

City of Duluth

Legislation Details (With Text)

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Title:	RESOLUTION AUTHORIZING THE PURCHASE OF TWO (2) 2019 FREIGHTLINER CABS AND CHASSIS FROM I-STATE TRUCK CENTER IN THE AMOUNT OF \$126,590.16.				
Sponsors:					
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2/26/2018	1	City Council	e	adopted	

RESOLUTION AUTHORIZING THE PURCHASE OF TWO (2) 2019 FREIGHTLINER CABS AND CHASSIS FROM I-STATE TRUCK CENTER IN THE AMOUNT OF \$126,590.16.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to purchase two (2) 2019 Freightliner cabs and chassis from I-State Truck Center for a total of \$126,590.16, payable as follows:

- \$63,295.08 510-500-1905-5580 (water, public works & utilities-capital (incl deprec/debt svc), capital equipment
- \$63,295.08 520-500-1905-5580 (gas, public works & utilities-capital (incl deprec/debt svc) capital equipment.

STATEMENT OF PURPOSE: This resolution authorizes the purchase of two 2019 Freightliner cabs and chassis at a cost of \$63,295.08 per unit to replace service units 1734 and 2736. Due to the long lead time on the cabs and chassis, this order will be processed while the specifications for outfitting the unit are being finalized. A separate purchase will be made later this year to outfit this unit. Purchasing the outfitting separately allows the City to pay sales tax only on the cabs and chassis, reducing the overall cost of the unit.

Unit 1734 is a 2006 Chevy 4500 that was purchased for \$70,000. The repair and maintenance costs are 70% of the original purchase, or \$48,962. This vehicle may be a suitable replacement for another division, or the division can send this to auction.

Unit 2736 is a 2007 Chevy 4500 that was purchased for \$77,271. The repair and maintenance costs are 91% of the purchase price, or \$70,087. This vehicle will be sent to auction.

These units are used by each crew to carry their necessary tools and supplies to a job site. The

cycle of replacement for these vehicles is 10 years, and they have both served beyond their useful life to the division. This purchase is within the department's budget for 2018.

This purchase is against Minnesota State contract 124644, release T-647(5).