

COUNCIL ACTION FORM

SUBJECT: FLEET REPLACEMENT PROGRAM – SINGLE AXLE TRUCK CHASSIS

BACKGROUND:

Four aerial bucket trucks are used by the City’s Electric Distribution Division for electric utility maintenance. One of these trucks, No. 1119, is scheduled to be replaced in the 2014/15 budget.

On November 25, 2014 City Council awarded a contract to Altec Industries of Saint Joseph, MO for the purchase and installation of a utility body and aerial platform at a cost of \$120,048. The City is to provide a new truck chassis to Altec Industries for the installation. This current bid is for a new truck chassis with single rear axle.

Bids were received from the following 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	\$70,942
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 for \$70,942.

Funding is available for this acquisition as follows:

Replacement funds available	\$188,800 (balance 1/1/15)
<u>Estimated salvage value for truck #1119</u>	<u>14,000</u>
Available funding	\$202,800

Expenses for this acquisition are as follows:

Chassis	\$ 70,942
Tax 5%	3,547
Utility body and aerial platform	120,048
<u>Tax 5%</u>	<u>6,003</u>
Expense	\$ 200,540

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 for \$70,942.
2. Reject award of bid.

MANAGER'S RECOMMENDED ACTION:

The Freightliner M2-106 chassis from Truck Country of Cedar Rapids, Iowa, meets the City's needs as specified, at the lowest price.

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