

COUNCIL ACTION FORM

SUBJECT: FLEET REPLACEMENT PROGRAM – SINGLE-AXLE TRUCK CHASSIS

BACKGROUND:

Two digger derrick trucks are used by the Electric Distribution for electric utility line maintenance. One of these trucks is scheduled to be replaced in the 2014/15 budget. This aerial truck has a 55-foot reach. On November 25, 2014, the City Council awarded a contract to Altec Industries of Saint Joseph, MO for the purchase and installation of a new saddlebox flatbed and digger derrick for \$120,048. The City is to provide a new truck chassis to Altec Industries for the installation.

This second bid is for a new truck chassis with single rear axle. The following bids were received from the indicated truck dealers:

<u>Bidder</u>	<u>Make & Model</u>	<u>Year</u>	<u>Base Bid</u>
Truck Country of Cedar Rapids	Freightliner M2 106	2016	\$71,442
GATR Truck Center of Des Moines	Hino 338	2016	\$72,125

The low bid for the truck chassis is from Truck Country of Cedar Rapids, Iowa in the amount of \$71,442.

Funding is available for this purchase as follows:

Replacement funds available	\$175,200 (balance 1/20/15)
Estimated salvage value for truck #1119	15,000
<u>Electric Department operating budget support</u>	<u>20,000</u>
Available funding	\$210,200

Expenses for this acquisition are as follows:

Chassis	\$ 71,442
Tax 5%	3,547
Aerial Platform and Utility Body	120,048
<u>Tax 5%</u>	<u>6,003</u>
Total	\$ 201,065

Payment and delivery of this equipment will occur after July 1, 2015.

ALTERNATIVES:

1. Approve and award this contract to Truck Country of Cedar Rapids, Iowa, for one Freightliner M2-106 single-axle truck chassis at a cost of \$71,442.
2. Reject award of this bid.

MANAGER'S RECOMMENDED ACTION:

Fleet Services and Electric Distribution staff agree that the Freightliner M2-106 chassis from Truck Country of Cedar Rapids, Iowa, meets the City's needs as specified at the lowest price. Therefore, purchasing this single-axle truck chassis will provide the best and most economical equipment for electric utility maintenance for the City.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.