



OPERATIONS COMMITTEE

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Agenda Report

File #: 2023-3292

Agenda Date: 12/6/2023

Agenda Item No: 9.

FROM: Robert Thompson, General Manager
Originator: Riaz Moinuddin, Director of Operations & Maintenance

SUBJECT:

PURCHASE OF ELECTRIC FORKLIFTS

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Purchase Order to Equipment Depot California, Inc. for the purchase of four Caterpillar electric forklifts, using Sourcewell Cooperative Contract #091520-MCF for an amount not to exceed \$ 285,070; and
- B. Approve a contingency of \$14,254 (5%).

BACKGROUND

The Orange County Sanitation District (OC San) utilizes propane-powered forklifts within the treatment plants and the warehouse for staff to perform operations and maintenance tasks and support warehouse operations. The forklifts provide staff with the ability to transport equipment and materials safely and efficiently throughout the facilities.

RELEVANT STANDARDS

- Participate in local, state, and national cooperative purchasing programs
- Ensure the public's money is wisely spent
- Commitment to safety & reducing risk in all operations

PROBLEM

The units identified for replacement are reaching the end of their useful life, exhibiting physical corrosion and use-related wear and tear, resulting in increased maintenance costs. Additionally, in the near future, the CARB will require a shift from conventional fuels to zero-emission forklifts. CARB plans to ban large spark-ignition forklifts by means of a phase-out schedule starting in 2028 (2029 for small fleets such as OC San) through the proposed Zero-Emission Forklifts regulation, which would result in operational limitations to the identified units and combustion-fired replacement units.

PROPOSED SOLUTION

Purchase up to four zero-emission electric forklifts to replace existing aging equipment.

TIMING CONCERNS

The existing forklifts are approaching the end of their useful and the reliability of these units continues to decrease.

RAMIFICATIONS OF NOT TAKING ACTION

The forklifts selected for replacement are unreliable, deteriorating, costly to maintain, and are no longer economical. The reliability of these units continues to decrease and the time that units are out of service compromises staff's ability to complete core work.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

Purchasing zero-emission electric forklifts in lieu of combustion-fired units provides certainty of operations against pending regulations that would prohibit operating combustion-fired units.

OC San utilizes a Cooperative Agreement through Sourcewell (formerly National Joint Powers Alliance), Cooperative Contract No. 091520-MCF, in accordance with Ordinance No. OC SAN-61, Section 2.03(B), Cooperative Purchases. This Cooperative Agreement was awarded using a competitive bid process like OC San's and has been vetted by OC San's Purchasing Division. The amount of savings under this Cooperative Agreement is estimated to be \$66,365 versus list pricing.

CEQA

N/A

FINANCIAL CONSIDERATIONS

The request complies with authority levels of OC San's Purchasing Ordinance. The budgeted items are in FY 2022-23 & 2023-24 Budget, Section 08, Pages 94 & 98, Fleet Services.

ATTACHMENT

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

N/A