Legislation Details (With Text)

File #:	23-1414	**Version:**	1	**Name:**	10/2/23 - Approve Purchase of Mini Rear Load Refuse Truck to Lunghamer Ford and Appropriate Funds
Type:	Resolution			**Status:**	Passed
File created:	10/2/2023			**In control:**	City Council
On agenda:	10/2/2023			**Final action:**	10/2/2023
Enactment date:	10/2/2023			**Enactment #:**	R-23-365

Title: Resolution to Approve the Purchase of One Mini Rear Load Refuse Truck on a Ford F-550 chassis from Lunghamer Ford and to Appropriate Funding from the Solid Waste Fund Balance (State of Michigan - $155,392.00) (8 Votes Required)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Lunghamer Quote - Mini Rear Load.pdf, 2. MIDeal #180000001107.pdf

Date	Ver.	Action By	Action	Result
10/2/2023	1	City Council	Approved	Pass

Resolution to Approve the Purchase of One Mini Rear Load Refuse Truck on a Ford F-550 chassis from Lunghamer Ford and to Appropriate Funding from the Solid Waste Fund Balance (State of Michigan - $155,392.00) **(8 Votes Required)**

The attached resolution authorizes the purchase of one Loadmaster Elite 8 cubic yard rear load refuse body on a Ford F-550 chassis for a total cost of $155,392.00 through the State of Michigan MIDeal cooperative purchasing program (#180000001107) for use by the Public Services Area, Public Works Unit.

The proposed mini refuse truck is significantly smaller than a normal refuse truck which allows for easier access to refuse containers throughout the City park system, alleys, dead end roads and other hard to maneuver locations. With the addition of a second mini refuse truck, Public Works is looking to expand the use of this vehicle to address additional challenging service areas and utilize the truck for additional tasks, including missed pickups. A significant benefit of having an additional mini refuse truck in the fleet is that when one truck is down for repair, the other can handle the service task much better than the current back-up truck.

The proposed mini refuse truck will replace a 2016 Ford F-250 (#6281) that has a 2014 Par Kan 6-yard refuse insert (#6312) installed in the bed and a snow plow (#6432), this truck has 4,456 hours on it and is beyond it's useful life. This truck is used as a back-up if the primary mini rear load refuse truck is unavailable, unable to keep up with the refuse load or out for repairs. Since truck #6281 has a smaller capacity and does not have the ability to compact trash, it is not a very functional back-up.

Currently there are no electric trucks offered in this chassis size so this truck will be replaced with a diesel truck.

The City continues to experience significant vehicle price increases due to inflationary pressures and

vehicle supply issues. As such, both the Solid Waste Fund Operations and Maintenance budget and the Parks and Recreation General Fund Operations and Maintenance budget were unable to absorb this cost and appropriations from each fund balance will be necessary. The appropriation from the Solid Waste fund balance will be $77,696.00 and the appropriation from the General Fund fund balance will be $27,050.00.

As we have seen with other refuse truck purchases, the refuse body may be subject to a materials surcharge from Loadmaster, it's 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 $10,000.00, approximately 11% of the refuse body price, be approved to cover any surcharge

Lunghamer Ford, Owosso, MI, is the lowest responsive bidder to the State of Michigan MIDeal cooperative purchasing program for this replacement vehicle.

Lunghammer Ford 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 vehicle, including contingency, is available in the FY24 Fleet Services Fund Operations and Maintenance budget, and the FY24 Solid Waste Fund Operations and Maintenance budget upon approval of the appropriation request from the Solid Waste Fund balance.

The new mini refuse truck will be placed on a 7-year replacement schedule which is consistent with our other refuse trucks. The Solid Waste Fund will have an annual replacement cost of approximately $24,572.00.

Green Fleet Policy: The Green Fleet Committee approved the need for the replacement of this asset, that the proposed replacement is consistent with the Green Fleet Policy and recommended the approval of this resolution. Currently there are no electric trucks offered in this chassis size so this truck will be replaced with a diesel truck. The Sustainability and Innovations Manager has concurred with the actions of the Committee.

Prepared by: CJ Stegink, Fleet Supervisor
Matthew J. Kulhanek, Fleet & Facilities Unit Manager
Reviewed by: John Fournier, Deputy City Administrator
Approved by: Milton Dohoney Jr., City Administrator

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

Whereas, Competitive bids were received by the State of Michigan MIDeal cooperative purchasing program and Lunghamer Ford, Owosso, Michigan, was awarded contract #180000001107 for Vehicles - Cabs and Chassis;

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

Whereas, Adequate funding for the purchase of this vehicle, including contingency, is available in the FY2024 Fleet Services Fund Operations and Maintenance budget, and the FY2024 Solid Waste

Fund Operations and Maintenance budget upon approval of the appropriation request from the Solid Waste Fund fund balance;

RESOLVED, That the City Council approves the issuance of a purchase order to Lunghamer Ford for one Loadmaster Elite 8 cubic yard rear load refuse body on a Ford F-550 chassis in the amount of $155,392.00 and authorize a refuse body surcharge contingency of $10,000.00 to cover potential refuse body price increases;

RESOLVED, That funding in the amount of $144,540.00 be appropriated from the Solid Waste Fund fund balance to the FY2024 Solid Waste Fund Operations and Maintenance budget as a transfer to the Fleet Services Fund; thereby, increasing both the revenue and expenditure budget;

RESOLVED, That $144,540.00 be appropriated to the FY2024 Fleet Services Fund budget with the source of revenue being a transfer from the FY2024 Solid Waste Fund budget;

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

RESOLVED, That the assets being replaced (nos. 6281, 6312 and 6432) be sold at the next City vehicle auction held after the assets are removed from service; and

RESOLVED, That the City Administrator be authorized to take the necessary actions to implement this resolution including the approval and execution of change orders within the approved contingency amount.

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