

ITEM #15 BOMA 12/11/2012 MEMORAND UM

November 30, 2012

TO: Board of Mayor and Aldermen

FROM: Eric S. Stuckey, City Administrator

Russell Truell, Assistant City Administrator for Finance and Administration

Becky Caldwell, Solid Waste Director Brian Wilcox, Purchasing Manager

SUBJECT: Acknowledge report of emergency purchase of one (1) front-end-loading refuse collection truck

from Stringfellow, Inc. of Nashville, TN in the total amount of \$216,945 for the Collection

Division of the Solid Waste Department

Purpose

The purpose of this memorandum is to report the emergency purchase of one (1) front-end-loading refuse collection truck from Stringfellow, Inc. of Nashville, TN in the total amount of \$216,945 for the Collection Division of the Solid Waste Department.

Background

One of the three front-end-loading refuse collection trucks in the Solid Waste Department fleet of vehicles and equipment, a model year 2003 Mack, has developed engine and transmission problems that City Fleet Maintenance estimates would cost \$65,000 to \$70,000 to repair. With such a small fleet of these specialized vehicles, and as we are approaching a peak season of the year, staff did not perceive the City had the time to bid out the purchase of a replacement truck. Staff did explore the possibility of purchasing the replacement truck by means of a competitive process already conducted by another local government but was not able to find a set of specifications that matched the City's needs.

The following is an excerpt from section K ("Emergency Purchases") of the City's Purchasing Policy:

When in the judgment of the City Administrator, the Department Head or the Purchasing Manager there exists an emergency impinging on public health, safety or welfare and a purchase valued at or greater than \$10,000 is necessary, then the competitive purchasing provisions contained in this Purchasing Policy may be waived; provided, however, that if the emergency purchase is valued at or greater than \$25,000 it shall be reported to the Board of Mayor and Aldermen at its next scheduled meeting.

Financial Impact

Rather than repair the 2003 Mack front-end-loading refuse collection truck, staff recommends the City replace it by purchasing one (1) 2013 Mack cab and chassis with a Heil 40 cubic yard front-end loader body from Stringfellow, Inc. of Nashville, TN in the total amount of \$216,945. Stringfellow has indicated in writing that the quoted pricing represents the best municipal pricing currently offered by Stringfellow for the quantity indicated. Staff is of the opinion that the quoted pricing is within what would be expected in the market place for this industry at this time.

The City's FY2013 budget for the Solid Waste Fund did not anticipate the need to replace the 2003 Mack front-end-loading refuse collection truck with a new truck. Staff is evaluating options available to the City to finance the purchase of the replacement truck, either by means of a lease-purchase arrangement or by paying the purchase price out of the current budget in which case a budget amendment may need to be considered by the Board of Mayor and Aldermen.



MEMORANDUM

Recommendation

Staff recommends that the Board of Mayor and Aldermen acknowledge receipt of this report of the emergency purchase of one (1) front-end-loading refuse collection truck from Stringfellow, Inc. of Nashville, TN in the total amount of \$216,945.00 for the Collection Division of the Solid Waste Department. Purchasing Manager Brian Wilcox is of the opinion that the staff recommendation appears to be made in a fair and impartial manner based upon the information available, and that the emergency purchase appears to be justified.