

# STAFF REPORT

<b>MTG. DATE:</b>	<b>July 18<sup>th</sup>, 2022</b>
<b>TO:</b>	Village Board of Trustees
<b>FROM:</b>	JJ Larson –Director of Public Works & Utilities/Deputy Administrator Brian Peterson – Deputy Director of Public Works & Utilities Matt Giese – Village Administrator
<b>RE:</b>	<b>Consideration of Leaf Vac purchase</b>

## BACKGROUND

At the June 6<sup>th</sup> meeting of the Village Board there was a motion “...that the Director of Public Works procures no less than two quotes for a leaf vac truck as well as does the research to understand if we have the ... funds for the interceptor project and report back to a future Village Board meeting...”

The “Farm Interceptor” sewer project is not an urgent need and all indications are that the sanitary line will be installed by the current landowner who intends to develop the property, along with possible Sewer Utility financial assistance from Impact Fees. Strand is in the middle of conducting an update to our Water and Sewer Utility master plans. This work will be used to guide our capital planning efforts for the utilities and if the interceptor is needed in the future prior to the land developing we will plan to fund that expenditure with planned Utility funds/Impact Fees. This project is also identified in the TID #8 Project Plan, so provided the District generates the necessary revenue (currently there hasn’t been any development in TID 8) the District could help fund the Interceptor.

In working to obtain quotes on a leaf vac unit, Deputy Director Peterson and I received the proposal from MacQueen that you’ll find along with this memo.

If the Board opted to budget and plan the purchase at a later date, we inquired about pricing and lead times. Due to truck chassis supply chain and pricing challenges; vendors are hesitant to offer firm lead times or price guarantees on that portion of a unit. Per vendors we spoke with we know that a unit ordered now would definitely be well over \$300,000 and we could expect to wait a year or more to take delivery. Additionally, the rep from MacQueen stated that they could guarantee their portion, but that manufacturer issued surcharges and increases would be passed on to customers. He also indicated that he’s expecting a 10% increase in costs across the board in the new year.

## OVERVIEW

The quoted leaf vac unit was delivered to MacQueen a few days ago. As you can see, it is exactly the specifications that I indicated would be preferable in previous discussions about a leaf vac unit.

- 25-yard box; large enough to minimize trips back and forth to offload.
- The quoted unit is a j-hook; meaning the truck chassis can be outfitted with other options in the future to maximize usage.
- The dual-drive chassis and “elephant trunk” debris collector offers one-operator functionality.
- We would also add a dump box to the quoted unit to give us a multi-purpose vehicle we could use when not picking up leaves (add’l \$30,000).

MacQueen intends to utilize the unit for demos for the remainder of the season. Terms of the proposal stipulate that point, but that it will be inspected, cleaned, and repaired as needed before delivery and a full factory warranty begins when the customer takes delivery.

This delivery timeline means that a program couldn't be offered until the fall of 2023. Given that an additional staff person is needed for this service, a position would need to be filled by the fourth quarter of next year.

The cost of the unit would be \$312,777 (the quote plus addition of a dump box).

The increased operating budget cost in 2023 would be about \$22,000 (4<sup>th</sup> Quarter only). Operational costs needed for 2024 would be about \$90,000 (1 full-time position, wages and benefits; maintenance and fuel). The Truck should be planned to be replaced in 7-10 years at an approximate cost of \$600,000+.

An additional consideration is the space needed to house the proposed unit. Currently, each of the buildings in which we house vehicles is at or over capacity for efficient storage and accessibility (MSB, Public Works Shop, and garages at the Vilas Lift Station). Staff would be able to fit a unit under a roof, but it would require shuffling of equipment to fit, particularly given that we'd have a dump box and leaf vac unit.

### **RECOMMENDATION/ITEMS TO CONSIDER**

Our staff does not recommend for or against the addition of a proposed new service. We're here to present the information and provide comments/advice as needed.

The Board should make a determination if this is a new service you would like to offer to residents. If yes, then direct staff to move forward with the purchase, using either ARPA fund monies or by adding the truck into the 2023 Capital Fund (to likely be borrowed for). The 2023 and 2024 operating budgets would also be increased as noted above.