



# City of Grand Island

Tuesday, February 24, 2015

Council Session

## Item G-4

**#2015-43 - Approving Bid Award - 2016 Truck with Digger  
Derrick - Line Division Unit 77**

Staff Contact: Tim Luchsinger, Stacy Nonhof

# Council Agenda Memo

**From:** Tim Luchsinger, Utilities Director  
Stacy Nonhof, Assistant City Attorney

**Meeting:** February 24, 2015

**Subject:** 2016 Truck with Digger Derrick Unit – Line Division

**Item #'s:** G-4

**Presenter(s):** Tim Luchsinger, Utilities Director

## Background

The overhead line construction crews of the Utilities Line Division maintain approximately 400 miles of overhead line in the Grand Island area; rebuilding older lines as needed, re-locating lines to accommodate projects such as the widening of Capital Avenue, and building new lines as the City expands and new development occurs. Each of these crews has a digger/derrick truck and a bucket truck as basic equipment. The digger/derrick units are heavy trucks used to dig the holes for power poles and to handle and place the poles for line construction and repair. The boom, hydraulic auger, outriggers and auxiliary equipment used for line construction are powered from the truck engine when the unit is in service.

The Line Division currently has a 13 year old digger/derrick, Unit #77. The truck engine is equipped with an hour meter to schedule maintenance and determine component wear. Unit #77 has about 9,605 hours on it, which is the equivalent of about 288,000 miles at an average 30 mph engine speed.

To ensure safe operation under heavy loads and near energized power lines, line construction trucks are tested and inspected annually to ensure structural integrity and to ensure the dielectric, or insulating, strength is retained. These tests are conducted by firms specializing in this specific type of equipment. At the last inspection of Unit #77, the inspector noted that the boom rotation gear was worn and other components were showing their age. Because of concerns last year about the continued reliable operation of this unit, it was included for replacement in the current Electric Department budget.

## **Discussion**

Specifications for replacement of Unit #77 were prepared by department staff, advertised in accordance with the City Purchasing Code, sent to six potential bidders, and posted on the City's Web Site. The bids were publically opened on February 5, 2015. One compliant bid was received.

### **Altec Industries, Inc. – St. Joseph, MO**

Bid Price       \$238,273.00

Trade-In       - \$ 15,000.00

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TOTAL BID   \$223,273.00

The bid was reviewed by the overhead line staff, and it included some minor exceptions, but none that materially affect the ability of the bid equipment to meet the job requirements as specified. The bid is from Altec Industries, Inc., in the amount of \$223,273.00, including trade-in, is recommended as compliant with the specifications and is below the engineer's estimate of \$260,000.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1.     Move to approve
2.     Refer the issue to a Committee
3.     Postpone the issue to future date
4.     Take no action on the issue

## **Recommendation**

City Administration recommends that the Council approve the purchase of the 2016 Truck with Digger Derrick Unit from Altec Industries of St. Joseph, Missouri, in the amount of \$223,273.00, net price with trade-in of the old unit.

## **Sample Motion**

Move to approve the purchase of a 2016 Truck with Digger Derrick Unit from Altec Industries, Inc., in the amount of \$223,273.00.



Stacy Nonhof, Purchasing Agent

*Working Together for a  
Better Tomorrow, Today*

**BID OPENING**

**BID OPENING DATE:** February 5, 2015 at 2:00 p.m.  
**FOR:** 2016 Truck with Digger Derrick Unit  
**DEPARTMENT:** Utilities  
**ESTIMATE:** \$260,000.00  
**FUND/ACCOUNT:** 520  
**PUBLICATION DATE:** January 9, 2015  
**NO. POTENTIAL BIDDERS:** 7

**SUMMARY**

**Bidder:** Altec Industries, Inc.  
St. Joseph, MO  
**Exceptions:** Noted  
**Bid Price:** \$238,273.00  
**Trade-In:** \$ 15,000.00  
**Total:** \$223,273.00

cc: Tim Luchsinger, Utilities Director  
Marlan Ferguson, City Administrator  
Pat Gericke, Utilities Admin. Assist.

Bob Smith, Assist. Utilities Director  
William Clingman, Interim Finance Director  
Bryan Fiala, Elec. Distribution Supt.

**P1789**

RESOLUTION 2015-43

WHEREAS, the Utilities Department invited sealed bids for a 2016 Truck with Digger Derrick Unit for the Line Division; and

WHEREAS, on February 5, 2015, bids were received, opened and reviewed; and

WHEREAS, Altec Industries, Inc., of St. Joseph, Missouri, submitted a bid in accordance with the terms of the advertisement of bids and plans and specifications and all other statutory requirements contained therein, such bid being in the amount of \$223,273.00 (including trade-in); and

WHEREAS, the bid of Altec Industries, is less than the estimate for the 2016 Truck with Digger Derrick Unit.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Altec Industries, Inc., of St. Joseph, Missouri, in the amount of \$223,273.00, for a 2016 Truck with Digger Derrick Unit is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, February 24, 2015.

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Jeremy L. Jensen, Mayor

Attest:

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RaNae Edwards, City Clerk

Approved as to Form	☒ _____
February 20, 2015	☒ City Attorney