



City of Austin

Recommendation for Action

File #: 25-0945, **Agenda Item #:** 42.

6/5/2025

Posting Language

Authorize an amendment to a contract for the continued lease and maintenance of customized utility vehicles for Austin Energy with Altec Industries Inc., to increase the amount by \$1,300,000 and to extend the term by nine months for a revised total contract amount not to exceed \$34,800,000. Funding: \$1,000,000 is available in the Operating Budget of Austin Energy.

Lead Department

Financial Services Department.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$1,300,000 is available in the Fiscal Year 2024-2025 Operating Budget of Austin Energy.

Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Contract Amendment.

MBE/WBE:

This contract was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C (Minority-Owned and Women-Owned Business Enterprise Procurement Program). For the services required for this contract, there were no subcontracting opportunities; therefore, no subcontracting goals were established.

Prior Council Action:

August 3, 2017 - Council approved a contract for 60-month lease agreements with Altec Industries Inc.

September 17, 2020 - Council approved an amendment for continued lease agreements with Altec Industries Inc.

September 15, 2022 - Council approved an amendment for continued lease agreements with Altec Industries Inc.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500.

Council Committee, Boards and Commission Action:

May 12, 2025 - Recommended by the Electric Utility Commission on a 9-0 vote with Commissioners Blackburn and Rhodes absent.

Additional Backup Information:

The proposed amendment will allow the continuation of leasing and maintaining customized utility trucks used by field crews for infrastructure, maintenance, and construction projects. Due to supply chain shortages and production delays that began during the COVID-19 pandemic, new replacement trucks could not be delivered as originally scheduled. As a result, Austin Energy has had to keep existing trucks in service longer than planned. These trucks are now out of warranty, causing Austin Energy to incur increased repair costs and additional monthly charges while waiting for the new vehicles to arrive.

If this request is not approved, Austin Energy will be unable to make future lease payments or cover maintenance costs which could lead to trucks being taken out of service or returned.