



Orange County Sanitation District

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OPERATIONS COMMITTEE

Agenda Report

File #: 2019-676

Agenda Date: 11/6/2019

Agenda Item No: 4.

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

SUBJECT:

PURCHASE OF THIRTY-SIX ELECTRIC CARTS

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Award a Purchase Order to Southwest Material Handling for the purchase of 36 electric carts using US Communities Cooperative Contract EV2024-01 for a total amount not to exceed \$684,506; and
- B. Approve a contingency of \$34,226 (5%)

BACKGROUND

The Orange County Sanitation District (Sanitation District) maintains a fleet of 200 electric carts. Electric carts are used within the treatment plants as the primary means of transportation for Operations & Maintenance staff and their tools. Electric carts are an efficient means of transportation for plant staff. The cost of purchasing an electric cart is significantly less than the cost of a light-duty truck. Carts are evaluated for replacement based on 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 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 17 years. Many of these carts require significant body panel and control systems repairs. Additionally, electric carts that are currently in use have unsealed lead acid batteries and lack modern controls and safety systems.

PROPOSED SOLUTION

Staff recommends the replacement of 36 electric carts. The request combines electric cart procurement for fiscal years FY18-19 and FY19-20 with an average cost of \$19,014 per cart.

TIMING CONCERNS

A 5% contingency has been recommended should there be pricing changes between the date of approval and date of purchase due to tariffs and uncontrolled market conditions.

RAMIFICATIONS OF NOT TAKING ACTION

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

PRIOR COMMITTEE/BOARD ACTIONS

January 2017 - Authorized the award of a sole-source purchase of nineteen (19) Taylor-Dunn electric carts from Yale/Chase Equipment and Services, Inc., in accordance with March 28, 2001 Minute Order 12(C)(2), for a total cost of \$212,127 to include tax and delivery; and approved a contingency of \$10,606 (5%).

ADDITIONAL INFORMATION

The Sanitation District updated electric cart specifications to address safety concerns related to cart rollover and improvements in battery and charging technology. Current electric cart models from Yale/Chase and Columbia were evaluated against the updated specification, load capacity, and construction. Electric carts from Columbia met 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 a cooperative agreement through US Communities Contract, Omnia Partners, (Public Sector) No. EV2024-01 with Columbia through Southwest Material Handling (local distributor), in accordance with Ordinance No. OCSD-52, Section 2.03(B), Cooperative purchases.

This US Communities Contract was awarded using a competitive bid process like the Sanitation District's and has been vetted by Purchasing. The amount of savings under this cooperative agreement is \$137,501 versus list pricing.

These costs are inclusive of freight and sales tax.

Summary information on the quote for 36 electric carts is as follows:

Vehicle Description and Unit Quantities	Total Amount (Including Options, Tax, Tire Fees)
Thirty-six (36) Columbia Electric Carts	\$684,506

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted. (Line item: Section 8, Page 96, Fleet Services, 21 electric carts; FY 2019-20 Budget, line items Section 8, page 100 Fleet Services, 21 electric carts).

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
11/20/2019	\$684,506	\$34,226 (5%)

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

N/A

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