair cost of the vehicle has exceeded 127% of its original purchase price.

In Resolution 20-298, approved by City Council on August 6, 2020, staff had reported that trucks #8517 and #8518 would be removed from service when the new trucks were delivered. Truck #8518 had already been removed from service because of a catastrophic engine failure. After adoption of that resolution, truck #8519 also had a catastrophic engine failure and had to be removed from service. Rental trucks are in place to address the truck shortage. The end result is that truck #8517 has remained in service and will be the truck eventually replaced under this proposed purchase.

Bell Equipment Company complies with the requirements of the City's Conflict of Interest and Non-Discrimination ordinances.

Green Fleet Policy: At their January 13, 2021 meeting, the Green Fleet Committee approved the need for the replacement of this vehicle, 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. The Committee's approval and concurrence from the Sustainability and Innovations Manager was based on the recommendation that this truck's replacement cost be increased by \$100,000.00 to reflect the purchase of a fully electric refuse truck when this truck goes out of service.

Budget/Fiscal Impact: Replacement funding for this refuse truck is available in the FY21 Fleet Fund operations and maintenance budget. The Green Fleet Committee's approval of this vehicle's replacement was based on increasing the Fleet replacement cost of this vehicle by \$100,000.00 over

the life of the vehicle. This increase will address the higher cost of this vehicle's future replacement with an all-electric refuse truck. This recommendation will increase the annual replacement cost from approximately \$56,000.00 to \$71,500.00 for the seven year depreciation of the truck.

Prepared by: Matthew J. Kulhanek, Fleet & Facilities Unit Manager

Reviewed by: John Fournier, Assistant City Administrator

Approved by: Tom Crawford, City Administrator

Whereas, The Fleet & Facilities Unit needs to purchase a replacement refuse truck;

Whereas, Competitive bids were received by the Sourcewell cooperative purchasing program;

Whereas, Heil Corporation received the contract for refuse trucks and Bell Equipment Company of Lake Orion, MI, is the dealer of record for Heil Corporation in the State of Michigan;

Whereas, Bell Equipment Company complies with the requirements of the City's Conflict of Interest and Non-Discrimination Ordinances; and

Whereas, Adequate funds for the purchase of this vehicle in the amount of \$364,568.00 are available in the FY21 Fleet Fund operations and maintenance budget;

RESOLVED, That City Council approve the issuance of a purchase order to Bell Equipment Company in the amount of \$364,568.00 for the purchase of one 2021 Autocar ACX64 truck chassis with a Heil Half-Pack 44 yard front loading packer body;

RESOLVED, That funds for the purchase of this vehicle are to be available without regard to fiscal year;

RESOLVED, That the vehicle being replaced (no. 8517) be sold at the next City vehicle auction after the vehicle is removed from service; and

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