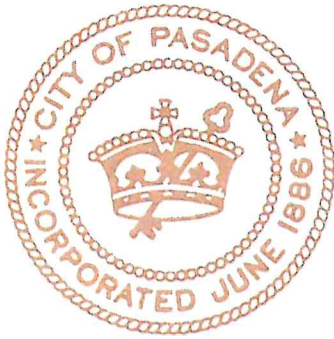




Agenda Report

October 13, 2026

TO: Honorable Mayor and City Council

FROM: Department of Water and Power

**SUBJECT: REPORT ON EMERGENCY RENTAL OF SPECIALIZED EQUIPMENT
FOR THE PATH TWO 35KV CABLE REPLACEMENT PROJECT**

RECOMMENDATION:

This report is for information only as required by Pasadena Municipal Code ("PMC") Section 4.08.150 for any emergency purchase where the expenditure exceeds \$250,000.

BACKGROUND:

Pasadena Water and Power ("PWP") Power Delivery Division is preparing to initiate the Path 2 underground cable replacement project. This work will require the removal and disposal of existing underground cables and the installation of new replacement cables.

The Path 2 underground cables are a critical component of the City's electrical subtransmission system, facilitating power service delivery from the east to the west side of the city.

The project has been presented to the City Council on two prior occasions:

- On July 14, 2025, the City Council awarded a contract to Anixter, Inc. for the procurement of the replacement cables. The cables have been ordered, and several segments have already been delivered or are currently en route.
- On March 9, 2026, the City Council awarded a contract to Outsource Utility Contractor, LLC ("Outsource") for implementation of the project.

Although Outsource is contractually responsible for completing the cable removal and replacement, Power Delivery field personnel identified substantial operational risks if the contractor is unable to complete the work sequence as planned. Any interruption – whether due to equipment failure, labor or scheduling issues, unforeseen field conditions, or other circumstances – could delay project completion and extend the

period during which the electric system would operate in a more vulnerable configuration.

Once the existing cables are taken out of service and removed, the electric system would operate in a more vulnerable configuration until the replacement cables are installed, tested, and energized. An extended interruption could increase the likelihood of electric system failures, potentially resulting in prolonged service disruptions or necessitating rolling outages.

To mitigate these risks, Power Delivery recommended securing specialized rental equipment as a redundancy in operations measure. Having the equipment would allow PWP crews to intervene to complete the work if the contractor is unable to do so. This contingency support does not alter or reduce the contractor's contractual responsibilities; rather, it provides PWP with an additional safeguard to maintain system reliability and restore the system to a stable configuration if necessary.

REQUIRED EQUIPMENT

The following specialized equipment was identified as necessary to remove the existing cable, process it for disposal, and install the replacement cable:

Equipment Description	Capacity	Quantity	Monthly unit price	Monthly total
Hogg & Davis 6500 Puller	40,000 lb	2	\$9,850	\$19,700
Condux-Tesmec PM1450 Puller	22,500 lb	1	\$9,850	\$9,850
Freightliner Cable Scraper/Chopper Truck	Heavy Duty	1	\$32,500	\$32,500
Total Monthly Rental				\$62,050

EMERGENCY CIRCUMSTANCES

The required cable-pulling and cable-processing equipment is highly specialized and not readily available through commercial rental channels. Power Delivery staff contacted contractors and rental vendors and found that comparable equipment was in limited supply and subject to extended lead times.

Power Delivery staff evaluated available City contracting options and contacted the three vendors known to staff that could potentially provide the specialized equipment: Al Asher & Sons, Inc. ("Al Asher"), United Rentals, Inc. ("United Rentals"), and Custom Truck One Source LP ("Custom Truck"). Al Asher was the only vendor identified with the complete equipment package available within the project's required timeframe. United Rentals did not have the equipment in stock and could only potentially provide it by obtaining the equipment from Al Asher and furnishing it to the City at an additional markup. Custom Truck was also evaluated as an alternative but was not able to provide the complete equipment package within the required timeframe. Based on this review of

available sources and contracting options, staff determined that Al Asher represented the lowest obtainable price for equipment capable of meeting the City's immediate operational need.

The emergency procurement was based on the combined risks of beginning the Path 2 work without sufficient backup equipment, the potential impact on electric system reliability if the contractor could not complete the work on time, and the limited availability of suitable replacement equipment. Following the normal competitive procurement timeline could have resulted in the equipment being released to another customer and unavailable when needed.

Additionally, as outlined in the previous agenda reports, the existing cables are aging and have exhibited a high rate of failure, making them increasingly unreliable. In preparation for this project, PWP has completed upgrades to the supporting subtransmission lines to ensure that the cables can be safely taken out of service and replaced. This work can only be performed during periods of low system load, which occur in the fall and winter seasons.

Delaying the project to follow a normal procurement process for renting the necessary backup equipment would have caused PWP to miss this critical construction window, resulting in the work being deferred to next fall and creating a significant reliability risk for the system.

Based on these circumstances, PWP determined that immediate procurement was necessary to protect system reliability and reduce the risks of prolonged customer outages.

PROCUREMENT AUTHORITY AND REPORTING

Pursuant to PMC Section 4.08.150, "Emergency purchases," the Director of Finance or an authorized representative, with the approval of the City Manager, may secure materials or services without competitive bidding, at the lowest obtainable price, when an actual emergency requires an immediate purchase. When the expenditure exceeds \$250,000, a full report of the circumstances of the emergency purchase must also be filed with the City Council.

Based on the circumstances described above, the City Manager approved the emergency procurement of the specialized underground cable-pulling and cable-processing equipment from Al Asher for the Path 2 Cable Replacement Project. A purchase order in an amount not-to-exceed \$744,600 was authorized for a rental term of up to 12 months.

The \$744,600 amount represents the maximum potential cost based on the quoted monthly rental rate of \$62,050 for 12 months. Actual expenditures will depend on the

duration the equipment is required and is expected to be less than the authorized not-to-exceed amount.

This report is being submitted to the City Council after the emergency procurement action, in accordance with the reporting requirement of PMC Section 4.08.150 for emergency purchases exceeding \$250,000.

COUNCIL POLICY CONSIDERATION:

The proposed contract is consistent with the City Council's goals to maintain fiscal responsibility and stability, and PWP's strategic initiatives to enhance customer satisfaction and confidence, improve efficiency and business continuity, and maintain PWP's fiscal health and stability.

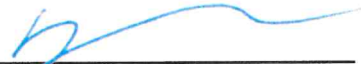
ENVIRONMENTAL ANALYSIS:

The action proposed herein is not subject to California Environmental Quality Act ("CEQA") in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378. The proposed contract, which allows for the rental of equipment in emergency circumstances, is a continuing administrative and maintenance activity. Moreover, this action would not commit the City to undertaking or approving any actual or specific physical construction activities or any other actions that involve physical changes to the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

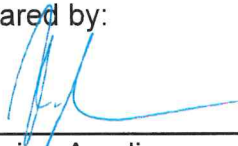
The total cost of the purchase order contract is \$744,600. Funding for this purchase order will be addressed by the utilization of existing appropriations in the Subtransmission Path 2 Upgrade (03282) CIP budget. It is anticipated that all the costs will be expended in FY 2027. There is no impact to the General Fund.

Respectfully submitted,



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