



TOWN OF MERRIMACK INTER-DEPARTMENT COMMUNICATION

DATE: June 5, 2020

AT (OFFICE): Department of Public Works

FROM: Kyle Fox
Public Works Director

SUBJECT: Request for Purchase of New Forklift

TO: Eileen Cabanel
Town Manager

The Public Works Department, as part of the 2019/2020 Capital Improvement Plan (CIP) preparations, recommended replacement of a 2003 forklift in the Solid Waste Division. The replacement was listed in the CIP at a cost of \$25,000. The replacement of the forklift was then placed in the proposed 2020/21 Town Budget which awaits approval at the annual Town Meeting.

In March of this year the 2003 forklift developed problems that would likely have cost significant money to repair. The decision was made to rent a forklift while the Town solicited bids for a replacement forklift.

Bids for new or used forklifts were received by the Finance Department on May 12 – the results of the bids are shown in the following table.

Bidder	Model	New/Used	Bid Price	Trade-In Allowance	Net Price	Warranty
United Rentals	Toyota 8FGU25	Used	\$18,810	\$0	\$18,810	1 Yr
NE Industrial Truck	Nissan PF30 LP Gas	New	\$22,784	\$2,200	\$20,584	5 Yr
NE Industrial Truck	Mitsubishi FG15N	New	\$23,021	\$2,200	\$20,821	5 Yr
Octane Forklifts	Octane FY15	New	\$23,832	\$250	\$23,582	1 Yr/3 Yr
WD Matthews	Toyota 8FGU15	New	\$24,808	\$200	\$24,608	1 Yr/3 Yr
Milton Rents	Luigong CLG 2020G	New	\$28,640	\$800	\$27,840	3 Yr

Following a review of the bids, the Department is recommending purchase of the Mitsubishi FG15N forklift. Though not the lowest bid of the new units (\$237 more than the Nissan), online research and the recommendation of the bidder of both machines leads us to our recommendation. In reviewing the bid for the used forklift, we determined that the value of a new forklift with four additional years of warranty over the used forklift made the purchase of new unit the clear choice. We propose utilizing the Trade-in of our forklift to offset the purchase price of the new forklift at a total request of \$20,821.00. The Solid Waste Disposal Capital Reserve Fund currently has a balance of \$68,000.

CC: Paul Micali, Finance Director