



September 9, 2014

Memorandum

To: Steve Giesbrecht, Borough Manager
CC: Karl Hagerman, Public Works Director
From: Chris Cotta, Assistant Public Works Director
Re: Plow Truck Purchase

As you know, Borough formation resulted in some additional roads being added to the municipal plow routes, most of which are in outlying areas such as Papke's Landing. Some of the new roads have steeper grades and less maneuvering room than the Borough's traditional routes. The two wheel drive plow trucks we use for local streets would not work very well for these situations, so it was desired to replace one of our older two-wheel-drive plow trucks with a 4x4 unit of similar size. The new truck would be able to do all the current local routes and service the outlying areas as well.

The plan for the new truck was approved and included in the FY15 Borough budget, at an estimated cost of \$145,000. After budget approval, Public Works put together specifications for the desired unit and put it out to bid. Unfortunately, the outcome of the bid process was not successful. All bidders came in well over the budgeted amount, with the bid tab as follows:

Company	Base Bid	Option 1 (backup cam)	Option 2 (auto chains)	Option 3 (training)	Total Bid
CMI	185,263	1,379	2,609	4,210	193,461
Kenworth, AK	157,498	1,375	2,602	3,255	164,730
RWC Group	158,939	1,350	2,550	3,100	165,939

In addition to being significantly over budget, none of the trucks offered met the specifications 100%. Among other issues, all of the offered vehicles were longer than we had hoped, with a resulting reduction in tight-quarters maneuverability. After taking these issues into account, we decided to reject all bids and take a second look at how our plowing needs out the road might be addressed.

After conferring with staff, we decided to focus on acquiring a smaller truck than originally planned, while retaining the current 2-wheel-drive plow trucks. Although both of the Borough's plow trucks are older units, they still run great and should continue to give good service for several more years.

Currently, the Borough is using a 4x4, F350 (1-ton) to plow in areas that the larger, 2-wheel-drive plow trucks can't service. We've found that the F350 isn't a heavy enough unit for this work, lacking adequate power and load bearing capacity – and it wasn't originally configured with this type of service in mind.

Replacing this unit with an F550, 4x4, diesel-powered chassis would provide ample power and load carrying ability to service outlying areas, as well as some areas in town that have limited space and/or load restrictions (e.g. Birch Street). In a pinch, it could serve as a backup for local routes if one of our larger plow trucks was down for repairs. Equipped with a flatbed and dump hoist, it would also be able to function as a utility service vehicle when not being used for street plowing and sanding.

Borough code allows Motor Pool to acquire vehicles by utilizing existing government contracts, and the State of Alaska DOT has such a contract for the F550 chassis. The State also has contracts for several upfit items that are desired: steel flatbed; bumper/hitch assembly; and power-take-off (PTO). The Motor Pool Dept. solicited quotes for the chassis and upfit using State contract pricing for as much of the desired vehicle as possible. Several non-contract items were included in the upfit quote as well, such as the plow, sander and dump hoist. Quotes from Cal Worthington Ford (chassis) and Truckwell of Alaska (upfit package) are attached for reference. Total purchase price for the unit comes to \$81,169. Adding approximately \$2,000 for shipping to Petersburg, the total would be \$83,169. This comes in \$61,831 under the approved budget of \$145,000.

If the F550 purchase is approved, this unit would replace the existing F350 (unit #114) which would then be sold to help offset the cost of the new truck. No new vehicles would be added to the fleet, and the new F550 would be incorporated into the replacement schedule as unit #114. This unit would additionally be used in the spring, summer and fall in support of normal public works maintenance tasks as the current F350 has done.

Since the majority of the proposed purchase (approx. \$50K) consists of State contract pricing, which is exempt from bidding requirements in our code, it is doubtful we could obtain a better price for this truck package by bidding it out. The bid process would also cause a lengthy delay and likely result in the Streets Dept. having to make it through another snow season using the F350 as previously described. While this would work, it is less than ideal and greatly increases wear and tear on the unit.

For the reasons outlined above, the Motor Pool recommends purchasing, through ADOT cooperative purchasing agreements, an F550 multi-use truck from Cal Worthington Ford (chassis) and Truckwell of Alaska (upfit), for an amount not to exceed \$83,169. If you agree with this recommendation, please forward it to the Borough Assembly for consideration at their next regular meeting on September 15, 2014. Thank you.

Attachments: State Contract Pricing for F550 Chassis (1 page)
Truckwell of Alaska Quote (2 pages)