



# PROCUREMENT OF FLEET REFUSE PARTS

RS-23-091

June 6, 2023

# Background

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- ❑ Fleet Services maintains & repairs Solid Waste's fleet of 98 units
  - ▣ Requires the purchase of refuse parts
  - ▣ Cost of parts are charged to the department when used
- ❑ Parts are purchased primarily from four vendors
- ❑ Purchases from these vendors have not exceeded the \$50,000 per vendor threshold in the past
- ❑ Heil of Texas has begun to exceed that threshold
  - ▣ Past three years averaged \$38,360 per year with Heil
  - ▣ Estimated FY 2023 cost with Heil could approach \$132,000

# Background, continued

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- ❑ Reasons contributing to increased costs:
  - ▣ Delay in receiving new replacement vehicles causes aged equipment to remain in front-line service longer than it should
  - ▣ Older/worn equipment requires more repair
  - ▣ Actual increase in parts pricing
  - ▣ Four units that would have normally been replaced by now have incurred \$45,000 of this fiscal year's parts cost with Heil
  - ▣ Only four of 16 units ordered since October 2021 have arrived
- ❑ Heil of Texas parts discount through TASB BuyBoard cooperative is 2% to 15% off list price

# Alternatives

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- ☐ Disapprove the purchase of parts through Heil of Texas
- ☐ Approve the purchase of parts through Heil of Texas

# Recommendation

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City Council authorize the procurement of refuse parts from Heil of Texas in an amount not to exceed \$132,000.