

COUNCIL ACTION FORM

SUBJECT: ACQUISITION OF WOOD CHIPPERS TO ASSIST WITH ASH TREE REMOVAL PROGRAM

BACKGROUND:

The City has one diesel powered, trailer mounted 12-inch wood chipper. It is shared by the Public Works Operations staff and Parks Maintenance staff. The chipper is used to chip tree limbs and heavy brush, and has not been a reliable piece of equipment. On October 14, 2014, City Council approved the replacement of the current chipper and the purchase of a second, larger chipper to support the ash tree removal program that is currently underway. **To support the ongoing ash tree removal program, the operating departments have an immediate need for the chippers.**

Bids received for the two sizes of chippers are as follows:

WOOD CHIPPER FOR 12-INCH DIAMETER AND SMALLER WOOD LIMBS							
Vendor	Make	Model	Year	Unit Price	Trade-in Allowance	Bid with Trade	Bid without Trade
Midwest Underground	Morbark	M12R 12 inch	2014	\$38,500	\$18,000	\$20,500	\$38,500
Vermeer Sales & Service, Inc.	Vermeer	BC1200XL 12 inch	2015	\$42,094	\$20,000	\$22,094	\$42,094
WOOD CHIPPER FOR 18-INCH DIAMETER AND SMALLER WOOD LIMBS							
Vermeer Sales & Service, Inc.	Vermeer	BC1800XL 18-inch	2015	\$53,448	\$20,000	\$33,448	\$53,448
Midwest Underground	Morbark	M18RX 18-inch	2014	\$51,630	\$18,000	\$33,630	\$51,630
Midwest Underground	Morbark	M18R 18-inch	2014	\$53,430	\$18,000	\$35,430	\$53,430

To meet the requirements of the bid, the chippers must meet specifications and satisfy a performance demonstration for City of Ames operating department staff. One of each size of chipper has been identified as the lowest priced, qualified machine to undergo an on-site performance demonstration.

The performance demonstration has been completed for the net low bid 18-inch chipper. This machine is the 2015 Vermeer, model BC1800XL, 18-inch. The tested machine performed well and met the required specifications, and staff has determined that the Vermeer is an acceptable machine. The option for trade-in of the existing

machine was offered for both the 12-inch unit and the 18-inch unit. **In evaluating the bids, it was determined that the lowest net cost would be to apply the trade-in allowance on the one chipper the City currently owns to the purchase of the 18-inch unit.** Therefore, the 12-inch unit was purchased at full price as approved by City Council on February 10, 2015.

Funding for the acquisition of both chippers comes from the \$60,000 in additional funding approved by Council for the Emerald Ash Borer response program, as well as from \$23,400 in accumulated equipment replacement funding.

ALTERNATIVES:

1. Award a contract to Vermeer Sales and Service of Pella, IA, as the net low bidder for the purchase of one 2015 Vermeer, model BC1800XL, 18-inch as quoted and demonstrated, with trade-in of the City's existing chipper, in the net amount of \$33,448.
2. Reject these bids for the 18-inch chipper.

MANAGER'S RECOMMENDED ACTION:

Staff from Fleet Services, Public Works, and Parks and Recreation have thoroughly evaluated these bids and agree that purchasing the 2015 Vermeer, model BC1800XL, 18-inch is the best action to take on this bid.

Therefore, it is the recommendation of the City Manager that the City Council approve Alternative #1 as described above.