File #: 20-471, **Version:** 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:
Approve the award of Cooperative Procurement 20-178, Unit 040 and Unit 084 Vehicle Replacement, to Altec, Inc. for an amount not to exceed $271,292

DEPARTMENT: Department of Public Works

SUBMITTED BY: Richard Dublinski, Director

BOARD/COMMISSION REVIEW:
N/A

BACKGROUND:
The Electric Utility has five aerial bucket trucks; four are front-line trucks used daily and one is used in a reserve capacity when frontline units are in for maintenance and repair. Two of those trucks, Units 034 and 077, were reviewed and approved by the Fleet Economic Committee and Fleet Services Manager for replacement in the 2020 budget. Vehicles are scored for replacement based on four criteria: age, usage, condition and repair costs. Recommending a vehicle for replacement requires a score 28.0 or greater. Unit 034 scored 36.82 and Unit 077 scored 35.28.

The Electric Utility recently reevaluated these planned replacements based on their current operational needs. Units 040 and 084 are two larger International aerial bucket trucks that have seen less use in recent years, as they do not provide personnel the flexibility and positions they require to efficiently perform tasks, especially in the substation groups. This is placing more burden on the smaller units that are more aligned with operational needs. For this reason, the Electric Utility would like use replacement funds allocated for Unit 034 and 077 to replace Units 040 and 084 instead with smaller vehicles.

Units 034 and 077 are smaller F550 aerial bucket trucks that provide the operational flexibility the Electric Utility requires and will be retained until next year. At that time, these two units will be reevaluated for replacement. If they are approved for replacement, one will become the reserve unit and the other will be traded in as part of the purchase of a replacement unit.

Units 040 and 084 also meet the above replacement criteria. Unit 040 scored 30.01 and Unit 084 scored 31.53.

DISCUSSION:
Units 040 and 084 are 2007 International aerial bucket trucks also used by the Electric Utility's Distribution Division. The units are used to service, maintain and repair 1,269 miles of electric transmission lines to provide reliable electrical service to more than 60,000 customers each month.

The units are being replaced in the same year to increase efficiency and reduce training costs and maintain operational and fleet standardization.

Units 040 and 084 will be traded in to Altec, Inc. for $12,000 each ($24,000 for both units) as part of the purchase of the new units.

Units 040 and 084 will be replaced with the smaller 2020 Altec 37G articulating, telescopic aerial bucket trucks on a Ford F550 chassis. The Ford F550 chassis offers a smaller profile that is more conducive to tight working quarters, offers better fuel economy and better ergonomics for Electric Utility personnel. The new vehicles are available on the Sourcewell Cooperative, an approved cooperative through Altec, Inc., Contract #012418-ALT.

Using the City's specifications, Altec, Inc. has quoted the aerial bucket trucks in the amount of $135,646 each ($271,292 for both units); a cost breakdown is provided below.

Original Price Each	Less Cooperative Discount Each	Less Trade-In Each	Net Price Each	# of Units	Net Total
$157,242	$9,596	$12,000	$135,646	2	$271,292

The vehicles will be delivered in approximately 390 days.

FISCAL IMPACT:
CIP #: VEH002

Vehicle replacements for the Electric Department are expensed to the vehicle and equipment account below. A total of $127,500 was budgeted for each unit in 2020. The requested award of $271,292 is $16,292 over budget. Due to the delivery lead time, the purchase of these vehicles will be part of the 2021 budget. The Electric Department will adjust their 2021 vehicle request to accommodate.

Account Number	Fund Description	Total Budget Amount
40251300-551505	Electric Utility Fund	$360,000