

COUNCIL ACTION FORM

SUBJECT: PUBLIC WORKS STREETS TANDEMS – FLEET REPLACEMENT PROGRAM

BACKGROUND:

The City has two tandem dump trucks operated by the Public Works Streets division for maintenance and snow plowing operations. These units are essential units in the division and both are due for replacement. There were two bids, one for the tandem chassis and then another bid for the upfitting of trucks.

Tandem Chassis bids were received are as follows:

Bidders	Make	Model	Year	Delivery Time	Unit Cost	Total Cost	Optional Items
O'Halloran Internat'l., Inc.	International	WorkStar	2017	90 Days	\$89,966.00	\$179,932.00	\$8,244.00
Truck Country of Cedar Rapids	Freightliner	114SD	2017	90 Days	\$91,662.00	\$183,324.00	\$5,386.00
Harrison Truck Centers	Freightliner	114SD	2016	February	\$101,151.00	\$202,302.00	\$6,944.00
GATR Truck Center of Des Moines	Volvo	VHD64F200	2017	120 Days	\$101,779.00	\$203,558.00	\$4,800.00
Housby Mack, Inc.	Mach	GU433	2017	120 Days	\$108,000.00	\$216,000.00	

Based on the bids, the most cost effective bid that meets the specifications is the International chassis option with the optional items. The optional items included 11 items that included an extended warranty, heated windshield, lighting, and various minor upgrades. This puts the total cost of both chassis with options at \$188,176 for O'Halloran International, Inc.

Upfitting of Tandem Chassis bids were received as follows:

Bidders	Make	Model	Year	Delivery Time	Unit Cost	Total Cost
Henderson Products, Inc.	Henderson	Mark E	2016	April 2016	\$65,212.00	\$130,424.00
Hiway Truck Equipment Inc.	TBEI Duraclass	HPT 316	2016	90 Days	\$80,702.00	\$161,404.00
ABM Equipment & Supply					No Bid	

Based on the bids, the most cost effective bid that meets the specifications is from Henderson Products, Inc. in the amount of \$130,424. This price included an option to upgrade the controller that controls the snow equipment on the truck.

This brings total cost of tandems and upfitting to \$318,600.

Funding is available for this purchase as follows:

Existing Unit Escrow	\$279,649 (as of 11/1/15)
Salvage Value	\$ 10,000
Future Escrow (until trucks in service)	\$ 29,750 (7 months)
Available funding	\$319,399

ALTERNATIVES:

1.
 - a) Award a contract to O'Halloran International, Inc., of Altoona, Iowa, as the net low bidder for the purchase of two International chassis including optional items in the amount of \$188,176.
 - b) Award a contract to Henderson Products, Inc., of Manchester, Iowa, as the net low bidder for the upfitting of two tandem chassis including the option to upgrade the controller unit in the amount of \$130,424.
2. Reject these bids.

MANAGER'S RECOMMENDED ACTION:

Staff from Fleet Services and Public Works have thoroughly evaluated these bids and agree that purchasing the two International chassis and the upfitting by Henderson Products, Inc. will meet the established service requirements at a reasonable price.

Therefore, it is the recommendation of the City Manager that the City Council approve Alternative #1, thereby awarding contracts to O'Halloran International, Inc., of Altoona, Iowa, as the net low bidder for the purchase of two International chassis, including optional items, and Henderson Products, Inc., of Manchester, Iowa, as the net low bidder for the upfitting of two tandem chassis, including the option to upgrade the controller unit.