

**COUNCIL ACTION FORM**

**SUBJECT: FLEET EQUIPMENT PROGRAM – RUBBER TIRED TELEHANDLER FOR ELECTRIC SERVICES POWER PLANT**

**BACKGROUND:**

The City currently has three rubber tired telehandlers, which are wheeled pieces of equipment that can be used as a forklift and that have crane abilities with a telescoping boom lift. The Power Plant's telehandler is due to be replaced as part of Electric Services fleet replacement plan. The new telehandler will reach 55 feet high with loaded pallets of material. The 55-foot machine specified will effectively meet the needs of Power Plant staff to maintain and improve the plant facility.

Bids were received from dealers as follows:

Bidder	Make / Model	Year	Base Bid	Options	Trade in offer	Net Low Bid w/ Options
Herc-U-Lift, DM, IA <i>(Does not meet spec.)*</i>	Skyjack / VR1056D	2014 used	\$106,699	\$4,011	\$10,500	\$100,210
<b>Star Equipment, Ltd. Des Moines, Iowa</b>	<b>Gehl / RS1055</b>	<b>2016 used</b>	<b>\$116,000</b>	<b>\$3,614</b>	<b>\$14,000</b>	<b>\$105,614</b>
Logan Contractors Supply Inc.	Manitou / MTA10055	2017	\$120,476	\$7,435	\$7,000	\$120,911
Star Equipment, Ltd. DM, Iowa	Gehl / RS1055	2017	\$121,880	\$3,614	\$14,000	\$120,911
Herc-U-Lift, DM	Skyjack / VR1056TH	2017	\$123,864	\$4,011	\$10,500	\$111,494
Herc-U-Lift, DM	Genie / GTH-1056	2017	\$137,189	\$4,011	\$10,500	\$130,700
MH Equipment, DM	JLG / 1055	2017	\$140,943	\$7,715	\$10,000	\$138,658
Herc-U-Lift of DM	JLG / 1055	2017	\$167,168	\$10,588	\$10,500	\$167,256

\*The low bid does not offer either the required side shift fork feature, or option for tilt fork feature in lieu of the side shift, and therefore does not meet the City's specification.

The net low acceptable bid, less the trade in offer of \$14,000 for the City's existing telehandler, is from Star Equipment Ltd. of Des Moines, IA. This is for the Gehl model RS1055, 55' telehandler, with options for general purpose bucket, 4' x 8' work platform and side tilt pallet fork frame (included in base bid), for the total net amount of **\$105,614**.

The invitation to bid specified that used telehandlers newer than four years old and with less than 2,000 hours were acceptable. The net low acceptable bid is for a lightly used model. It meets the evaluation criteria and the minimum warranty required by the invitation to bid.

The telehandler was identified as part of the plan approved by Council to use money from equipment taken out of service due to the change from coal to natural gas. The funding currently available from this replacement plan is \$413,701. Once items identified in the plan are purchased, the remaining balance will be returned to the Electric Fund.

**ALTERNATIVES:**

1. Approve and award this contract to Star Equipment, of Des Moines, to accept Star's trade in offer for the unit and purchase the offered used Gehl telehandler, model RS1055, with selected options, for the net total amount of \$105,614.
2. Reject award of bid.

**CITY MANAGER'S RECOMMENDED ACTION:**

Accepting Star's trade in offer for the City's unit and purchasing the used Gehl model RS1055 telehandler with selected options will provide the best and most economical equipment for use at the Power Plant.

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