

COUNCIL ACTION FORM

SUBJECT: FLEET REPLACEMENT PROGRAM PURCHASE OF DUMP TRUCK BODIES, WING PLOWS, & UNDERBODY SCRAPERS

BACKGROUND:

There are seven single-axle dump trucks used for street maintenance and snow plowing operations. These units are replaced on a 12 year life-cycle, and replacement of two of these trucks was completed last year. The remaining five trucks are now being replaced. In addition; the 09/10 adjusted budget includes adding 3 wing plows and 2 underbody scrapers, and the 10/11 budget includes adding 2 more wing plows. By next winter, each of these 5 new trucks will have wing plows, but only 2 will have underbody scrapers. **Between the two budget years, a total of 5 dump bodies, 5 wing plows and 2 underbody scrapers are being purchased.**

The chassis for these 5 trucks were just recently delivered, and are ready to be up-fitted with the dump bodies, wing plows, and underbody scrapers.

Bids were received for this equipment as follows, but only 3 wing plows were included in the initial quotes. Cost and funding for the additional 2 wing plows is noted below.

DUMP BODIES

<u>Bidder</u>	<u>Unit Price</u>	<u>Total For 5</u>
Hawkeye Truck Equipment	\$ 39,783.00	\$ 198,915.00
Hawkeye Truck Equipment – Alt	\$ 43,028.00	\$ 215,140.00
Henderson Truck Equipment	\$ 43,945.44	\$ 219,727.20
Truck Equipment	\$ 44,675.00	\$ 223,375.00
Truck Equipment – Alt	\$ 46,675.00	\$ 233,375.00
Eddy Walker	\$ 46,989.00	\$ 234,945.00

WING PLOWS

<u>Bidder</u>	<u>Unit Price</u>	<u>Total For 3</u>
Hawkeye Truck Equipment	\$ 7,645.00	\$ 22,935.00
Eddy Walker	\$ 9,219.00	\$ 27,657.00
Henderson Truck Equipment	\$ 9,523.58	\$ 28,570.74
Truck Equipment	\$ 11,220.00	\$ 33,660.00

UNDER-BODY SCRAPERS

<u>Bidder</u>	<u>Unit Price</u>	<u>Total For 2</u>
Hawkeye Truck Equipment	\$ 4,585.00	\$ 9,170.00
Truck Equipment	\$ 5,375.00	\$ 10,750.00
Henderson Truck Equipment	\$ 5,991.94	\$ 11,983.88
Eddy Walker	\$ 6,079.00	\$ 12,158.00

PACKAGE TOTALS

<u>Bidder</u>	<u>5 Bodies</u>	<u>3 Wings</u>	<u>2 Scrapers</u>	<u>Totals</u>
Hawkeye	198,915.00	22,935.00	9,170.00	231,020.00
Hawkeye-Alt	215,140.00	22,935.00	9,170.00	247,245.00
Henderson	219,727.00	28,570.74	11,983.88	260,281.62
Truck Eqp.	223,375.00	33,660.00	10,750.00	267,785.00
Truck Eqp.-Alt	233,375.00	33,660.00	10,750.00	277,785.00
Eddy-Walker	234,945.00	27,657.00	12,158.00	274,760.00

During the evaluation of these bids, it was determined that the low bids from Hawkeye Truck Equipment contained equipment and controls that did not meet specifications, and also did not receive favorable reports for performance and reliability. The low bid from Hawkeye Truck Equipment did not meet specs in 3 areas:

1. the dump body frame is the wrong design, size, and configuration;
2. the hydraulic control system was different than specified and the reference check indicated the system to be problematic, difficult to diagnose, and unacceptable;
3. and the hydraulic controls do not provide all the functions required; mainly the ability to operate all hydraulic functions simultaneously as is needed during snow plowing operations.

The second low bid from Hawkeye Truck Equipment contains a different dump body that is acceptable, but it has the same hydraulic control system as offered in its first bid. Therefore, both bids from Hawkeye have been rejected.

The third low bid, from Henderson Truck Equipment, has been determined to contain acceptable equipment and controls, with favorable performance histories, as reported by City staff and other agencies. The acceptable low package bid of \$260,281.62 is from Henderson Truck Equipment.

An amount of \$30,000 for two (2) additional wing plows for these trucks will be approved with the FY 10/11 budget. These 2 plows can be purchased for \$19,047.16 by adding them to this bid. However, they will not be delivered until after July 1, 2010, as required to be charged to the department in the correct budget year.

Funding for this total package purchase is as follows:

Fleet replacement funds for the trucks	\$ 104,000
Fleet replacement funds reserved for a motor-grader (not to be purchased)	\$ 167,569
Public Works Operating Budget for FY 09/10	\$ 72,000
Public Works Operating Budget for FY 10/11	<u>\$ 30,000</u>
Total Available Funds	\$ 373,569

Budget for the units is as follows: \$219,727 of fleet replacement funds will cover the dump body replacements; \$40,554.62 of Public Works FY 09/10 budget will cover the 3 wing plows and 2 under body scrapers; and \$19,047.16 of Public Works FY 10/11 budget for the 2 additional wing plows next year.

The benefit for adding the 2 wing plows approved for FY 10/11 to this bid package is that the acceptable low bid vendor is willing to protect the price for the two additional wing plows and deliver them next fiscal year so they are ready for service next winter.

It should be noted that the equipment was bid as a package for the dump body, scraper, and wing plow. Purchasing all three components from one vendor ensures better operation and performance and limits warranty and service to one vendor. Benefit also occurs as the trucks are built and the components are installed by the same vendor in the proper location; and not in conflicting positions or locations. This prevents labor expense by not having to undo and remount components that can happen when separate vendors mount equipment at separate times. Historically, the more vendors involved in mounting products or installation of attachments like these, the more problems arise regarding compatibility and performance issues. This can make it far more complicated and more difficult to resolve problems when one vendor installs some equipment and another vendor installs other equipment.

ALTERNATIVES:

1. Award this bid to Henderson Truck Equipment, Manchester, IA., for 5 dump bodies for \$219,727.00, 5 wing plows for \$47,617.90, and 2 underbody scrapers for \$11,983.88, for a total package cost of \$279,328.78. Also, authorize the delivery of the 5 dump bodies, only 3 wing plows, and 2 underbody scrapers before June 30, 2010, and delivery of the 2 additional wing plows on or after July 1, 2010.
2. Award this bid to Henderson Truck Equipment, Manchester, IA., for the original 5 dump bodies for \$219,727.00, 3 wing plows for \$28,570.74, and 2 underbody scrapers for \$11,983.88, for a total of \$260,281.62.
3. Delay award of bid.

MANAGER'S RECOMMENDED ACTION:

It is important that the City fleet be maintained in optimal operating condition, particularly those pieces that respond in severe weather conditions. The staff has thoroughly reviewed these bids and discussed the funding, and recommends ordering the additional wing plows at this time to save money and to have the units available for next winter. Payment and delivery will occur after July 1, 2010.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving and awarding this bid to Henderson Truck Equipment, Manchester, IA., for 5 dump bodies for \$219,727.00, 5 wing plows for \$47,617.90, and 2 underbody scrapers for \$11,983.88, for a total of \$279,328.78. Also, authorize the delivery of the 5 dump bodies, only 3 wing plows, and 2 underbody scrapers before June 30, 2010, with delivery of the 2 additional wing plows on or after July 1, 2010.