



## Legislation Text

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File #: 21-0881, Version: 1

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### CHIEF PROCUREMENT OFFICER AUTHORITY PROCUREMENT AWARDS

#### **ACTION REQUESTED:**

Approve the award of Change Order #1 to Contract 20-178, Unit 040 and Unit 084 Vehicle Replacement, to Altec, Inc. for an amount not to exceed \$800 and a total award of \$272,092

**DEPARTMENT:** Department of Public Works

**SUBMITTED BY:** Richard Dublinski, Director

#### **BACKGROUND:**

The City Council awarded Contract 20-178, Unit 040 and 084 Vehicle Replacement to Altec, Inc., on May 5, 2020. The award was for the purchase of two aerial bucket trucks. The Electric Utility uses the trucks daily to maintain and repair infrastructure, including at substations which require smaller units capable of the positions required at those locations.

The aerial bucket trucks were available on the Sourcewell Cooperative, Contract #012418-ALT. Using the City's specifications, Altec, Inc. quoted the aerial bucket trucks in the amount of \$135,646 each, for a total award of \$271,292.

#### **DISCUSSION:**

The aerial bucket trucks were identically specified. Each truck includes an inverter to power required equipment and tools. Altec, Inc., uses a just-in-time inventory system and acquires parts required for a build as that portion of the build nears. The inverters specified with the trucks are on back-order, currently forecast for end of July or August availability, with no firm ETA. The aerial bucket trucks are in the final stages of the build at Altec, Inc. The build of the trucks will be delayed if we choose to wait for those inverters.

Altec, Inc. has identified an alternative inverter that is available now that meets the operational needs of the Electric Utility. This inverter is an upgrade and includes a 5-year warranty, whereas the inverter originally specified includes a 1-year warranty. Each inverter costs \$800 more, for a total increased cost of \$1,600 for the two trucks. The vendor is offering to split the extra cost with the City, meaning an added cost of \$400 per truck. This will increase the total award by \$800, from \$271,292 to \$272,092.

Purchasing the alternative inverter means truck builds will remain on schedule and should be delivered by the end of this month.

Fleet Services and the Electric Utility recommend proceeding with the change order to avoid further build delays.

**FISCAL IMPACT:**

CIP #: VEH002

Units 040 & 084 are expensed to the Vehicles and Equipment account listed below. The requested change order is within the budgeted amount for this expense.

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