

COUNCIL ACTION FORM

SUBJECT: FLEET ACQUISITION PROGRAM – PURCHASE OF MEDIUM DUTY TRUCK CHASSIS

BACKGROUND:

The City's fleet has two digger derrick trucks that are both used by the Electric Distribution Division. One of the existing digger derrick trucks (#409) is approved for replacement in FY 12/13 with a larger unit. On December 18, 2012, Council approved the purchase of a truck body, and digger derrick with accessories, from Altec Industries, Inc., of Saint Joseph, MO. This bid is for the truck chassis upon which the body and derrick will be mounted.

The \$260,000 budgeted for this truck will come from the following sources:

Equipment Replacement Fund – Truck #409	\$140,640 (6/30/13 balance)
Electric Department Operating Budget FY12/13	95,000
Estimated salvage value for truck #409	<u>20,000</u>
Subtotal	\$255,640
Less: Cost of derrick and truck body	<u>(153,424)</u>
Total	\$102,216

Bids for the new truck chassis are as follows:

<u>Bidder</u>	<u>Year</u>	<u>Make / Model</u>	<u>Bid</u>
O'Halloran International	2014	International Workstar	\$84,465
Freightliner of Des Moines	2014	Freightliner M2106	\$84,930
Truck Country	2014	Freightliner 108SD	\$87,060
Sioux City Truck Sales/	2014	Peterbuilt 348	\$91,796
Housby Mack	2014	Mack GU433	\$98,950

An evaluation of the bids determined that the equipment offered complies with the City's specifications, and the base bid from O'Halloran International is acceptable.

ALTERNATIVES:

1. Award the bid to O'Halloran International, Altoona, IA for the chassis at \$84,465.
2. Reject the bid and re-bid this chassis.

MANAGER'S RECOMMENDED ACTION:

The Director of Fleet Services and Electric Services staff agree that purchasing the International Chassis from O'Halloran International, Altoona, IA 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 awarding the bid for this chassis to O'Halloran International of Altoona, IA at a cost of \$84,465.