



# TOWN OF KILL DEVIL HILLS

*Land Where Flight Began*

MEMORANDUM

January 15, 2024

TO: Kill Devil Hills Board of Commissioners

FROM: Debora P. Díaz, Town Manager 

REF: New Business

### 3. Residential Garbage Truck Replacement (Attached NB-3)

In the 2024-2025 budget, two garbage trucks are scheduled for replacement. However, Staff has identified serious supply chain and component shortages, along with ever-increasing costs. Public Services' attached memorandum highlights these difficulties facing Kill Devil Hills and municipalities across the nation in supplying and maintaining a heavy truck fleet.

On behalf of the department, Public Services Director Steve Albright has requested to accelerate the replacement schedule for these two trucks to the FY 2023-2024 budget, since this year's town-wide financing package has not been finalized. This action can result, among in the following:

- Avoid anticipated cost increases between now and August.
- Avoid longer manufacturing delays for the units.
- Take advantage of the manufacturer's pre-purchase of chassis, resulting in a faster delivery schedule.

The included quotation, reviewed by the Fleet Maintenance Division, is for two residential garbage trucks for \$400,413 each, a total of \$801,326 (including documentation fees).

Staff recommends approval of Public Service's request to accelerate the replacement of two residential garbage trucks to FY 2023-2024 from FY 2024-2025, including authorization for Staff to purchase two residential garbage trucks during FY 2023-2024, including all necessary budget amendments and financing arrangements.

Board guidance is requested.



# TOWN OF KILL DEVIL HILLS

## PUBLIC SERVICES

Post Office Box 1719, 107 Town Hall Drive  
Kill Devil Hills, NC 27948  
Administration (252) 480-4080 Fax (252) 441-6136  
Office Hours: 8:00 a.m. – 5:00 p.m. Mon. – Fri.  
Water Plant (252) 480-4090  
www.kdhnc.com

STEPHEN F. ALBRIGHT  
Director

January 15, 2024

DEREK A. DAIL  
Assistant Director

### Memorandum

MARCIA K. OLLIS  
Administrative Services

To: Debora P. Diaz, Town Manager

ALFRED W. BURTON  
Water Plant

From: Stephen F. Albright, Public Services Director *SFA*

WILLIAM H. WATERFIELD  
Water Systems

*Subject: Residential Garbage Truck Replacement*

L. RANDOLPH TURNER  
Streets

The Town adopted budget includes the plan year replacement of residential garbage trucks #463 and #464 in the 2024-2025 budget year. Staff has discovered that the heavy truck and heavy equipment market has been greatly impacted in recent years by both inflation and supply chain / component shortages. Vendors have indicated rapidly rising costs, shortages of build slots for cab/chassis, and steel surcharges as major causes of long delays and large cost increases.

LYNN E. LINDSEY  
Solid Waste

During the budget preparation in the winter of 2023 we solicited budgetary pricing and used this to formulate the estimated replacement costs of \$344,000 per truck as shown in the budget. Current pricing reflects costs for the same units in the \$396,608 range having shown a 15% increase in the last year.

I would like to request advancing the replacement of these two residential collection trucks into the current budget year as the town wide financing package has not yet been finalized. This will allow the Solid Waste Department to:

- Avoid likely additional cost increases between now and August should we wait until the 2024-2025 budget is active to complete the purchase order.
- Avoid longer delays for the units. Build slots for the cab chassis have been running 9 months to a year if ordered in August. After the cab and chassis is built, it must be transported to the body manufacturer for final body construction and upfit of the unit. This will likely take delivery into early 2026.

- Take advantage of the Labrie Body Manufacturer's pre-purchase of Autocar cab chassis that are being delivered shortly to the body manufacturer's facility. This will allow the delivery of the units likely in the summer of 2024 or nearly eighteen months sooner.
- Utilize the North Carolina Sheriffs' Association Purchasing Contract.

Attached you will find a quote and build information that has been reviewed by Fleet Maintenance for the completed units with a price of \$400,413 each. We request approval for shifting the replacement of these two residential garbage trucks from the 2024-2025 Plan Year into the current budget year and include these in the financing for all vehicles purchased in 2023-2024 in the amount of \$801,326.

Thank you for your consideration of this request.



Vanguard Truck Center of North Carolina, LLC  
 3880 Jeff Adams Dr  
 Charlotte NC 28206  
 Phone: (704) 597-0551

**New Vehicle Purchase Agreement**

12/11/2023  
 DE-15311  
 PROS-019892  
 Mark Hughel

**PROS-019892**  
**KILL DEVIL HILLS**  
 107 TOWN HALL DRIVE  
 KILL DEVIL HILL NC 27948  
 P:(252) 480-4086 | F:

**KILL DEVIL HILLS**  
 107 TOWN HALL DRIVE  
 KILL DEVIL HILL, NC 27948

<b>Stock#: 20051864 PC243016</b>	<b>New 2024 AUTOCAR ACX64</b>	<b>Price: \$208,957.00</b>
LABRIE 31YD AUTOMIZER SIDE LOADER		\$191,456.00
<b>Stock#: 20051865 PC243017</b>	<b>New 2024 AUTOCAR ACX64</b>	<b>Price: \$208,957.00</b>
LABRIE 31YD AUTOMIZER SIDE LOADER		\$191,456.00
	<b>Total Price</b>	<b>\$800,826.00</b>
	Documentation Fee	\$500.00
	<b>Total</b>	<b>\$801,326.00</b>

ATTN: STEVE ALBRIGHT

PLEASE NOTE - THE PRICE IS BASED ON THE NCSA COOPERATIVE PURCHASEING CONTRACT BID 24-08-0421 AND INCLUDES THE NCSA FEE.

THE PRICING PURCHASE AGREEMENT AND SPECIFICATION PROPOSAL OUTLINING THE OPTIONS SELECTED IS HONORED FOR 60 DAYS FROM QUOTED DATE.

THE CHASSIS ANTICIPATED DELIVERY TO BODY MANUFACTURE IS JAN 2024 WITH AN ANTICIPATED JUNE/JULY 2024 FOR COMPLETION/DELIVERY.

THE CHASSIS IS SUBJECT TO FLOORING EXPENSE AFTER 15 DAYS IF KILL DEVIL HILLS FOR GOES PURCURING THE CHASSIS UPON ARRIVAL AT THE BODY MANUFACTURE - PENALTY OF PRIME - 1.5% APR, CALCULATED DAILY AT THE ORIGINAL PURCHASE PRICE.

VANGUARD TRUCK CENTERS (the "COMPANY") SELLS THIS VEHICLE ON AN "AS IS WHERE IS" BASIS AND MAKES NO WARRANTIES AS TO SAID VEHICLE'S, EXPRESS, IMPLIED, OR IMPLIED BY LAW, AND COMPANY EXPRESSLY DISCLAIMS THE IMPLIED WARRANTY OF MERCHANTABILITY AND THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. ANY WARRANTIES OF THE VEHICLE ARE THE MANUFACTURER'S STANDARD VEHICLE WARRANTY, A COPY OF WHICH HAS BEEN DELIVERED TO THE PURCHASER, WHICH IS NOT INCORPORATED HEREIN BY REFERENCE. THE COMPANY SHALL NOT BE LIABLE FOR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF INCOME.

THE TERMS AND CONDITIONS ON THE REVERSE SIDE HEREOF ARE A PART OF THIS AGREEMENT. THE PURCHASER ACKNOWLEDGES HAVING READ THIS AGREEMENT, INCLUDING SUCH TERMS AND CONDITIONS ON THE REVERSE SIDE. NO VEHICLES ARE HELD MORE THAN 5 DAYS WAITING FOR CREDIT APPROVAL.

DATE ACCEPTED: \_\_\_\_\_ BY: \_\_\_\_\_

Email-mark.hughel@vanguardtrucks.com

**Mark Hughel**  
 SALES REPRESENTATIVE

SALES MANAGER

(PRINT NAME OF PURCHASER)

**KILL DEVIL HILLS**

(BUSINESS NAME)

**107 TOWN HALL DRIVE**

ADDRESS

**KILL DEVIL HILL NC 27948**

CITY, STATE, ZIP

(TITLE)

**(252) 480-4086**

(PHONE)