

ITEM # 11
DATE: 12-11-12

COUNCIL ACTION FORM

SUBJECT: PURCHASE OF TRUCK BODY, DIGGER DERRICK, AND ACCESSORIES

BACKGROUND:

The City's fleet has two (2) digger derrick trucks, both used by our Electric Distribution Division. One of the existing digger derrick trucks #409 is approved for replacement in FY 12/13 with a larger unit.

This bid is for the purchase of one (1) larger digger derrick. The associated truck body and accessories, to be mounted on a new truck chassis are currently out for bid and will be awarded at a later date. The proposed digger derrick truck is larger, with a longer reach and greater lifting capacity, matched to the specific needs of the services provided. Commercial and industrial utility customers have increased their electrical requirements resulting in larger transformers, and equipment installed and serviced by the City's Electric Distribution Division.

The budget to purchase this truck is \$255,640. Resources for the replacement of this truck are as follows:

Equipment replacement fund – truck #409	\$132,384	(balance 10/31/12)
Contributions to replacement fund	8,256	(11/1/12 – 6/30/13)
Electric department operating budget FY12/13	95,000	
Estimated salvage value for truck #409	<u>20,000</u>	
Total Available Funding	\$255,640	

Only one bid was received, from Altec Industries of St. Joseph, MO.

Altec's quoted price for derrick, body & accessories	\$153,424	
Estimated chassis purchase price	89,500	(subject to 5% tax)
	<u>Tax</u>	<u>4,475</u>
Total Estimated Costs	\$247,399	

DIGGER DERRRICK

<u>Bidder</u>	<u>Year</u>	<u>Make / Model</u>	<u>Base Bid</u>
Altec Industries, Inc.	2013	Altec / D4050BTR	\$131,267

BODY & ACCESSORIES

<u>Bidder</u>	<u>Year</u>	<u>Make / Model</u>	<u>Base Bid</u>
ALTEC Industries, Inc.	2013	Altec Steel Body / Saddle Box/Flatbed	\$ 22,157

Evaluation of the bid determined the equipment offered complies with the specifications required by the City. The base bid from Altec Industries, Inc. for the derrick, body and accessories is acceptable.

ALTERNATIVES:

1. Award this bid to Altec Industries, Inc. for the Digger Derrick at \$131,267, and for the Body and Accessories at \$22,157, with the total purchase price being \$153,424.
2. Reject the bid and re-bid.

MANAGER'S RECOMMENDED ACTION:

The Director of Fleet Services and Electric Department staff agree that purchasing the Altec D4050BTR Derrick and Altec Steel Body, will provide a quality machine to meet the established service requirements at a reasonable price.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No.1, thereby approving to award this bid to Altec Industries, Inc. for the Digger Derrick at \$131,267, and for the Body and Accessories at \$22,157, with the total purchase price being \$153,424.