



AGENDA REPORT

PROPOSED ACTION:

Resolution: Authorize and Approve (1) the Executive Director to Procure Vehicles for Use by Aviation and Maritime Divisions at a Total Cost Not-to-Exceed \$1,047,200; (2) the Designation of Certain Other Existing Vehicles as No Longer Used, Inadequate, Obsolete or Worn-Out, and the Sale, Donation, and/or Other Disposition of Such Other Existing Vehicles; and (3) the Executive Director to Dispose of Such Other Existing Vehicles through a Variety of Means, Including Sale, Donation, Scrapping, Recycling, Destruction, and Abandonment in Accordance with Port Ordinance 4576. **(Maritime)**

Submitted By: Bryan Brandes, Director of Maritime; Danny Wan, Executive Director

Parties Involved: Dublin Chevrolet or alternative dealer

Amount: \$1,047,200 Capital Expenditure

EXECUTIVE SUMMARY:

Port staff regularly evaluates its vehicle fleet to determine replacement need based on wear and tear, miles driven, and years in service. Staff has identified 12 vehicles that need to be replaced now for a total cost not to exceed \$1,047,200. Given the difficult economic environment for the procurement of vehicles (shortage of trucks and increased demand), Port staff will either attempt a competitive solicitation or use an existing competitively solicited contract that can be leveraged to procure these vehicles. The new vehicles would be diesel (Diesel Port vehicle are fueled with 100% Renewable Diesel) or gasoline-fueled; no electric vehicle (“EV”) alternatives that meet the Port's operational requirements are available at this time. Port staff do however have an EV procurement plan for other vehicles coming due for replacement where EV equipment is available and will manage the schedule of replacements overall to take advantage of new types of EV vehicles planned to be available in the coming few years.

BACKGROUND & ANALYSIS

Vehicles are needed to support operations at the Port’s Maritime Area (Seaport) and Oakland International Airport (OAK). All vehicles must meet the Port’s guidelines for replacement according to AP 750, which states that equipment and vehicles should be considered for replacement after 5 years or 50,000 miles. In addition to the vehicle replacement guidelines of AP 750, all existing vehicles are also evaluated to determine if they are still needed; age and condition; opportunities for improvement to operational efficiency; potential cost savings; and opportunities to use alternative fuels. Currently, staff recommends designating 12 vehicles as surplus, and selling or otherwise disposing of them. Additionally, Port staff recommends replacing all 12 vehicles as follows:

Table 1

Aviation			
X Number	Year	Description	Estimated Replacement Cost
XY51	2002	2 Yard Dump Work Truck	\$75,000
XY39	2002	Lead Painter Work Truck	\$64,000
XY42	2002	Utility Body Work Truck	\$64,000
XY95	2004	Utility Body Work Truck	\$64,000
XS50	2011	ADM1 Full Size SUV ¹	\$100,000
XV56	2006	ADM2 Truck ¹	\$95,000
XU68	2008	ADM3 Truck ¹	\$95,000
XV86	2007	ADM4 Mid-Sized SUV ¹	\$75,000
Contingency (10%)			\$63,200
Aviation Subtotal			\$695,200
Harbor			
X Number	Year	Description	Estimated Replacement Cost
XZ50	2001	Garage Service Work Truck	\$85,000
X769	1993	Electrician Work Truck	\$85,000
X937	1999	Flatbed Work Truck	\$75,000
XZ03	2000	Garage Service Work Truck	\$75,000
Contingency (10%)			\$32,000
Harbor Subtotal			\$352,000
Total Cost			\$1,047,200

¹ Airport Duty Manager (ADM) Vehicles are operated by Airside Staff 24/7 primarily on the Airfield and are outfitted for use in emergency response and to serve as incident command vehicles. These additional features including safety lights, computer systems, high viability and distinctive markings, radio systems, etc. are included in the prices shown.

The existing eight (8) work trucks (XY51, XY39, XY42, XY95, XZ50, X769, X937, XZ03) have an average age of 21 years (approx. twice the recommended useful life) and need to be replaced immediately due to normal wear and tear, as well as difficulties with finding replacement parts. These trucks are comprised of heavy-duty flatbeds, 2-yard dumps, and facilities work trucks tailored to specific trades needs for efficiency in maintenance work throughout the Port.

The existing four ADM trucks and SUVs (XS50, XV56, XU68, XV86) have an average age of 14 years (approx. four years beyond the recommended useful life, which is significant given the intensity of usage) and need to be replaced due to extreme use and wear and tear and difficulty finding replacement parts. These vehicles are operated 24 hours a day, seven days a week by Operations staff and are critical for staff to be able to inspect the OAK air operations area and runways throughout the day and night and to respond to incidents and emergencies.

The ongoing challenges in the supply chain, including the availability of raw materials, have impacted the availability of all vehicles, including EVs. Port staff are in regular communications with local dealers about vehicle availability; vehicle delivery times are currently a moving target. While the current request does not include EVs due to the specific operational criteria and types of vehicles requested at this time, there are opportunities for other vehicles that have in the past been replaced with EVs or will soon come due for replacement with EVs. Staff continue to monitor the availability of such equipment and suitability for Port work. In fact, this upcoming fiscal year staff will be seeking to purchase up to 20 EV's.

Port electric vehicle purchases made to date:

- 2 - 15,000 lb. Fully Electric Forklifts (XQ14 and XQ15)
- 1 - 8,000 lb. Fully Electric Forklift (XR65)
- 1 - 6,000 lb. Fully Electric Forklift (XR64)
- 1 - Fully Electric 10 Passenger Van (XR70)
- 2 - Fully Electric KUV Body Work Trucks (XQ18 and XQ19)

Near-term fleet electrification plans:

- 3 - Fully Electric Ford Mach E SUV's (We are under contract, with a PO)
- 10 - Fully Electric Chevrolet Silverado EV's have been reserved with Chevrolet and we have identified which vehicles they will replace (availability will be mid 2023)
- Chevrolet will be releasing 2 small SUV's (Equinox and Blazer) and a 20,000lb towing capacity Chevrolet Silverado EV in late 2023.
- Ford Lightning will not be readily available until 2024, but we will look at more Mustang Mach E options.

The goal for FY 2022/2023 is to add 20 EV's to our fleet which will be 70 to 80 percent of our vehicle purchases and to procure EVs whenever feasible. It is anticipated that in the mid-term the majority of Port owned vehicles will be EV as additional models become available.

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:

Choose an item.

Exempt from CEQA because it is not a "Project" 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 estimated cost for Aviation's eight new vehicles, including contingency, is \$695,200. The estimated cost of Maritime's five new vehicles, including contingency, is \$352,000. (See Table 1 above for the estimated replacement cost of each vehicle.) The budget for these vehicles has been included in the proposed Aviation and Maritime Division FY 2023 capital budgets.

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:

<p><u>SUSTAINABLE OPPORTUNITIES:</u></p> <p><u>Applies? Yes.</u></p> <p><u>Reason:</u> All vehicles being purchased are Heavy Duty vehicles or emergency vehicles, and no EV options are available at this time. However, the new vehicles being purchased are more fuel efficient than those being replaced.</p>	<p><u>GENERAL PLAN</u> (City Charter § 727):</p> <p><u>Conformity Determination:</u></p> <p>No Project – 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) and objective(s) in the Port’s Strategic Business Plan:</p> <p> <input type="checkbox"/> Grow Net Revenues <input checked="" type="checkbox"/> Modernize and Maintain Infrastructure <input type="checkbox"/> Improve Customer Service <input type="checkbox"/> Pursue Employee Excellence <input checked="" type="checkbox"/> Strengthen Safety and Security <input type="checkbox"/> Serve Our Community <input checked="" type="checkbox"/> Care for Our Environment </p>	