



Legislation Text

File #: 22-0419, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Cooperative Procurement 22-077, Dump Trucks, Units 224 and 228, to JX Peterbilt for an amount not to exceed \$535,649

DEPARTMENT: Department of Public Works

SUBMITTED BY: Richard Dublinski, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

Units 224 and 228 were reviewed and approved by the Fleet Economic Committee and Fleet Services Manager for replacement in the 2022 budget. Vehicles are scored for replacement based on four criteria: age, usage, condition and repair costs. Recommending a vehicle for replacement requires a score of 28.0 or greater. Unit 224 scored 37.03 and Unit 228 scored 43.32.

DISCUSSION:

Units 224 and 228 are 2008 and 2007 International 7400 dump trucks with plows used by the Department of Public Works for asphalt patching, leaf and brush pick-up, and snow and ice removal.

The units will be replaced with 2024 Peterbilt 548 dump trucks with plows, specified consistently for operational flexibility. The new vehicles are available on the Sourcewell Cooperative, an approved cooperative through JX Peterbilt, Contract #060920-PMC.

Using the City's specifications, JX Peterbilt has quoted the 2024 Peterbilt dump trucks with plows in the amount of \$535,649. A cost breakdown is provided below:

Unit	Original Price	Less Cooperative Discount	Net Price
224 - Tandem Axle	\$328,524	\$52,017	\$276,507
228 - Single Axle	\$307,871	\$48,729	\$259,142

Vehicle manufacturers have been severely impacted by global supply chain issues resulting in long lead times, particularly in the heavy-duty vehicle market. The vehicles will be built in the first quarter of 2023 and the City will take delivery in July 2023.

Upon delivery of the new vehicles, the retired vehicles will be sold through one of the City's auction

companies. The dealer extended a trade-in offer of \$7,500 per unit; however, staff expects auction values to be greater than the trade-in value offered.

FISCAL IMPACT:

CIP#: VEH002

Vehicle replacements for the Department of Public Works are funded from the Vehicle and Equipment account listed below. A total of \$441,300 was budgeted for the replacement of Units 224 and 228 in 2022. The difference between the budgeted amount and actual cost is due to a major model overhaul by Peterbilt, material cost increases, and Sourcewell contract changes. The budgeted amount also reflected the potential trade-in value of the current units.

Because the replacement units will not be delivered until 2023, no costs will be incurred in the current budget year. The 2023 budget will include \$535,649 for the replacement of Units 224 and 228.

Account Number	Fund Description	Total Budget Amount
31102200-551505	Capital Projects	TBD