



Legislation Details (With Text)

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Title: Amendment to the Contact for Aerial Units (NB)

Staff recommends extending the term of the contract with Altec Industries, Inc. for aerial units.

Sponsors:

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Date	Ver.	Action By	Action	Result
10/1/2009	0	City Commission		

Amendment to the Contact for Aerial Units (NB)

Staff recommends extending the term of the contract with Altec Industries, Inc. for aerial units.

The City Commission approved a three-year contract on July 25, 2005 for the provision of aerial units for the Energy Delivery Department with Altec Industries, Inc. With The City Commission's approval, the first of two available one-year extensions was previously exercised keeping the contract valid through September 30, 2009. Altec Industries, Inc. maintained fixed pricing for the initial 3-year term while a per-unit cost increase of 3.7% was agreed to for the first extension due to steel surcharges. There will be no price increase for the proposed second extension. Altec Industries, Inc. has been responsive to the Utility's needs, providing aerial units as well as trade-in allowances for units being replaced in accordance with the specifications. Staff believes the requested price increase is in line with industry pricing for this equipment.

Aerial units are used by the Energy Delivery Department for maintenance of the electric transmission and distribution system. Replacement units are purchased at the end of their useful life. The estimated cost of the units to be purchased in FY 2010 is \$920,000 for approximately 7 replacement aerial units. Each unit's pricing varies based on its specifications and its intended usage requirements.

The City Commission: 1) authorize the General Manager, or his designee, to negotiate and execute a one-year amendment to the agreement for aerial units with Altec Industries, Inc., subject to the approval of the City Attorney as to form and legality; and 2) approve the issuance of purchase orders to Altec Industries, Inc. in amounts not exceeding budgeted funds for FY 2010, subject to the final appropriation of funds for FY 2010.

Funds for these services have been included in the FY 2010 budget, subject to final appropriation of funds.

Prepared by David E. Beaulieu, AGM, Energy Delivery

Submitted by Robert E. Hunzinger, General Manager