



DME Distribution

1701 Spencer Rd., Denton, TX 76205 • (940) 349-7669

MEMORANDUM

DATE: December 21, 2017
TO: Terry Kader
FROM: Rowdy Patterson
SUBJECT: Vehicle Replacement Justification

ED0073, Altec Boom Tip Digger Derrick with Linebody bin package, was scheduled for replacement in FY 16-17. As you know, we have gone back and forth about the issues we are experiencing with several of our other Altec Digger Derrick units trying to make a decision of whether or not to stay with Altec as a single source on these units. The successes we have had in the past with our Altec Bucket Trucks versus the Terex Bucket Trucks makes this decision very tough. In good faith, we have allowed Altec to try and address these issues before we decided which vendor we would utilize for this replacement vehicle. Altec hopes their latest solution will fix the issues but we do not wish to push this replacement another six months for this evaluation. I understand that the Terex unit is 3.1% more than the Altec unit and I am confident that there is enough maintenance evidence in your files to support DME's request to put a Terex Digger Derrick into our fleet. This will give us an opportunity to compare the units to determine which one is the better option for DME, just as we did several years ago when deciding to go with Altec Bucket Trucks.

If you need any further information please let me know.

OUR CORE VALUES

Integrity • Fiscal Responsibility • Transparency • Outstanding Customer Service