

To: Honorable Public Utilities Board

Submitted by: /Sl/
Ni Lee
AGM – Engineering & Operations

From: Ni Lee
AGM – Engineering & Operations

Approved by: /Sl/
Tim Haines
General Manager

Subject: By Motion, by a Four-Fifths Vote, Authorize the General Manager to Negotiate a Final Agreement with Global Rental Co. Inc. for the Rental of One 2026 Freightliner M-2 Double Bucket Truck in an Amount Not to Exceed \$91,000, Subject to Approval by the City Attorney’s Office, and Find the Action Exempt from the California Environmental Quality Act

RECOMMENDATION

By motion, by a four-fifths vote, find that AMP’s action is not a project under CEQA pursuant to CEQA Guidelines Section 15378 and is exempt from CEQA pursuant to CEQA Guidelines Sections 15061(b)(3) and 15378 for the reasons outlined in this report, and authorize the General Manager to negotiate a final agreement with Global Rental Co. Inc. for the rental of one 2026 Freightliner M-2 double bucket truck in an amount not to exceed \$91,000, subject to approval by the City Attorney’s Office.

BACKGROUND

At the October 2025 Public Utilities Board (Board) meeting, staff presented the Alameda Municipal Power (AMP) Vehicle Replacement Schedule. The schedule identified the need to replace Unit 402, a 2008 Freightliner M-2 Double Bucket Truck, as having reached the end of its serviceable life and being out of service.

DISCUSSION

AMP’s fleet replacement policy targets 10–12-year service lives for Engineering and Operations vehicles, with double bucket trucks typically falling closer to 10 years due to heavy operational use. Unit 402 is 17 years old and has exceeded its anticipated service life. Due to reliability concerns and escalating maintenance needs, the vehicle is no longer suitable for continued operation.

AMP must maintain a minimum of two operational double bucket trucks to support multiple line crews and emergency response capability. Given current procurement lead times of 18–24 months for new line trucks, staff recommends renting a replacement unit to ensure near-term operational reliability while a permanent replacement is procured.

The rental agreement will consist of two procurement components:

1. Cooperative Purchasing (Sourcewell Contract)

This portion represents the standard lease cost of the vehicle. The base vehicle rental rate is competitively bid under a Sourcewell cooperative contract.

- Monthly (28-day) rental cost: \$4,920
- 11-month rental cost: \$54,120
- 50 percent rental credit toward an optional purchase during the first 12-month period

2. Open-Market Items

Additional equipment and configuration are required to meet AMP's operational and safety standards. These items are not part of the cooperative contract and are procured separately as open-market items. An itemized quote will be provided, identifying the open-market costs independently from the Sourcewell pricing. Because this portion of the purchase is not being competitively bid or sourced through a cooperative purchase, a four-fifths vote of the Board is required. It would be unfeasible to procure these items and configuration through another vendor.

Additional anticipated contract costs:

- Delivery/transportation: \$6,150
- Contingency and open-market configuration items: \$30,000

Operational Need

The proposed rental replaces Unit 402 and restores AMP's minimum operational fleet configuration for double bucket trucks. Without this replacement, AMP would operate with reduced redundancy, increasing risk during outages and limiting crew productivity.

FINANCIAL IMPACT

The total agreement amount is not to exceed \$91,000 for an 11-month lease term, including the base rental rate, delivery/transportation, open-market configuration items, and contingency. This operating expense allows AMP to maintain reliable operations while avoiding premature capital commitment during fleet replacement evaluation.

ENVIRONMENTAL REVIEW

Alameda Municipal Power finds the rental agreement with Global Rental is not a project as defined by CEQA Guidelines Section 15378, which excludes "Continuing administrative or maintenance activities, such as purchases for supplies." AMP's action involves renting a double bucket truck. Alameda Municipal Power further finds that it can be seen with certainty that there is no possibility that the activity will result in a direct or reasonably foreseeable indirect change in the environment.

Alameda Municipal Power further finds that its actions are exempt from CEQA, including but not limited to CEQA Guidelines Section 15061(b)(3). More specifically, Alameda Municipal Power finds its actions are subject to the commonsense exemption because it can be seen with

certainty that there is no possibility that the activity in question may have a significant effect on the environment. Alameda Municipal Power's actions involves renting a double bucket truck.

LINK TO STRATEGIC PLAN AND METRICS

Business Resiliency, Strategy 1:

AMP will develop and implement an asset management framework to guide efficient capital and maintenance expenditures that improve system reliability and operational resilience.

EXHIBITS

A. Quote 347158

Quotation

ALAMEDA MUNICIPAL POWER (AMP)

Quote Details

Customer Name ALAMEDA MUNICIPAL POWER (AMP)
Date Issued 2/03/2026
Expiration Date 3/06/2026
Rental Start Date
Bill Through Date
Rental Rate
Customer PO
Customer Relationship #
Customer Equipment

Equipment Detail

Equipment Number 037-1037402230
Serial Number 0126DM11087
Equipment Model AM55
Front Bumper Winch No
Outrigger(s) A-Frame
Working Height 60'
Over Center Yes
Certified KV Cat B 46 kV
Platform Size 24x48x42 Two Man
Boom Winch No
Material Handler Yes
Insulated Boom Yes
Body Line Body

Chassis Detail

VIN 1FVDCXFC8THWR6880
Horsepower 250
Year 2026
Cab To Axle 120
Brakes AIR
Drivetrain 4X4
Make FREIGHTLINER
Model M2-106

Additional Specs

Pricing Details

Purchase Price: \$ 276,256.00
Rental Credit: \$ 0.00
Transportation: \$ 6,150.00
Buy-Out: \$ 282,406.00



Rental Purchase Option

Unit #: 037-1037402230 | AM55

| Cycle | Rate | Rental Credit % | Purchase Price | Total Credit | Buy-Out |
|-------|------------|-----------------|----------------|--------------|--------------|
| 1 | \$4,920.00 | 50% | \$276,256.00 | \$2,460.00 | \$273,796.00 |
| 2 | \$4,920.00 | 50% | \$276,256.00 | \$4,920.00 | \$271,336.00 |
| 3 | \$4,920.00 | 50% | \$276,256.00 | \$7,380.00 | \$268,876.00 |
| 4 | \$4,920.00 | 50% | \$276,256.00 | \$9,840.00 | \$266,416.00 |
| 5 | \$4,920.00 | 50% | \$276,256.00 | \$12,300.00 | \$263,956.00 |
| 6 | \$4,920.00 | 50% | \$276,256.00 | \$14,760.00 | \$261,496.00 |
| 7 | \$4,920.00 | 50% | \$276,256.00 | \$17,220.00 | \$259,036.00 |
| 8 | \$4,920.00 | 50% | \$276,256.00 | \$19,680.00 | \$256,576.00 |
| 9 | \$4,920.00 | 50% | \$276,256.00 | \$22,140.00 | \$254,116.00 |
| 10 | \$4,920.00 | 50% | \$276,256.00 | \$24,600.00 | \$251,656.00 |
| 11 | \$4,920.00 | 50% | \$276,256.00 | \$27,060.00 | \$249,196.00 |
| 12 | \$4,920.00 | 50% | \$276,256.00 | \$29,520.00 | \$246,736.00 |
| 13 | \$4,920.00 | 35% | \$276,256.00 | \$31,242.00 | \$245,014.00 |
| 14 | \$4,920.00 | 35% | \$276,256.00 | \$32,964.00 | \$243,292.00 |
| 15 | \$4,920.00 | 35% | \$276,256.00 | \$34,686.00 | \$241,570.00 |
| 16 | \$4,920.00 | 35% | \$276,256.00 | \$36,408.00 | \$239,848.00 |