



# Agenda Report

June 7, 2021

**TO:** Honorable Mayor and City Council  
**FROM:** Water and Power Department  
**SUBJECT:** **AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT WITH ALTEC INDUSTRIES INC. IN AN AMOUNT NOT TO EXCEED \$406,566 TO FURNISH AND DELIVER ONE BUCKET TRUCK FOR THE WATER AND POWER DEPARTMENT**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed actions are exempt from the California Environmental Quality Act ("CEQA") in accordance with Section 15061(b)(3), the common sense exemption (formerly the General Rule) that CEQA only applies to projects which have the potential for causing a significant effect on the environment; and
2. Authorize the issuance of a Purchase Order ("PO") contract without competitive bidding pursuant to City Charter Section 1002 (H) Contracts with other governmental entities or their contractors for labor, material, supplies, or services, with Altec Industries Inc. ("Altec") for one Articulating Telescopic Aerial Device Model TA60 ("Bucket Truck") in an amount not to exceed \$406,566, which includes the base contract amount of \$396,566 and a contingency of \$10,000 to provide for any necessary change orders.; and,
3. It is further recommended that the City Council grant the proposed contract an exemption from the Competitive Selection process pursuant to Pasadena Municipal Code ("PMC") Section 4.08.049(B) contracts for which the City's best interests are served.

## **BACKGROUND:**

The Pasadena Water and Power Department ("PWP") performs maintenance, construction, and emergency operations on the City's electrical transmission and distribution systems. Power Delivery crews require specialized vehicles to transport technical staff, heavy equipment, specialty tools, and construction material essential to completing activities critical to electric system reliability, resilience, and safety. A new articulating telescopic aerial device is required for continued maintenance and construction.

The fiscal year 2021 operating budget approved by the City Council includes funds to replace one bucket truck; specifically, vehicle number 01743, which is over 18 years old with approximately 52,000 miles, and has incurred approximately \$157,000 of operating costs to date.

The existing bucket truck, vehicle number 01743, although not in great condition is still useable on reduced frequency for less critical jobs and can serve as a backup to the other three bucket trucks when they are under repairs or temporarily unavailable. Therefore, staff recommends not to salvage bucket truck number 01743 at this time and add the new bucket truck to the vehicle inventory. The existing bucket truck will be salvaged once it does not have a useful life.

The new bucket truck will be equipped with a cleaner burning Compressed Natural Gas ("CNG") engine that complies with all South Coast Air Quality Management District ("SCAQMD") rules and regulations for heavy-duty vehicles. However, when the truck is stationary a battery will operate the bucket compared to conventional internal combustion engine. This will eliminate emissions and reduce ambient noise significantly for the crews and nearby neighbors, and make verbal communication easier between the person in the bucket at higher elevation and the ground crews.

Staff is not aware of an all-electric vehicle capable of meeting PWP's requirements.

Sourcwell, formerly known as National Joint Powers Alliance, is a government unit, public corporation and public agency under the laws of the state of Minnesota. Sourcwell provides nationally leveraged and competitively solicited purchasing contracts that can be utilized by member agencies such as the City of Pasadena.

In January of 2018, Sourcwell issued a Request for Proposals for Public Utility Equipment with Related Accessories and Supplies. Fourteen submissions were received and evaluated by the Sourcwell selection committee. Submissions were scored on criteria such as pricing, warranty coverage, variety of products offered, and bidders' ability to service the contract nationally. The process undergone by Sourcwell has resulted in competitive pricing. Altec earned the highest score with 902 points out of a possible 1,000, and was awarded a contract through March of 2022.

Altec is a participating vendor in the California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project ("HVIP") which provides approximately \$30,000 point-of-sale reductions for such vehicles subject to fund availability. HVIP is not accepting new requests at this time for lack of funding but staff expects the program to reopen soon. An early City Council approval will allow staff to apply for a voucher as soon as the program reopens.

Staff recommends that the City Council authorize the City Manager to enter into a PO contract with Altec for one bucket truck in an amount not to exceed \$406,566, which includes the base contract amount of \$396,566 and a contingency amount of \$10,000 to provide for any necessary change orders. The Water & Power Department's General Manager, or his designee, will manage any change order authorization.

The City of Pasadena has awarded 17 PO's to Altec for a total amount of approximately \$1,820,000 since 2015. It is in the best interest of the City to purchase the requested equipment with Altec utilizing Sourcewell contract #012418-ALT, as it reduces the amount of time required to take delivery of new equipment and eliminates the need to solicit for items that are already competitively priced. Pricing for Sourcewell contract #012418-ALT offers member agencies a discount of 3% to 5% off the list price.

**COUNCIL POLICY CONSIDERATION:**

By providing PWP with the proper vehicles and equipment needed to perform their duties, the proposed purchase is consistent with the Public Facilities Element of the General Plan, and supports the City Council's goal to improve, maintain and enhance public facilities infrastructure, and implement capital improvements that maintain and rehabilitate infrastructure.

**ENVIRONMENTAL ANALYSIS:**

The proposed action is exempt from CEQA in accordance with Section 15061(b)(3), the common sense exemption that CEQA only applies to projects that 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 may have a significant effect on the environment, the activity is not subject to CEQA. The purchase of the new vehicle has no impact on the environment. Conversely, providing vehicles with better fuel efficiency than the City's current vehicles used for the same purpose has the potential to reduce air pollutants and greenhouse gas emissions that such vehicles generate.

These purchases also comply with SCAQMD rule 1196, requiring all government agencies to purchase clean heavy-duty dedicated gasoline or alternative-fueled vehicles to reduce air toxics and pollutant emissions. These vehicles meet the requirements of the Federal Emissions Standard rule 13 California Code of Regulations 1956.1 issued by California Air Resources Board executive order A-010-11783-1 signed on February 28, 2012.

**FISCAL IMPACT:**

The maximum cost of this action is \$406,566 Funding for this action will be addressed by the utilization of existing appropriations in the Power Capital Fund 411, Automotive Equipment Account 850510. PWP anticipates placing the orders for this equipment during Fiscal Year 2021.

Indirect and support costs such as maintenance, repair and fuel costs of the new vehicle are anticipated at approximately \$83,000 over the life span of the vehicle. Sufficient funds will be requested annually in the operating budget accounts to pay the cost of operating and maintaining the existing and new vehicles. This model includes Altec's standard warranty: one-year parts warranty, one-year labor warranty, ninety days warranty for travel charges, and limited lifetime structural warranty.

Respectfully submitted,



---

GURCHARAN S. BAWA  
General Manager  
Water and Power Department

Prepared by:



for

---

Marvin D. Moon  
Assistant General Manager  
Water and Power Department

Approved by:



---

STEVE MERMELL  
City Manager