



SUPPLEMENTAL AGENDA REPORT

PROPOSED ACTION: Resolution: Approve and Authorize: (1) the Executive Director to Execute a Contract Procure a Battery Electric Water Truck at a Total Cost Not to Exceed \$580,000; and (2) the Designation of an Existing Diesel Powered Water Truck as No Longer Used, Inadequate, Obsolete or Worn-Out and the Sale, Donation, and/or Other Disposition of Such Other Existing Vehicles; and (3) Find that the Proposed Action is Exempt Under the California Environmental Quality Act.

Submitted By: Bryan Brandes, Director of Maritime; Kristi McKenney, Executive Director

Parties Involved: CTOS California, LLC

Amount:

\$580,000 (Capital Expenditure)

\$700,000 (Capital Budget)

EXECUTIVE SUMMARY: Port of Oakland (Port) Staff regularly evaluate the Port's vehicle fleet and equipment to determine replacement need based on wear and tear, miles driven, and years in service. Port Staff have identified a water truck that needs to be replaced now, and a battery electric zero emission water truck has been identified as a viable replacement. Port Staff has competitively solicited bids to procure the water truck and the lowest responsible bid was submitted by CTOS California, LLC in the amount of \$540,225. The Port also received federal grant funding that will cover approximately 45% of the cost up to a cap of \$292,500.

BACKGROUND & ANALYSIS

Vehicles and equipment are needed to support operations at Port and are managed in accordance with Administrative Policy (AP) 750, which states that equipment and vehicles should be considered for replacement after five years or 50,000 miles (as a practical matter, most Port vehicles and equipment are retained far longer than these minimums). In addition to meeting the guidelines for replacement in AP 750, all existing vehicles are evaluated to determine need; age and condition; opportunities to improve operational efficiency; potential cost savings; and opportunities for alternative fuels or zero emission models.

The Port owns one diesel-fueled water truck that serves the Port's Maritime area (Seaport). This truck is approximately 22 years old and increasingly difficult to maintain. The water truck is used on a regular basis, especially during summer months, for dust control on various maintenance and construction projects; watering bio-swales (i.e., natural drainage areas around the Seaport with vegetation); providing portable mobile water to locations around the Seaport area that do not have a water supply in close proximity; and assisting gardeners with watering areas where water is not readily available. Port Staff recommends replacement of this diesel water truck with a new battery-electric model.

On May 28, 2025, a formal Invitation for Bid was released to solicit competitive bids for a battery electric water truck (Bid No. 24-25/28). The Port received two bids, and Port Staff ranked them in the following order based on the lowest cost.

Rank	Bidder	Total
1	CTOS California, LLC	\$540,225.00
2	Inland Kenworth (US), Inc.	\$572,999.98

Port Staff recommends entering into a contract with CTOS California, LLC (CTOS) to purchase the new battery electric water truck. Upon purchase of the new water truck, the existing diesel-powered water truck will be scrapped. The proposed truck purchase is included in the fiscal year (FY) 2026 Capital Budget adopted by the Board on July 10, 2025, and funded in part by a grant from the Environmental Protection Agency (EPA) Diesel Emissions Reduction Act (DERA) grant (the grant pays 45% of the cost up to \$292,500).

If negotiations with CTOS are successful, the Port's purchase will result in a net (i.e., out of pocket) cost of \$297,124 (\$540,225 minus \$243,101 grant funding), which is a savings compared to the adopted Fiscal Year (FY) 2026 Capital Budget. If negotiations with CTOS are unsuccessful, Port Staff recommends entering into a contract with Inland Kenworth (US), Inc, which is the next lowest bidder, for a maximum amount not to exceed \$580,000. Under this scenario, the Port's net cost would also be a savings compared to the Capital Budget.

OTHER FINDINGS AND PROVISIONS

ENVIRONMENTAL REVIEW

The proposed action was analyzed under the California Environmental Quality Act (CEQA) and was found to be:

- ☒ Categorically exempt under the following CEQA Guidelines Section:
15301 (Existing Facilities)
- ☐ "Common Sense" exemption under CEQA Guidelines Section 15061(b)(3).
- ☐ Other/Notes:

BUDGET

- ☐ Administrative (No Impact to Operating, Non-Operating, or Capital Budgets); OR
- ☐ Operating ☐ Non-Operating ☒ Capital

Analysis: The FY 2026 Capital Budget includes \$700,000 for the purchase of the proposed water truck, funded by up to \$407,500 of Port cash and up to approximately \$292,500 of funding from the EPA DERA grant. With either the lowest or next lowest bidder, the proposed purchase price would result in a savings compared to the adopted FY 2026 Capital Budget.

STAFFING

- ☒ No Anticipated Staffing Impact.
- ☐ Anticipated Change to Budgeted Headcount.
Reason:
- ☐ Other Anticipated Staffing Impact (e.g., Temp Help).
Reason:

MARITIME AND AVIATION PROJECT LABOR AGREEMENT (MAPLA):

Applies? No (Other) - see explanation below.

- ☒ Additional Notes: The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) do not apply to this recommended procurement.

LIVING WAGE (City Charter § 728):

Applies?

No (Goods) – proposed action entails an agreement for goods, commodities, supplies, or equipment with incidental service provisions (if any) that are not covered by the Living Wage requirements.

- ☐ Additional Notes:

SUSTAINABLE OPPORTUNITIES:

Applies? Yes.

GENERAL PLAN (City Charter § 727):

Conformity Determination:

<p><u>Reason:</u> Port Staff continually seek alternative fuel vehicles and equipment. This purchase will replace a diesel powered water truck with a zero emission battery electric model.</p>	<p>Not Required – conformity determination not required because proposed action does not change use of or make alterations to an existing facility, or create a new facility.</p>
<p><u>STRATEGIC PLAN.</u> The proposed action would help the Port achieve the following goal(s) in the Port's Strategic Plan:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Capture Our Market and Grow the Economic Base <input checked="" type="checkbox"/> Modernize and Upgrade Infrastructure <input checked="" type="checkbox"/> Transition to Zero-Emissions and Build Climate Resilience <input type="checkbox"/> Maximize Land Use Value and Revenues <input checked="" type="checkbox"/> Workforce Training and Jobs Development <input type="checkbox"/> Create Opportunities for Local Businesses and Community Economic Development 	