



ALTEC EXTENDED WARRANTY FOR NEW VEHICLES

Riverside Public Utilities- Electric Field

Board of Public Utilities
June 9, 2025

RiversideCA.gov

1

BACKGROUND

1. February 2023, the Board approved the Altec vehicle purchase for 12 vehicles
2. May 2025, the Board approved the extended warranty for the first 6 of those 12 vehicles, the last set of vehicles are expected to be delivered in the last quarter of 2025
3. The average cost in the first five years (2016-2021) for maintenance on model D4065 diggers average \$39,700, and averages \$10,000 for the model AT40G bucket trucks.
 - a. These costs have increased significantly with inflation.



2

RiversideCA.gov

2

DISCUSSION

1. After reviewing maintenance costs of Altec vehicles purchased in 2016, it is cost effective to purchase extended warranties for new vehicles
2. The estimated savings with the purchase of these extended warranties is at least \$18,190
3. Extended warranties cover additional expenses not covered by the limited manufactures warranty
4. Board approval is requested for the extended warranties



3

RiversideCA.gov

3

EXTENDED WARRANTY COSTS

| VEHICLE | CHASSIS / MODEL | 5 YEAR AVG MAINT. WITHOUT WARRANTY (2016-2021) | EXTENDED WARRANTY |
|--------------------------------|-----------------|--|----------------------|
| Freightliner Digger | D4065 | \$39,700 | \$15,690 |
| Ford F550 Bucket | AT40G | \$10,000 | \$11,455 |
| Ford F550 Bucket | AT40G | \$10,000 | \$11,455 |
| Ford F550 Bucket | AT40G | \$10,000 | \$11,455 |
| Ford F550 Bucket | AT40G | \$10,000 | \$11,455 |
| TOTAL FOR 5 YEARS | | \$79,700 | \$61,510 |
| TOTAL ESTIMATED SAVINGS | | | \$18,190 |



4

RiversideCA.gov

4

STRATEGIC PLAN ALIGNMENT



Strategic Priority 6 - Infrastructure, Mobility and Connectivity

Goal 6.2 – Maintain, protect, and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

Cross-Cutting Threads



Community Trust



Equity



Fiscal Responsibility



Innovation



Sustainability & Resiliency



5

RiversideCA.gov

5

RECOMMENDATIONS

That the Board of Public Utilities:

1. Approve the purchase of the extended warranties for five vehicles with Altec Capital Services, LLC, in the amount of \$61,510; and
2. Authorize the City Manager to sign all documents necessary to effectuate the transaction and make minor non-substantive changes.



6

RiversideCA.gov

6