

Agenda Report

TO: CITY COUNCIL **DATE:** February 28, 2005
FROM: CITY MANAGER
SUBJECT: AUTHORIZATION TO PURCHASE HEAVY DUTY CABLE
PULLING AND REEL CARRYING TRAILER

RECOMMENDATION

It is recommended that the City Council authorize the issuance of a purchase order contract to Terex Utilities West, Inc. in an amount not to exceed \$87,073, for the purchase of one heavy duty cable pulling and reel carrying trailer (Hydra 985). The proposed purchase is exempt from competitive bidding pursuant to City Charter section 1002(H), contracts with other governmental entities or their contractors for labor, material, supplies or services.

BACKGROUND

The Water and Power Department uses heavy duty cable pulling equipment to install and remove cable of all sizes used in power distribution. The department is currently using aging and obsolete equipment to perform this function (a 1969 cable carrier and a 1985 tractor). Current equipment is often not available due to breakdowns and the cost of replacement parts for vehicles more than 30 years old is expensive. The new cable pulling trailer, being smaller than the current equipment, will facilitate additional maneuverability for the underground power crews in areas that are difficult to access. The newer equipment also provides up-to-date technology and safety features that will enable work crews to install and remove cable more efficiently and safely.

The City of Los Angeles, Department of Water and Power, undertook a competitive bidding process for the purchase of 17 cable pulling devices. As a result of the bid process, the City of Los Angeles awarded a contract to Terex Utilities West, Inc. Terex Utilities West, Inc. has offered to extend to the City of Pasadena the same pricing for the purchase of a single Hydra 985 cable pulling trailer that was provided to the City of Los Angeles for its purchase of 17 units.

Were the City to undertake its own bid process for the purchase of a single cable pulling device, it would be unlikely that it would yield a price as low as that currently being offered by Terex Utilities West, Inc. With the rise in steel cost alone, the City can expect at least a 5% savings from current pricing for an identical trailer.

FISCAL IMPACT

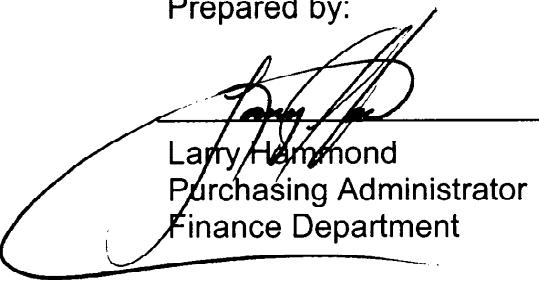
The funding for this equipment, in the amount of \$87,073 is available in account 8505-411-843220-0392-00000-00.

Respectfully submitted,



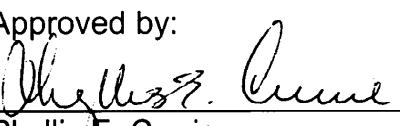
Cynthia J. Kurtz
City Manager

Prepared by:



Larry Hammond
Purchasing Administrator
Finance Department

Approved by:



Phyllis E. Currie
General Manager
Water and Power Department