



Orange County Sanitation District

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OPERATIONS COMMITTEE

Agenda Report

File #: 2020-1355

Agenda Date: 12/2/2020

Agenda Item No: 8.

FROM: James D. Herberg, General Manager
Originator: Rob Thompson, Assistant General Manager

SUBJECT:

PURCHASE OF 56 ELECTRIC CARTS

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Award a Purchase Order to Southwest Toyota Lift for the purchase of 56 electric carts using OMNIA Partners Cooperative Contract No. EV2671 for a total amount not to exceed \$1,101,172; and
- B. Approve a contingency of \$55,059 (5%).

BACKGROUND

The Orange County Sanitation District (Sanitation District) maintains a fleet of 200 electric carts. Within the treatment plants, electric carts are the primary means of transportation for Operations & Maintenance staff and their tools. Electric carts are an efficient means of transportation for plant staff, tools, and materials. The cost of purchasing an electric cart is significantly less than the price of a light-duty truck. The replacement carts are evaluated based on the total maintenance/repair costs to date, condition, and age.

As part of the fleet rightsizing and modernization strategy, Fleet Services is systematically replacing the oldest, lighter duty, electric carts to reduce the overall lifecycle cost and improve safety and reliability.

RELEVANT STANDARDS

- Participate in local, state, and national cooperative purchasing programs
- Ensure the public's money is wisely spent

PROBLEM

The electric carts identified for replacement have an average age of 11 years. Many of these carts require significant body panel and control systems repairs. Additionally, the electric carts currently in use are a lighter duty, have unsealed, lead-acid batteries and lack modern controls and safety systems.

PROPOSED SOLUTION

The fleet staff recommends replacing 56 electric carts. The request combines electric cart procurement for Fiscal Years 19-20 and 20-21, with an average cost of \$19,664 per cart.

TIMING CONCERNS

The existing carts will need costly repairs if they are to remain in service.

RAMIFICATIONS OF NOT TAKING ACTION

The electric carts currently selected for replacement are unreliable, deteriorating, and no longer economical. Cart downtime for repairs directly impacts the ability of staff to complete work.

PRIOR COMMITTEE/BOARD ACTIONS

November 2019 - Authorized the award and purchase of thirty-six (36) Columbia electric carts from Southwest Material Handling, Inc. (Southwest Toyota Lift), following Ordinance No. OCSD-52, Section 2.03(B), Cooperative Purchases, for a total cost of \$684,506 to include tax and delivery; and approved a contingency of \$34,226 (5%).

ADDITIONAL INFORMATION

The Sanitation District updated electric cart specifications to address safety concerns related to cart rollover and battery and charging technology improvements. Electric carts from Columbia meet or exceeded the Sanitation District's electric cart specification and are available through a competitive bid contract.

The Sanitation District possesses the ability to purchase material, services, and equipment through cooperative agreements. These cooperative agreements tend to lower unit prices and streamline the purchasing process.

The Sanitation District is utilizing OMNIA Partners Cooperative Contract No. EV2671 with Columbia through Southwest Toyota Lift (local distributor), under Ordinance No. OCSD-52, Section 2.03(B), Cooperative Purchases.

This OMNIA Partners Cooperative Contract was awarded using a competitive bid process like the Sanitation District's and is vetted by Purchasing. The amount of savings under this cooperative agreement is \$210,054 (17%) versus list pricing.

These costs are inclusive of freight and sales tax.

Summary information on the quote for 56 electric carts is as follows:

Vehicle Description and Unit Quantities	Total Amount (Including Options, Tax, Tire Fees)
56 Columbia Electric Carts	\$1,101,172

A 5% contingency is recommended for pricing changes between the date of approval and the purchase date caused by uncontrolled market conditions, tariffs, and COVID-19 pandemic related delays.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item is budgeted. (Line item: Section 8, Page 98, Fleet Services, Electric Carts; FY 2020-21. Line item: Section 8, Page 100, Fleet Services, Electric Carts; FY 2019-20).

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
12/16/2020	\$1,101,172	\$55,059 (5%)

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

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