

ITEM# 17
DATE: 11-25-14

COUNCIL ACTION FORM

SUBJECT: FLEET ACQUISITION PROGRAM – CONTRACT FOR THE PURCHASE OF SADDLEBOX FLATBED, DIGGER DERRICK, AND ACCESSORIES

BACKGROUND:

The City's fleet has two digger derrick trucks, both used by the Electric Distribution Division. One of the existing digger derrick trucks #411 is approved for replacement in FY 14/15 with a like unit. Electric Distribution Division uses the digger derrick to set utility poles for transformers, and other equipment for the City's residential and commercial customers.

This bid is for the purchase of one digger derrick, saddlebox flatbed and accessories. The new digger derrick will be mounted on a new truck chassis that is currently out for bid and will be awarded separately at a later date.

The FY15 budget to purchase this truck is \$220,000. This truck is scheduled for delivery after July 1, 2015. Resources for the replacement of this truck are as follows:

Equipment Replacement Fund – Truck #411(balance Nov 2014)	\$170,174
FY15 Budgeted Replacement contributions	11,837
Operating department funding support	30,000
<u>Estimated salvage value for truck #411</u>	<u>18,000</u>
Funding Available	\$230,011

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

Altec's quoted price:

DM 47B Digger Derrick, T-42 Saddlebox Flatbed & accessories	\$126,462
Estimated chassis purchase price	90,000
Tax 5%	10,823
<u>Total Cost</u>	<u>\$227,285</u>

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 purchase and installation of one DM47B digger derrick, T-42 saddlebox flatbed and accessories at a total cost of \$126,462 to be completed in 240 days approval and receipt of the chassis.

ALTERNATIVES:

1. Award this contract to Altec Industries, Inc. of St. Joseph, MO for the purchase and installation of one DM47B Digger Derrick, T-42 Saddlebox Flatbed, and Accessories for a total of \$126,462 to be completed in 240 days
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 DM47B 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 contract to Altec Industries, Inc. of St. Joseph, MO for the purchase and installation of one DM47B Digger Derrick, T-42 Saddlebox Flatbed, and Accessories for a total of \$126,462 to be completed in 240 days.