

Agenda Report

TO: CITY COUNCIL

DATE: June 23, 2008

FROM: CITY MANAGER

SUBJECT: RESCISSION OF CONTRACT WITH AMERICAN LAFRANCE
FOR THE PURCHASE OF ONE TRACTOR DRAWN AERIAL
TRUCK

RECOMMENDATION:

It is recommended that the City Council rescind without penalty Purchase Order Contract No. 35315 with American Lafrance of Los Angeles for the purchase of one Tractor Drawn Aerial Truck and Authorize the City Manager to call for new bids.

BACKGROUND:

On June 11, 2007, the City Council awarded Purchase Order Contract No. 35315 to American Lafrance for the purchase of one tractor drawn aerial truck. The purchase order contract was issued on June 19, 2007, and the aerial truck has yet to go into the production cycle which is a ten-month process.

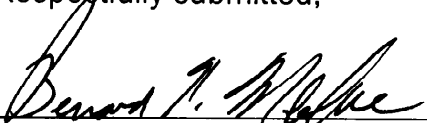
In January 2008, American Lafrance filed for Bankruptcy under Chapter 11 and assured its clients they would honor their commitments for new orders with the same delivery timeframe. To date American Lafrance has yet to emerge from bankruptcy and cannot submit a performance bond with the City of Pasadena. Rather than risk the loss of additional time waiting to see if American Lafrance will be able to produce a performance bond and begin the build process, staff requests the City Council rescind the P.O. contract and that staff be authorized to solicit new bids for an aerial truck.

Following the re-advertising and evaluation of the submitted bids, staff expects to re-issue a new purchase order within three months.


FISCAL IMPACT:

There is no fiscal impact as a result of this action.

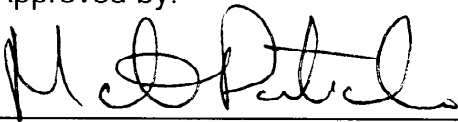
Respectfully submitted,


BERNARD K. MELEKIAN
City Manager

Prepared by:


George J. Aleman, Management Analyst
Building Systems and Fleet Management

Approved by:


Martin Pastucha
Director of Public Works