

| Life Expectancy of Equipment (Age in Years) | | | | | Percentage of replacement cost authorized for repair/ overhaul costs |
|--|-------------|-------------|------------|------------|---|
| 15 years | 12 years | 10 years | 8 years | 5 years | |
| 4-6 | 3-4 | 2 | 2 | | 45 |
| 7-8 | 5-6 | 3 | 3 | 2 | 40 |
| 9-10 | 7 | 4 | 4 | | 35 |
| 11 | 8 | 5 | 5 | 3 | 30 |
| 12 | 9 | 6 | | | 25 |
| 13 | 10 | 7 | 6 | 4 | 20 |
| 14 | 11 | 8 | 7 | | 15 |
| 15 | 12 | 9-10 | 8 | 5 | 10 |

Example: A hamper dumper has a life expectancy of 15 years and a replacement cost of \$800. If the unit to be repaired is 12 years old, then 25 percent of \$800, or \$200, is authorized to be spent in returning the item to good operable condition.

- c. Local repair of items such as electric motors is authorized when needed service is minor. Minor repairs must not exceed 50 percent of the replacement cost of the motor.
- d. If the estimated costs exceed the dollar amount of the repair limit, requisition a replacement item and dispose of the unserviceable unit.
- e. Criticality of equipment and/or operational requirements may dictate the repairing of an item, even though the cost of repairs exceeds the economic limits.

535 Maintenance Service Contracts

535.1 General

535.11 Use

535.111 Postal Equipment

Maintenance of postal equipment should be performed by Postal Service personnel, whenever possible. Exceptions are:

- a. Where capable personnel are not available.
- b. When maintenance can be performed by contract and it is economically advantageous.
- c. When a piece of equipment is a prototype or experimental model or unusually complex, so that a commercial firm is the only practical source of required maintenance expertise.

535.112 Facility and Plant Equipment

Contract service is encouraged for Postal Service-operated facility and plant equipment maintenance, when economically advantageous.

535.12 Procurement of Contracts

535.121 General

See [722.31](#) for guidance and restrictions concerning the purchase of required services.