

COUNCIL ACTION FORM**SUBJECT: FLEET REPLACEMENT PROGRAM – TWO TANDEM CHASSIS FOR STREETS DIVISION OF PUBLIC WORKS****BACKGROUND:**

The City's Public Works, Streets division, has two tandem axle, and ten single axle snow plow dump trucks used for street maintenance and snow plowing operations. Street Maintenance staff evaluated the total miles of snow routes the City is responsible to maintain in comparison to the capability/capacity of the existing fleet of City plow trucks. The evaluation determined a need for more tandem trucks than single axle trucks. During budget development process, staff identified two single axle trucks (the oldest and did not have wing plows) that were appropriate to be upgraded. Replacing these two single axle trucks with two tandem axle trucks, equipped with dump body, front plow, wing plow, underbody plow, and material spreader will better serve the community. One of the single axle trucks to be replaced will be retained by the City for snow removal at the Municipal Airport. The other truck will be sold.

Bids for two upfitted tandem axle snow plow dump trucks were received as follows:

Bidders	Unit Cost	Subtotal For Two Units	Option #1 10' Underbody Snow Plow For Two Units	Option #2 14' Material Spreader For Two Units	Total bid with Options For Two Units
Aspen Equipment, Inc. of Ankeny, IA	\$76,662	\$153,324	\$19,556	\$41,902	\$214,782
Hyway Truck Equipment, Inc. of Fort Dodge, IA	\$75,814	\$151,628	\$21,574	\$46,846	\$220,048
Henderson Products, Inc. of Manchester, IA	\$ 74,701	\$149,402	\$20,030	\$52,240	\$221,672

The low net and most cost effective bid, including options that meet the City's specifications, is from Aspen Equipment, Inc., of Ankeny, IA. The optional items included are the 10-ft. reversible underbody plow, and the 14' material spreader. The base bid includes a 15' dump body and accessories, front plow mounting provision, and 11' wing plow with mounting. The base with options #1 and #2 bring the total cost to \$107,391 per unit, including full upfitting.

Only one bid was received for the purchase of two new tandem chassis, and was received as follows:

Bidders	Make / Model	Year	Delivery Time	Unit Cost	Subtotal Cost For Two Units	Optional Items	Total Cost
O'Halloran International Inc.	International WorkStar	2018	120 Days	\$93,802	\$187,604	\$7,104	\$194,708

The bid for the two chassis from O'Halloran International, Inc., including options, meets the City's specifications, and is an acceptable bid. Fleet Services made comparison to recent tandem chassis bids, and is confident the price quoted by O'Halloran is competitive.

Cost for upfitting of two trucks by Aspen Equipment Co.	\$ 214,782
Purchase price of two tandem chassis	194,708
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Estimated cost for two completed trucks	\$ 409,490

Funding is available for this purchase as follows:

Existing Truck #931 & 932 Replacement Funds (6/30/17)	\$283,813
Future Escrow to be collected before units in service	\$ 18,890
Material Spreaders #530 & 531 Replacement Funds	\$ 45,158
Savings in snow budget to be carried over to FY17/18	\$ 10,000
Salvage Value of equipment being replaced	\$ 52,000
Available funding	\$409,861

ALTERNATIVES:

1.
 - a) Award the contract to Aspen Equipment of Ankeny, IA in the amount of \$214,782 for the base bid upfitting of two trucks, Option #1 for 10' underbody snow plow, and Option #2 for 14' Material Spreader.
 - b) Award the contract to O'Halloran International Inc., of Altoona, IA in the amount of \$194,708 for two tandem chassis including options selected.
2. Reject these bids.

MANAGER'S RECOMMENDED ACTION:

Staff from Fleet Services and Public Works have thoroughly evaluated these bids and agree that the bids from Aspen Equipment and O'Halloran International meet the needs of the department at a reasonable cost.

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