



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Arturo Vela, Acting City Manager

PREPARED BY: Jason Smith,
Art Vela, Director of Public Works

MEETING DATE: August 26, 2025

SUBJECT: Consideration of Resolution 2025-113, Authorizing the Electric Department to Execute a Lease-to-Own Agreement for One Altec DT85 Digger/Derrick Truck

RECOMMENDATION:

Adopt Resolution 2025-113.

BACKGROUND:

Banning Electric Utility is a retail electrical energy distribution provider and load serving entity serving approximately 14,000 end-use customers with 15 miles of overhead and underground sub-transmission, six (6) distribution substations, and 129 miles of overhead and underground distribution lines and a host of special equipment and appurtenances requiring a full complement of aerial, digging, and material handling devices. Digger/Derrick vehicles are used for both overhead and underground construction applications. This type of unit is used to auger holes, lift conductors, set poles, lift and set electric equipment such as transformers, capacitor banks, voltage regulators as well as assist in pulling underground cable.

JUSTIFICATION:

Currently the department owns two smaller Digger/Derrick units which were purchased in 2004 and 2006. Both units are near the end of their useful life. Pictures of the oldest unit are attached below. In addition, these smaller units can no longer meet all the needs of the growing physical size of electric utility equipment. Recently, the utility added a steel transmission line which consists of seventy-five (75) foot steel poles. The smaller units cannot safely maneuver the weight, nor can they reach the necessary height to safely replace or work on these large steel poles. Also, the smaller units cannot lift the larger pad mounted transformers which are becoming more common as demand for more power increases.

This vehicle purchase will alleviate additional costs and coordination of crane rentals for this type of work and will allow the department to operate and maintain its infrastructure and equipment in a safe and effective manner. The DT85E Digger/Derrick truck specification sheet and quote are attached to this staff report.

FISCAL IMPACT:

The terms of the lease to purchase will be sixty (60) months at a monthly payment of \$9,390 including taxes for a total cost of \$468,713. Vehicle ownership will belong to the utility upon final payment.

ALTERNATIVES:

Do not adopt the resolution and provide an alternative direction.

BUDGETED?:

Yes

CONTRACT/AGREEMENT:

No

ATTACHMENTS:

1. [Resolution_2025-113_Digger_Derrick.docx](#)
2. [DT85E-onesheet-web.pdf](#)
3. [IMG.UNIT.337.pdf](#)
4. [Updated City of Banning 8.14.25.pdf](#)
5. [Banning Muni edits FINAL 8-18-2025 \(003\).docx](#)