

COUNCIL ACTION FORM

SUBJECT: FLEET REPLACEMENT PROGRAM – MINI-DERRICK AND TRAILER

BACKGROUND:

The Electric Distribution Division's mini-derrick and trailer were purchased in 1999 and were programmed for a fifteen year life cycle. The mini-derrick has had some major maintenance and repair problems, and poor parts availability issues. The unit is designed to be used to access small spaces in back and side yards to set poles and perform power line maintenance activities. It has floatation tires to avoid damaging lawns; however, the drive tires still have done damage to lawns and landscaping.

Due to the maintenance issues and operating dilemmas, funding has been budgeted to replace this unit earlier than planned. The new mini-derrick has been specified to have tracks rather than wheels, in order to spread the weight of the machine and reduce the damage to lawns. The current trailer will not accommodate the new mini-derrick, so a new trailer is also required.

Bids for the mini-derrick and trailer were received as follows:

<u>Bidder:</u>	<u>Mini-Derrick</u>	<u>Trailer</u>	<u>Trade-in Option</u>
ABM Equip & Supply, Hopkins, MN	\$109,395.00	\$9,088.00	No Bid
S. D. P. Manufacturing, Dunkirk, IN	116,000.00	7,650.00	\$2,500.00
Altec Industries, Inc., St. Joseph, MO	117,484.00	8,240.00	5,500.00
S. D. P. Manufacturing, Dunkirk, IN	126,000.00	7,650.00	2,500.00
Dueco, Inc., Watertown, SD	136,599.00	9,800.00	3,000.00

Funding available for this purchase is \$140,107. This includes \$80,107 from the Fleet Replacement Fund, Electric fund support of \$50,000, and estimated residual value of retired units to be sold on the Internet of \$10,000.

The ABM (Pitman) and the S. D. P. (EZ Hauler 4100) will not allow the use of the winch line with the bucket attached. It is important to be able to pull cable or move poles with the winch while the lineworker is also in the aerial bucket. The ability to stabilize the cable and pole with the winch is very important for safety reasons. The Altec Industries DB37 does allow the use of a winch line. The winch line is also used for "Positive Control" of an energized conductor when transferring energized lines to new structures.

The Altec Industries bid also includes an optional bucket attachment at a cost of \$1000.00. This attachment will allow the bucket to be positioned lower on the boom to allow hanging transformers and other equipment on poles while in the bucket.

ALTERNATIVES:

1. Award this bid to Altec Industries, Inc. for the mini-derrick and trailer for a total cost of \$126,724.00. This price will include the purchase of the optional bucket attachment at a cost of \$1,000. At this time, staff is recommending that the current mini-derrick and trailer be retained since they are worth more than the \$5,500 offered as a trade-in.
2. Reject bids and rebid this equipment.
3. Delay award of bid.

MANAGER'S RECOMMENDED ACTION:

The Director of Fleet Services and the Electric Department have thoroughly reviewed these bids and discussed the importance of purchasing the machine which will allow for the use of a winch line with the bucket attached.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving and awarding this bid to Altec Industries, Inc. for the mini-derrick, trailer and optional bucket attachment at a total cost of \$126,724.00.