SCOTT COUNTY ENGINEER'S OFFICE

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Senior Administrative Assistant

MEMO

TO: Mahesh Sharma

County Administrator

FROM: Angie Kersten, P.E.

County Engineer

SUBJ: Approval to Purchase Two (2) 2025 Tandem Axle Dump Truck

DATE: May 3, 2023

Based on our annual assessment of our fleet, our department budgeted for the replacement of one tandem axle dump truck in FY2023. This is a replacement purchase for our 2016 Peterbilt tandem axle dump truck with 197,200 miles and 7,510 hours on the engine.

In May 2022, we solicited bids on Public Purchase for the tandem axle dump truck cab and chassis and the dump body with snow equipment. We received one bid for the cab and chassis with an estimated delivery time of 480 days. The dealer also included notes stating that with the current state of the supply chain, parts shortages, and pricing volatility industry wide the delivery time could be pushed further out and they may have to ask for material surcharge fees. We received three bids for the dump body with snow equipment.

For the past several years we have bid the cab and chassis separate from the body with snow equipment. We issue separate purchase orders to each of the responsive low bidders. The cab and chassis is built and delivered to the body manufacturer. The body manufacturer then builds the body with snow equipment and delivers the completed truck to our maintenance shop. The process worked well in the past when materials were readily available and delivery times were stable.

Due to the considerably long estimated delivery time of the cab and chassis and uncertainty in price, we determined that there is substantial risk involved with issuing two separate purchase orders and decided to reject all quotes. We notified all bidders of our decision to reject all quotes. We decided to wait to replace the truck when market conditions stabilized.

However, as the year went on we learned that long lead times on the manufacturing of heavy equipment were common among all manufacturers and didn't appear to be shortening anytime soon. Additionally, we had ordered a single axle dump truck in April 2021, and are still waiting for the truck to be delivered. The cab and chassis were completed in March 2023, and the truck is now being outfitted with the body and snow equipment. The manufacturers are continuing to work well together despite the long delays. However, we did pay a \$4,100 surcharge fee for the

cab and chassis in April 2022. Despite these issues, we determined that it is necessary to move forward with replacing the tandem axle dump truck at this time.

During our FY 2024 fleet assessment, we determined that two tandem axle dump trucks are now in need of replacement. The second truck is a replacement purchase for our 2017 International tandem axle dump truck with 174,400 miles and 6,542 hours on the engine. This truck was listed as a trade option in the bid specifications. The City of Eldridge requested the option to purchase our 2016 Peterbilt. When we receive the replacement truck, we will evaluate current sales of similar dump trucks and negotiate a fee with the City of Eldridge. We will bring the proposal to the Board for consideration at that time.

Bids were solicited on Public Purchase for two (2) tandem axle dump truck cab and chassis and we received the following bids:

Dealership	Location	Vehicle Bid	Extended Warranty Option Cost per Truck	Price per Truck	Trade In\Discounts	Total Purchase with Options Less Trade (Two Trucks)
Thompson Truck & Trailer	Davenport, IA	International HV-513	\$3,068	\$138,862	\$50,000	\$233,860
GTG Peterbilt	Davenport, IA	Peterbilt 367	\$16,903	\$182,020	\$55,000	\$342,846

Bids were solicited on Public Purchase for the dump body with snow equipment and we received the following responsive bids:

Dealership	Location	Equipment Bid	Total Purchase (two trucks)
Henderson Products	Manchester, IA	Dump Body and Snow Equipment	\$307,510
Bonnell Industries	Dixon, IL	Dump Body and Snow Equipment	\$311,008.26

The delivery time quoted for the cab and chassis is estimated to be July 2024. Additionally, the dealer included notes stating that with the current state of the supply chain, parts shortages, and pricing volatility industry wide the delivery time could be pushed further out and they may have to ask for a material surcharge fee. The dump body and snow equipment dealer included similar notes regarding delivery and price.

The total cost for the two purchases are \$541,370. We budgeted \$250,000 in FY2023 and \$250,000 in FY2024 for the tandem axle dump trucks. At this time, it appears this will be a FY2025 purchase. We have sufficient funds in our secondary road fund balance to appropriate \$541,370 in FY2025 to purchase these dump trucks. I recommend trading our 2017 International and purchasing two (2) cab and chassis with extended warranties from Thompson Truck and Trailer for a total of \$233,860. I also recommend purchasing two dump bodies with snow equipment from Henderson Products for a total of \$307,510.

THE COUNTY AUDITOR'S SIGNATURE CERTIFIES
THAT THIS RESOLUTION HAS BEEN FORMALLY
APPROVED BY THE BOARD OF SUPERVISORS ON

DATE

SCOTT COUNTY AUDITOR

RESOLUTION

SCOTT COUNTY BOARD OF SUPERVISORS

May 11, 2023

A RESOLUTION APPROVING THE AWARD OF BID FOR THE PURCHASE AND INSTALLATION OF TWO (2) DUMP BODIES WITH SNOW EQUIPMENT

BE IT RESOLVED BY the Scott County Board of Supervisors as follows:

- Section 1. That the bid for purchase and installation of two (2) dump bodies with snow equipment on tandem axle cab and chassis for Secondary Roads is approved and hereby awarded to Henderson Products, Manchester, IA, in the amount of \$307,510.
- Section 2. This resolution shall take effect immediately.