ITEM # 14 DATE: 02-27-17

COUNCIL ACTION FORM

<u>SUBJECT</u>: PUBLIC WORKS UTILITY MAINTENANCE CRANE, UTILITY BODY & ACCESSORIES – FLEET REPLACEMENT PROGRAM

BACKGROUND:

The City has one service truck with a crane, operated by Public Works for maintenance of the underground water and sanitary sewer systems. This truck is used to lift larger items like manholes and hydrants. This essential unit is due for replacement in the 2018 fiscal year. There were two bids received to provide and install an aluminum utility body, crane and accessories onto a City-provided truck chassis. The chassis has not yet been bid. The delivery of the new truck will happen after July 1, 2018.

Bids were received as follows:

Bidders	Make	Model	Year	Delivery Time	Total Cost
Hawkeye Truck Equipment of DSM	Stellar	12630 Crane with TMAX211 Utility Body	2018	120 Days	\$103,550
Altec Industries Inc. of St. Joseph, MO	Altec	DM47B Crane and Body	2018	330 Days	\$149,337

Evaluation of the bids determined the low bid of \$103,550 for the Stellar 12630 Crane with the TMAX211 Aluminum Utility Body from Hawkeye Truck Equipment of Des Moines is the most cost effective bid and meets the City's required specifications. The chassis will go out for bid upon the award of the contract for the crane and body.

The estimated cost of a qualified current model chassis is \$90,000. This brings total estimated cost of the completed truck to \$193,550.

Funding is available for this purchase as follows:

Existing Unit Escrow	\$178,223	
Salvage Value	\$ 12,000	
Future Escrow	<u>\$ 8,424</u> (6 months)	
Available funding	\$198,647	

ALTERNATIVES:

- 1. Award a contract to Hawkeye Truck Equipment of Des Moines, IA, to supply and install the Stellar 12630 Crane with the TMAX211 Aluminum Utility Body and accessories onto a City-provided chassis for \$103,550.
- 2. Reject these bids.

MANAGER'S RECOMMENDED ACTION:

Staff members from Fleet Services and Public Works have evaluated these bids and agree that the bid from Hawkeye Truck Equipment will meet the established service requirements at a reasonable price.

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