



ADMINISTRATION COMMITTEE

Agenda Report

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File #: 2025-4467

Agenda Date: 9/10/2025

Agenda Item No: 4.

FROM: Robert Thompson, General Manager
Originator: Lorenzo Tyner, Assistant General Manager

SUBJECT:

FLEET VEHICLE REPLACEMENT PURCHASES

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve the purchase of replacement vehicles and electric utility carts for Orange County Sanitation District's fleet as initially approved in the adopted Fiscal Year 2025-26 Budget in the amount of \$1,487,300; and
- B. Delegate to the General Manager and Purchasing Manager the authority to purchase replacement vehicles and carts during the fiscal year in the not to exceed amount listed above, utilizing the method of procurement determined by the General Manager to be in the best interest of OC San, to include cooperative contract, competitive solicitation, or sole source.

BACKGROUND

Orange County Sanitation District (OC San) maintains a fleet of vehicles and utility carts necessary to meet business needs. The fleet comprises 7 heavy-duty equipment trucks, 1 bus, 43 medium-duty trucks, 59 light-duty trucks, 20 sedans, 22 SUVs, and 21 vans, totaling 173 vehicles, and 163 electric utility carts.

OC San's Fleet Services Division replaces vehicles as part of a fleet right-sizing and modernization strategy. The replacement is based on the current vehicle's ability to meet the assigned departmental needs, vehicle age, maintenance cost, condition, and mileage. All proposed replacement vehicles and carts were identified as required for business needs during the fiscal year 2025-26 budget preparation process.

The replacement vehicles are proposed annually during budget preparation. The Board subsequently approves vehicle procurements under the capital equipment section of the budget in June of each year. OC San enters into a purchase order agreement with entities that work directly with vehicle manufacturers to capitalize on the most cost-effective means to purchase the vehicles. OC San benefits from eliminating unnecessary options in the retail market through dealer shopping and ensures adherence to internal vehicle specifications.

All vehicle purchases are evaluated for “Green” (electric, hybrid, CNG) technology applications to ensure adherence to the appropriate regulations.

RELEVANT STANDARDS

- Participate in local, state, and national cooperative purchasing programs
- Ensure the public's money is wisely spent
- Maintain a proactive asset management program

PROBLEM

The vehicles and carts identified for replacement are nearing the end of economically useful life. Maintenance costs continue to increase, and the physical condition of the assets warrant significant restoration. Additionally, these older units lack modern safety features, which are key to keeping staff safe.

PROPOSED SOLUTION

Authorize the General Manager and Purchasing Manager to utilize the method of procurement determined to be in the best interest of OC San, to include cooperative contract, competitive solicitation, or sole source. This will allow staff to obtain vehicles in markets where inventory is readily available and meet the operational needs of the organization.

TIMING CONCERNS

OC San’s internal process requires additional committee and board action time, jeopardizing the ability to replace vehicles with external deadlines beyond OC San’s control. Granting authority to the General Manager and Purchasing Manager to target the most appropriate method to obtain the replacement units ensures the most optimal and cost-effective way to source the units.

RAMIFICATIONS OF NOT TAKING ACTION

The vehicles selected for replacement are costly, unreliable, and lack modern safety features currently required for fleet vehicles. Unscheduled maintenance costs are increasing, and vehicle reliability will compromise the mobility needs of staff.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

The requested vehicle type composition is shown in the table below, but may be substituted depending on the actual condition of the vehicle being replaced and market availability:

Purchase Type	Vehicle Type	Quantity	Cost
Replacement	SUV	10	\$350,000
Replacement	Cargo Van	3	\$195,000
Replacement	Service Pickup Truck	8	\$591,600
Replacement	Electric Utility Cart	12	\$350,700

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with the authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Budget Update FY 2025-26 Line item 5: Section A, Page A-15), and the budget is sufficient for this action.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
09/24/2025	\$1,487,300	0%

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

N/A