

Memo

To: Grayson Bottom, City Manager
From: Bob Gauger *bg*
Date: 10/25/2007
Re: Garbage Truck Purchase

We have been reviewing the city fleet and planning purchases based on the results of that study. In this years budget we budgeted \$80,000. This would be the first of two lease purchase payments for a truck and packer body.

I am requesting that we ask the Solid Waste Authority for permission to seek quotes for the lease purchase of a truck and packer body. In the past, we have bid the truck and body separate. However, we would like to purchase the truck and body as one unit. There are a couple of reasons why purchasing the truck as one unit is beneficial.

First, the delivery time is drastically reduced. When we bid the truck and the body separate, we have to get bids on the truck, wait for delivery, then take the truck to the manufacturer to have the packer body built on the chassis. By lease purchasing the truck as a complete packer truck, we eliminate the amount of time for this process.

Second, we eliminate future problems that could arise when a service issue occurs. There would be no disputes as to whether the vehicle we provided contributed to a problem with the operation of the packer body, or whether the construction and operation of the packer body contributed to a problem with the vehicle. It would be one unit that had been provided to the city, and it would be the vendors responsibility to repair it.

Robert Mayfield has been conducting some preliminary research on trucks and prices. It appears that the cost of the truck may be several thousand dollars below what we estimated for the purchase when we were preparing the budget.