

## Sourcewell Cooperative Contract No. 110223-MCN

<u>User Department's Recommendation</u>
User Department NamePW - Sanitation
Recommended Firm:Ten-8 Industrial
Project Amount This Contract: _\$1,928,813.00
Funding:  General Enterprise x 3 Digit Fund Code _541 – Sanitation Operating  CIP Line Item No. (if applicable):
Justification:
PW – Sanitation requests to piggyback from the State of Minnesota local government cooperative contract no. 110223-MCN between Sourcewell and McNeilus Financial dba McNeilus Truck & Mfg. for the purchase of eight (8) brand new rear loader trucks. The trucks are for sale by Ten-8 Industrial, an authorized dealer for McNeilus Truck & Mfg.
These trucks are immediately available and are needed to reinforce our already diminished refuse collection fleet. Approximately 30 trucks generally remain as down units for maintenance; hence, Sanitation is in need of these trucks to continue provide efficient refuse collection services to our residents.
While the Board of Commissioners approved Change Order #5 on July 22, 2025, to acquire eight (8) pre-owned 25-CY trucks from Big Truck Rental for \$1,804,000.00, it is important to note that those vehicles—model years 2022 to 2024—come with odometer readings ranging from 20,000 to 58,000 miles. These used trucks are more likely to require frequent repairs and higher maintenance costs, potentially leading to service delays and increased operational expenses. Furthermore, Fleet Management performed mechanical checks on the pre-owned trucks and found deficiencies on several trucks. Thus, Sanitation wishes to rescind the previously BOC approved award to purchase



8 pre-owned trucks from Big Truck Rental and to purchase the eight (8) new rear loader trucks from Ten-8 Industrial. The brand-new eight (8) rear loader trucks offered by Ten-8 Industrial are of the same capacity for an additional \$124,813.00, but with the added advantages of zero mileage, manufacturer warranties, and significantly reduced risk of mechanical failure. These benefits translate into greater reliability, longer service life, and potentially lower total cost of ownership over time. Sanitation believes that investing in new trucks will help reduce costly disruptions, and ensure our residents continue to receive the high standard of service they deserve. Note: This purchase is not addition to the eight (8) pre-owned 25-CY trucks from approved CO #5, but will replace it.

Interim Director

Name

Richard W. Lemke