



## City Council Agenda Item

**City Council Meeting Date:** August 5, 2025

**TO:** Dean Albro, City Manager

**FROM:** Michael Luther, Utility Director  
m\_luther@ci.lompoc.ca.us

**SUBJECT:** Award of Contract Purchase Order(s) in the Amount not to Exceed \$1,861,742.32 to Altec Industries, Inc. for Purchase of Electric Division Replacement Equipment

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### **Recommendation:**

Staff recommends the City Council award contract purchase order(s) to Altec Industries, Inc. for the purchase of:

- 1) One (1) ea. AT37G-US40 40' Articulating Telescopic Aerial Device (Bucket Truck) in an amount not to exceed \$325,325.53;
- 2) Two (2) ea. TA60 60' Telescopic Articulating Aerial Device with Material Handling (Aerial Lift Trucks) in an amount not to exceed \$981,357.86 (total for two);
- 3) One (1) ea. DH50 50' Fully Hydraulic Derrick (Digger/Derrick) in an amount not to exceed \$555,058.93.

### **Background:**

The City has historically pursued lease financing for capital purchases of high-value, long-life replacement fleet vehicles to match the capital costs with the vehicles' expected life spans. Until the City develops and implements vehicle funding policies to reserve adequate funds for capital replacements in each of the City's utilities, the most cost-effective method to replace vehicles is with the use of capital financing.

Purchases of certain capital replacements were provided for in the adopted Biennial Budget Fiscal Years (FY) 2023-25 (2023-25 Budget) from resources to be provided from capital financing. Financing was secured on December 19, 2023, with the City Council adoption of Resolution No. 6628(23). The 2023-25 Budget document identified the capital expenditures as "Electric Bucket Truck", "Electric aerial lift trucks (2)" and "Electric digger/

derrick” with a total appropriations of \$1,385,000, the estimated cost of the four (4) electric vehicles at the time the financing was secured. As such, Resolution No. 6628(23) included additional appropriations for the two Aerial lift trucks of \$50,000 to bring the total authorized appropriations to \$1,385,000 matching the secured financing for the four (4) electric vehicles.

**Discussion:**

**Use of Sourcewell for Procurement**

Sourcewell competitively solicited cooperative contracts and their process conforms with the Lompoc Municipal Code and reduces procurement costs by eliminating much of the process of creating Bid and RFP documents. For the purchase the four Electric Division replacement vehicles and related attachments, a Sourcewell procurement awarded to Altec Industries, Inc. is proposed.

The AT37G-US40 Bucket Truck will replace a 2006 model. This will replace Crew A’s older bucket truck with the same version as Crew B enabling trucks to be set up identically with tools, equipment, and supplies, which will provide a more efficient, productive, and safer working environment for staff. (Attachment 1.)

The TA60 Aerial Lift Trucks will replace model year 2008 and 2010 Aerial Lift Trucks. The existing trucks are designed for doing hot stick work, which the City has transitioned away from doing. The crews have now primarily adapted the work procedure of rubber glove method. The new TA60 Aerial Lift Truck has a telescoping boom which would be greatly beneficial due to the majority of the crews’ work being in alleys and they could have a more compact truck for tighter work spaces but have the telescoping reach when needed. (Attachment 2.)

The DH50 Digger/Derrick will replace a model year 2005 Digger/Derrick. This is the same model currently in use and has proven to be the best model to meet the crews’ needs. (Attachment 3.)

**Fiscal Impact:**

The 2023-25 Budget provided sufficient appropriations for the capital purchase of the Bucket Truck, (2) Aerial Lift Trucks, and Digger/Derrick. utilizing up to \$1,861,742.32 of resources in 752EDS-753060. Lease financing will be used for \$1,385,000 to allow for allocating the cost of the unit over the estimated life of the unit. The proposed issuance of capital financing for the equipment replacement was included in the 2023-25 Budget and approved by Resolution on December 19, 2023. \$476,742.32, which is the total combined cost above the estimate used to secure lease financing, will be paid directly from the Electric Fund’s 2024-25 available budget, carried forward to FY 2025-26.

The City will be able to conserve available operating cash to be used for operational costs, matching capital costs over the estimated life of the equipment by utilizing the approved financing to meet the Department's capital needs.

**Conclusion:**

The use of the Sourcewell cooperative purchase agreements to secure the Electric Division Replacement Equipment will allow the Electric Utility to continue to maintain the electric grid for several years in an efficient and cost effective manner.

Respectfully submitted,

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Michael Luther, Utility Director

**APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:**

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Dean Albro, City Manager

- Attachments: 1) Sourcewell/Altec Quote for AT37G-US40 (Bucket Truck)  
2) Sourcewell/Altec Quote for TA60 (Aerial Lift Truck)  
3) Sourcewell/Altec Quote for DH50 (Digger/Derrick)