



**City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.
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Legislative File No: 2009-0566

TO: Mayor and City Council Members
FROM: Roger Rouse, Director of Public Service
DATE: December 18, 2009
SUBJECT: Two (2) Tandem Axle Dump/Salt Trucks

REQUEST:

City Council is requested to authorize the purchase of (2) two tandem axle truck chassis to Tri-County International Trucks, Dearborn, Michigan for a not-to-exceed amount of \$168,240.00 and the purchase of (2) two tandem axle truck bodies to Knapheide Truck Equipment, Flint, Michigan for a not-to-exceed amount of \$151,112.00. The combined purchase of the two (2) chassis and two (2) dump bodies will provide two (2) complete tandem axle dump/salt trucks for a total not-to-exceed amount of \$319,352.00.

REASON FOR PURCHASE:

Bids for the purchase of two new tandem axle dump trucks equipped with snowplow, tailgate salt spreader, prewet equipment and underbody road scraper were solicited and eight (8) bids were received. These trucks will replace 39-75, a 1998 GMC single axle dump truck (replacement upgraded to a tandem axle), and 39-98, a 2000 Sterling LT 8000 tandem axle dump truck. Both 39-75 and 39-98 are fully depreciated and due for replacement. The trucks will be sold at public auction.

It is recommended the City award to **Tri-County International, 5701 Wyoming Ave, Dearborn, Michigan** the chassis in the amount of \$168,240.00 as lowest responsive responsible bidder for two new tandem axle dump/salt truck chassis's as specified. Tri-County International was low bidder for the truck chassis at \$165,980.00; Tri-County included an optional engine upgrade for \$2260.00 in their bid for a total of \$168,240.00 for the chassis. After review of the engine performance information, the Fleet supervisor has recommended that it is the best interest of the City to purchase the upgraded engines to maximize performance of the trucks.

It is recommended the City award to **Knapheide Truck Equipment, 1200 South Averill Avenue, Flint, Michigan** the bodies in the amount of \$151,112.00 as lowest responsive responsible bidder for two new tandem axle dump/salt truck bodies as specified.

Tandem axle dump/salt trucks are used on a daily basis by the DPS Roads Division for snow plowing and de-icing major and local roads, road fill and grading, road repairs, ditch cleaning, and by the water and sewer divisions for water and sewer main breaks and repairs.

The two (2) existing trucks referenced above are due for replacement and operating costs have begun to increase and negatively affect fleet's operating budget. It is recommended that they be replaced before any additional significant repair costs occur.

USEPA is further tightening diesel engine emission standards for engines manufactured after December 31, 2009. The proposed trucks will be built using engines manufactured in late 2009. The 2009 engines are not required to have selective catalytic reduction or enhanced EGR emission controls and by ordering these trucks now, it will save the City between \$16,000.00 to \$20,000.00. It is in the best interest of the City to expedite the purchase of these trucks to avoid missing the ordering deadline for 2009 manufactured engines.

PROCESS:

Vendor Name and Address:

Tri-County International
 5701 Wyoming Avenue
 Dearborn, MI 48126

Knapheide Truck Equipment
 1200 South Averill Avenue
 Flint, MI 48507

Reason for Selection:

Lowest, responsive, responsible bid

Method of Purchase:

Purchase Order

BUDGET:

39-098 is currently included as part of FY2010 adopted budget at \$160,000. 39-075 was originally included in the FY2009 budget at \$160,000; it was amended out of the FY2009 Budget in the 4th quarter budget amendment to be “carried forward” into FY2010. This vehicle will be included as part of the FY2010 1st Quarter Budget Amendment.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Fleet Equipment Fund	661.977000	Equipment Capitalized	\$160,000.00	\$319,352.00	\$(159,352.00)

RECOMMENDATION:

It is recommended the City authorize the purchase of (2) two tandem axle truck chassis to Tri-County International Trucks, Dearborn, Michigan for a not-to-exceed amount of \$168,240.00 and the purchase of (2) two tandem axle truck bodies to Knapheide Truck Equipment, Flint, Michigan for a not-to-exceed amount of \$151,112.00. The combined purchase of the two (2) chassis and two (2) dump bodies will provide two (2) complete tandem axle dump/salt trucks for a total not-to-exceed amount of \$319,352.00.