



Phillips Petroleum

Location:

Borger, Texas

Project Duration:

Ongoing since March 1995

AMECO Work Scope:

Fleet Purchase, Fleet Management, Equipment Maintenance, Equipment Rentals, Tools



This contract, beginning March 1995, included the complete outsourcing of construction equipment and vehicles for the Phillips Borger Refinery. AMECO purchased the entire construction equipment fleet (approximately 420 pieces) and signed a 5-year agreement to provide Phillips' equipment needs through an exclusive fully maintained onsite equipment program.

Phillips' management was attempting to reduce equipment investment and maintenance costs while increasing equipment reliability and productivity. Maintenance costs were nearly equal to full market rental rates. The fleet average age was 12 to 15 years. The remote Texas Panhandle location forced Phillips to over-inventory critical equipment.

Phillips reallocated its resources to focus on their core business of petrochemical production. The cost of equipment ownership was also eliminated. The current fleet at Phillips has an average age of 18 months. Equipment is safer and more dependable. Productivity has increased due to less equipment downtime and incorporation of newer technology. Production also has improved as response time to repair calls has been reduced to less than an hour.

Phillips has a single AMECO point-of-contact for all equipment needs throughout the plant. A single monthly billing captures all equipment costs, aiding in benchmarking and the control of expenditures. We have delivered a 33 percent cost reduction to Phillips in our first 2 years of operation.

Delivering integrated equipment and tool solutions to industry

