



RPT 21-66

TITLE: Sanitation truck purchase.

DATE: February 9, 2021

TO: City Council

PUBLIC: X

INCAMERA:

RECOMMENDATION:

1. That the city purchase a 2020 used rear load Sanitation Truck from Big Truck Rentals at a cost of \$222,000.00 including all taxes and freight.
2. That the Mayor and City Clerk be authorized to execute any applicable documents on behalf of the City.

TOPIC & PURPOSE:

That the purchase of a used Sanitation Truck be accepted by council as recommended and awarded to Big Truck Rentals at a cost of \$200,000 plus \$12,000 GST plus \$10,000 PST for a total of \$222,000. Delivery included..

BACKGROUND:

The City of Prince Albert's Sanitation department operates one Yard Waste truck for approximately seven months a year. This truck is used approximately 700 hours and 9,000 km a year. This is dependant on how early spring is and how soon winter arrives.

The replacement of unit 68, a 2008 International rear load sanitation truck, was approved in the 2021 Capital Budget for \$350,000. Before going to tender for a new truck, a search was made for a newer used truck to reduce capital expenditure instead of buying a new truck. Purchasing this used truck would be a savings, in the case of the truck being proposed, it would be a savings of approximately \$138,000 over purchasing a new truck.

Rear load manual trucks are not a commonly used truck as most waste collectors have switched to automated side loaders to reduce costs as well to prevent injury to workers handling the garbage.

Seven newer used trucks from 2019 to 2020 models were found in Canada as well as a number in the United States. All the trucks in Canada were from the same sanitation truck rental company with six of them being Freightliners all exactly the same, and one was a 2019 Peterbilt, which was more expensive. All Freightliners had comparable hours and mileage of approximately 60,000km and 3200 hours.

All local suppliers who normally tender on our new trucks were contacted to see if they had any used trucks available or had access to any and the answer from all was no.

PROPOSED APPROACH AND RATIONALE:

Unit 68, a 2008 International Heil manual rear load waste truck went into service in April of 2010, it was also a used truck bought specifically for yard waste collection. The City's replacement schedule on this type of equipment is approximately ten years or 12,000 to 15,000 hours. This is generally a good time to replace these units as at this time the rebuild costs are worth more than the truck is worth and the recovery of the investment would not be recoverable before other major costs would be incurred.

The old truck will be kept as a back up for the heavy pickup days during the spring and fall yard cleaning season and when the replacement truck is in for service or maintenance. Should a major failure happen to the old truck where repair costs will exceed the value of the truck, disposal of the old unit will be considered at that time.

Another consideration was the delivery of a new truck, which would be twelve months or more, meaning delivery in 2022. This truck is available now and would be put into service for the full yard waste season.

This used 2020 Freightliner still has three full years or 402,500 km of extended engine warranty and 3 full year of transmission warranty left on the truck. With the hours and mileage that are on the used truck it will last the City another ten plus years before it will get to the scheduled replacement cycle. The current usage of approximately 700 hours a year and approximately 9,000 km a year would cause it to be scheduled for replacement in 2033, unless the present collection method changes significantly. The proposed truck is also a Freightliner, which is common to the City's fleet.

The proposed used truck is also equipped with a rear hydraulic cart tipper so that it can be used to dump our 95 and 65 gallon waste and recycling bins if required. Its capacity is 25 cubic yards compared to the old trucks 20 cubic yards allowing 25% more leaves and yard waste to be hauled per load thus reducing trips to the landfill and improving overall department efficiencies.

CONSULTATIONS:

The sanitation truck operators, mechanics and management have had discussions to ensure this unit would meet their needs.

COMMUNICATION AND/OR ANNOUNCEMENT PLAN:

Once council has approved this report, the Purchasing Manager will issue the supplier a purchase order.

FINANCIAL IMPLICATIONS:

This unit is under budget and the funds are coming from the fleet equipment reserve. At the end of 2021 the Equipment Reserve balance will be \$1,300,000.

OTHER CONSIDERATIONS/IMPLICATIONS:

There are no other considerations for; Policy implications, Privacy Implications, Official Community Plan or Options to Recommendations

STRATEGIC PLAN:

The City strives to align priorities and initiatives to the corporate strategies and deliver municipal services in cost-effective ways.

OPTIONS TO RECOMMENDATION:

That we go to tender and purchase a new truck for \$350,000.

PUBLIC NOTICE:

Public Notice pursuant to the Public Notice Bylaw No. 24 of 2015 is not required.

PRESENTATION: None

ATTACHMENTS:

Used Sanitation Truck Offer

Written by: Robert Snowdon, Fleet Manager

Approved by: Director of Public Works & City Manager