

# Agenda Report

December 15, 2014

**TO:** Honorable Mayor and City Council  
**FROM:** Water and Power Department  
**SUBJECT:** AUTHORIZATION TO ENTER INTO PURCHASE ORDER CONTRACTS WITH ALTEC INDUSTRIES, INC. FOR AN AMOUNT NOT TO EXCEED \$858,964 FOR THE PURCHASE OF THREE VEHICLES FOR THE WATER AND POWER DEPARTMENT.

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find the proposed action is exempt from the California Environmental Quality Act ("CEQA") in accordance with Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment; and
2. Authorize Purchase Order Contracts with Altec Industries, Inc. for the purchase of one Articulating Telescopic Aerial Device Model #AT40M for an amount not to exceed \$121,284; one Digger Derrick Model #D3060B for an amount not to exceed \$357,359; and one Stake Truck with 18-Ton Crane for an amount not to exceed \$380,321 without competitive bidding pursuant to City Charter section 1002(H), contracts with other governmental entities or their contractors for labor, material, supplies or services. Neither competitive bidding nor competitive selection is required pursuant to the City Charter Section 1002 (H), and Pasadena Municipal Code Sections 4.08.049 and 4.08.049 A-1.

## **BACKGROUND:**

The Water and Power Department ("PWP"), Power Delivery Field Operations Division performs routine and emergency operations, maintenance and construction of the City's underground and overhead distribution systems and substation operations. This includes new service and service upgrades, as well as infrastructure upgrades for various construction projects. A new articulating telescopic aerial truck is needed to construct and maintain the City's overhead power distribution system. A new digger derrick truck is needed for placement and removal of power poles and as a secondary crane for distribution equipment.

A new material handling stake truck with an 18-ton crane will allow crews to transport various types of large equipment – such as pad-mounted transformers, along with material, and a variety of tools, so that work can be performed more efficiently. By adding these vehicles, an increased number of customer, maintenance and capital improvement projects could be scheduled simultaneously, which would result in increased system reliability and better service to our customers.

The aerial truck uses unleaded fuel and complies with all South Coast Air Quality Management District (“SCAQMD”) rules and regulations for light and medium vehicle engine emissions and clean air standards in the South Coast Basin.

The digger derrick and the stake truck are powered by compressed natural gas (“CNG”) in compliance with the SCAQMD Fleet Rule 1196 and with the California Air Resource Board (“CARB”) rules. These rules require public fleets of heavy-duty vehicles operating in the SCAQMD area to acquire alternative-fuel vehicles when purchasing or leasing new vehicles. The proposed purchases will help the City maintain an effective ultra-low emissions and cost efficient fleet.

The National Auto Fleet Group (“NAFG”) has extended the City of Pasadena the opportunity to purchase one 2015 articulating telescopic aerial device model no. AT40M and one 2015 60-foot digger derrick model no. D3060B from Altec Industries, Inc. on the National Joint Powers Alliance (“NJPA”) Contract No. 31014 (City of Pasadena Member No. 38498). This contract is available for use by government bodies or state agencies and any county, city, district or other government bodies or corporations empowered to expend public funds.

The City of Los Angeles Department of Water and Power (“LADWP”) has a purchase order in place with Altec Industries, Inc. (P.O. No. 07428B 4 dated 5/12/2014), which was competitively bid for the purchase of eight CNG stake trucks with 18 ton hydraulic cranes. Altec Industries, Inc. has offered to extend this contract price to the City of Pasadena for the purchase of one identical truck.

It is staff’s opinion that formal bids would not result in further cost savings beyond these existing contracts. NAFG and LADWP prices are based on higher volumes, and issuing bids for single vehicles would probably result in a higher bid price. Using NAFG to acquire the digger derrick and the aerial device, and piggybacking on the LADWP contract for the purchase of the stake truck will reduce the amount of time and internal costs needed to prepare bid specifications, review proposals and award competitive bid contracts and allow the equipment to be received earlier.

**COUNCIL POLICY CONSIDERATION:**

By providing Field Operations personnel with the vehicles needed to perform their duties, the proposed contracts are consistent with the Public Facilities Element of the General Plan and support the City Council's goal to improve, maintain and enhance public facilities infrastructure and to implement capital improvements that will maintain and rehabilitate infrastructure.

Purchasing CNG vehicles also supports the City Council goals to increase conservation and sustainability. In addition, this purchase complies with United Nations Urban Environmental Accords action 14, purchase of advanced emission controls on all public fleets to reduce particulate matter and smog-forming emissions.

**ENVIRONMENTAL IMPACT:**

The actions proposed herein are for the purchase of equipment to allow for ongoing maintenance and operation of the City's electrical distribution system. This action has been determined to be exempt from the CEQA process pursuant to State CEQA Guidelines Section 15061(b)(3), the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question, such as purchasing equipment to allow for ongoing maintenance and operation activities, may have a significant effect on the environment, the activity is not subject to CEQA. This action does not have the potential for causing a significant effect on the environment and is therefore exempt from CEQA per Section 15061(b)(3) (General Rule).

The proposed purchases of the digger derrick and the stake truck comply with SCAQMD fleet rule 1196 regulating on road heavy duty public fleet vehicles.

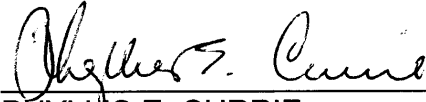
The proposed purchase of the aerial device complies with the SCAQMD fleet rule 1191, which requires all government agencies to purchase clean light and medium-duty dedicated gasoline or alternative fueled vehicles to reduce air toxic and pollutant emissions.

**FISCAL IMPACT:**

The total cost of the proposed contracts is \$858,964. Funding will be addressed by the utilization of existing budgeted appropriations in the Water and Power Department's Transportation Equipment Account 8505-411-843210-0392. It is anticipated that the entire cost will be spent during the current fiscal year. Indirect costs for contract preparation and delivery arrangements are expected to be minimal and will be covered under normal cost of labor.

Maintenance and repair costs are anticipated to be \$35,000 over the life span of each vehicle. Sufficient funds will be requested annually in operating budget account 8616-401-843210 for maintenance and 8618-401-843210 for fuel.

Respectfully submitted,



PHYLLIS E. CURRIE  
General Manager  
Water and Power Department

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Concurred by:



ANDREW GREEN  
Director of Finance  
Department of Finance

Approved by:



Michael J. Beck  
City Manager

**Disclosure Pursuant to the  
City of Pasadena Taxpayer Protection Amendment  
Pasadena City Charter, Article XVII**

Contractor/Organization hereby discloses its trustees, directors, partners, officers, and those with more than 10% equity, participation, or revenue interest in Contractor/Organization, as follows:

*(If printing, please print legibly. Use additional sheets as necessary.)*

<b>1. Contractor/Organization Name:</b> Altec Industries, Inc.
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<b>2. Type of Entity:</b> <input checked="" type="checkbox"/> non-government <input type="checkbox"/> nonprofit 501(c)(3), (4), or (6)
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<b>3. Name(s) of trustees, directors, partners, officers of Contractor/Organization:</b>
Allen W. Ritchie, Sr. Vice President & CFO
Jerry W. Moore, Treasurer
Robert D. Hunter, General Counsel & Secretary

<b>4. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization:</b>
Lee J. Stysliger, III, Chairman & CEO
Jon C. Stysliger, President & Director
Mark Stysliger, Sr. Vice President

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Date: 9-4-2014