



City Council Report

Date: February 3, 2025
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Kristy Garcia, Procurement Administrator
Subject: Purchase of One (1) Digger Derrick Truck (Replacement) for the Fleet Services and Energy Resources Department (**Citywide**)

Recommendation

Council is requested to approve the award as recommended.

The Fleet Services and Energy Resources Departments, and Procurement Services, recommend authorizing the purchase using the Sourcewell cooperative contract with Altec Industries, Inc. at \$377,000, based on estimated requirements.

Background / Discussion

The Energy Resources Department is requesting the purchase of an Altec Digger Derrick Truck to replace one that has met the end of its useful life. A digger derrick truck is a piece of equipment that combines the functions of a drill and crane which auger to dig holes, set poles, and lift heavy objects in the electric utility industry.

The Sourcewell cooperative contract has been competitively bid and meets the City's procurement requirements. Utilizing the Sourcewell contract allows the City to receive competitive rates based on a formally solicited agreement. The City believes the pricing is fair and reasonable and soliciting for this product would not result in the City receiving more favorable pricing or terms. The vendor has confirmed the Sourcewell contract offers the best cooperative pricing available.

Purchase Information

Action: Award
Procurement Type: Cooperative Contract Use
Contract Number: 2025124
Contracting Agency/Contract Number: Sourcewell/#110421-ALT
Local Consideration: Policy did not apply to this procurement method
Initial Contract Term: 2/3/2025 – 12/27/2025
Possible Renewals: None
Funding Source: Fleet Operating Budget through the Electric Utility Replacement Extension and Renewal Fund

AWARD RECOMMENDATION	
Quantity (1) – 2027 Freightliner M2 106 Altec DM47E Digger Derrick Truck	
Base Price	\$338,358.00
City Tax (8.3%)	\$28,083.71
Tire Tax	\$18.00
*Warranty	\$2,795.00
Pre-Delivery Inspection	\$2,500.00
Delivery	<u>\$5,039.00</u>
Total	\$376,793.71

One (1) Replacement for Vehicle Number 426, for the Energy Resources Department, funded by the Electric Utility Replacement Extension and Renewal Fund

***Warranty** – Engine Transmission and After Treatment Warranty 5 Year/200K