



# City of Grand Island

Tuesday, April 13, 2010

Council Session

## Item G7

**#2010-99 - Approving Bid Award - 2010 Truck with Digger  
Derrick Unit - Utilities Line Division**

Staff Contact: Gary R. Mader

# **Council Agenda Memo**

**From:** Gary R. Mader, Utilities Director  
Dale Shotkoski, City Attorney

**Meeting:** April 13, 2010

**Subject:** 2010 Truck with Digger Derrick Unit – Line Division

**Item #'s:** G-7

**Presenter(s):** Gary R. Mader, Utilities Director

## **Background**

The three 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 Department currently has a 13 year old digger/derrick that is nearing the end of its reliable life. Unit #73 is a 1997 model. Since the truck engine provides the power for the hydraulic construction equipment on the truck, each truck is equipped with an hour meter to schedule maintenance and gage wear. Unit #73 has about 8,700 hours on it, which is the equivalent of about 260,000 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 dielectric strength is retained. These tests are conducted by firms specializing in this specific type of equipment. At the last inspection of Unit #73, 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 #73 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 March 23, 2010. Four bids were received as tabulated below.

### **Terex Utilities – San Antonio, Texas**

Base Price	\$141,139.00	Terex digger
Truck	+\$ 83,626.00	Four Star Freightliner Montgomery, AL
	- \$ 16,000.00	Trade-In
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<b>TOTAL BID</b>	<b>\$208,765.00</b>	

### **Terex Utilities – San Antonio, Texas**

Base Price	\$141,139.00	Terex digger
Truck	+\$ 89,395.00	Hansen International, Grand Island, NE
	- \$ 16,000.00	Trade-In
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<b>TOTAL BID</b>	<b>\$214,534.00</b>	

### **Terex Utilities – San Antonio, Texas**

Base Price	\$141,139.00	Terex digger
Truck	+\$ 90,645.00	Great Plains International, Sioux Falls, SD
	- \$ 16,000.00	Trade-In
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<b>TOTAL BID</b>	<b>\$215,784.00</b>	

### **Nebraska Truck Center – Grand Island, NE**

Base Price	\$225,212.00	Terex digger, Freightliner Truck
	- \$ 16,000.00	Trade-In
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<b>TOTAL BID</b>	<b>\$209,212.00</b>	

The bids were reviewed by Utility staff. All of the bids included some minor exceptions, but none that materially affect the ability of the bid equipment to meet the job requirements as specified. All bids are evaluated as in compliance with the specifications. The lowest bid is from Terex Utilities in the amount of \$208,765.00

## **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 2010 Truck with Digger Derrick Unit from Terex Utilities of San Antonio, Texas, in the amount of \$208,765.00, net price with trade-in of the old unit.

### **Sample Motion**

Move to approve the purchase of a 2010 Truck with Digger Derrick Unit from Terex Utilities of San Antonio, Texas, in the amount of \$208,765.00.

Purchasing Division of Legal Department  
**INTEROFFICE MEMORANDUM**



Wes Nespor, Purchasing Agent

*Working Together for a  
Better Tomorrow, Today*

**BID OPENING**

**BID OPENING DATE:** March 23, 2010 at 2:15 p.m.  
**FOR:** 2010 Truck with Digger Derrick Unit  
**DEPARTMENT:** Utilities  
**ESTIMATE:** \$220,000.00  
**FUND/ACCOUNT:** 520  
**PUBLICATION DATE:** March 4, 2010  
**NO. POTENTIAL BIDDERS:** 6

**SUMMARY**

<b>Bidder:</b>	<u>TEREX Utilities</u> San Antonio, TX	<u>Nebraska Truck Center, Inc.</u> Grand Island, NE
<b>Bid Security:</b>	Westchester Fire Ins. Co.	Universal Surety Co.
<b>Exceptions:</b>	Noted	Noted
<b>Total Base Price:</b>	\$141,139.00	\$225,212.00
<b>Less Trade-In:</b>	<u>\$ 16,000.00</u>	<u>\$ 16,000.00</u>
<b>Total Cost:</b>	\$125,139.00 + Chassis Option	\$209,212.00
<b>Chassis Option:</b>	\$83,626.00 (Freightliner) \$89,395.00 (International - Hansen) \$90,645.00 (International – Great Plains)	

cc: Gary Mader, Utilities Director  
Dale Shotkoski, City Attorney  
Jeff Pederson, City Administrator

Bob Smith, Assist. Utilities Director  
Pat Gericke, Utilities Admin. Assist.  
Ray Micek, Elec. Dist. Supt.

RESOLUTION 2010-99

WHEREAS, the Utilities Department invited sealed bids for a 2010 Truck with Digger Derrick Unit for the Line Division; and

WHEREAS, on March 23, 2010, bids were received, opened and reviewed; and

WHEREAS, Terex Utilities of San Antonio, Texas, 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 \$208,765.00; and

WHEREAS, the bid of Terex Utilities of San Antonio, Texas, is less than the estimate for the 2010 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 Terex Utilities of San Antonio, Texas, in the amount of \$208,765.00, for a 2010 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, April 13, 2010.

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Margaret Hornady, Mayor

Attest:

\_\_\_\_\_  
RaNae Edwards, City Clerk

Approved as to Form	☐ _____
April 8, 2010	☐ City Attorney