

City of Arts & Innovation

## TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JULY 18, 2023

- FROM: GENERAL SERVICES DEPARTMENT WARDS: ALL
- SUBJECT: PURCHASE ONE HYUNDAI ELECTRIC-POWERED FORKLIFT FROM SELECT EQUIPMENT SALES, INC. FOR THE GENERAL SERVICES FLEET MAINTENANCE DIVISION IN THE AMOUNT OF \$64,403.06.

## ISSUE:

Approve the purchase of one Hyundai electric-powered forklift from Select Equipment Sales, Inc. for the General Services Fleet Maintenance Division in the amount of \$64,403.06.

### **RECOMMENDATIONS:**

That the City Council approve the purchase of one Hyundai electric-powered forklift from Select Equipment Sales, Inc. for the General Services Fleet Maintenance Division in the amount of \$64,403.06.

### BACKGROUND:

The General Services Fleet Maintenance Division is responsible for maintenance and repairs of all city vehicles and equipment. There are currently two propane-powered forklifts that are utilized by the maintenance garage to perform daily functions such as lifting heavy automotive parts during repairs, moving heavy inventory items, and moving non-operable equipment short distances. The proposed electric-powered forklift will be replacing the forklift mentioned in the following table:

Asset No.	Year Make Model	Using Department	Fuel Type	Replacement Reason
M123	2004 Daewoo G20SC	General Services – Fleet Maintenance	Propane	19 years of age with excessive wear and tear and life to date maintenance cost.

### DISCUSSION:

Sourcewell is a national service cooperative created to provide government procurement resources and solutions to members in government, education, and nonprofit sectors. Since the City of Riverside is a member of Sourcewell, Hyundai Construction Equipment Americas, Inc. is

#### Purchase Electric-Powered Forklift • Page 2

able to provide the best overall government pricing in accordance with Cooperative Agreement Number 091520-HCE that currently expires on October 26, 2024. Select Equipment Sales, Inc. is an authorized dealer for Hyundai Construction Equipment, as allowable within the terms of the cooperative agreement, and has offered pricing consistent with the discount in the agreement.

After contacting various vendors, Select Equipment Sales, Inc. was the only location that currently has an electric-powered 9,000 lb. capacity Forklift in stock and was also willing to honor the cooperative agreement pricing. The City is receiving a discount in the amount of \$18,643.88 on the portable generator purchased from the Sourcewell contract, which reduced the total cost from \$83,064.94 to a revised cost of \$64,403.06.

The utilization of the Sourcewell contract is in accordance with Purchasing Resolution No. 23914, Section 602(f) which states that, "Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances: ...(f) When Cooperative Purchasing is available and undertaken or when goods can be obtained through Federal, State and/or other public entity pricing contracts or price agreements".

Due to the volume of sales accessible to vendors through the use of Cooperative contracts, they provide either lower set pricing or deeper discounts than would generally be available via competitive procurement by a single agency. The distributor, Select Equipment Sales, Inc. is an approved distributor of Hyundai products as stated within the contract itself which means the distributor is offering some of the lowest pricing for this type of forklift available for government agencies.

The Purchasing Manager concurs that the recommendation to approve the purchase is in compliance with Purchasing Resolution No. 23914.

### STRATEGIC PLAN ALIGNMENT:

The recommended purchase contributes to the City's Strategic Priority No. 4 Environmental Stewardship and Goal No. 4.6 – Implement the requisite measures to achieve citywide carbon neutrality no later than 2040.

The recommended purchase aligns with EACH of the five Cross-Cutting Threads as follows:

- Community Trust This action builds community trust by ensuring that the General Services Fleet Maintenance Division staff has a safe and reliable zero-emission forklift available for use when performing operational tasks.
- 2. Equity This action will benefit the entire community because it enhances city-wide services.
- 3. **Fiscal Responsibility** The General Services Fleet Management Division is proposing this purchase in accordance with Purchasing Resolution 23914, Formal Procurement process to ensure the best price, terms and conditions are negotiated.
- 4. **Innovation** This purchase provides the General Services Fleet Maintenance Division staff with the specialized equipment that is necessary for their operations.
- 5. **Sustainability & Resiliency** This action will result in a zero-emission forklift which aligns with the citywide goal of carbon neutrality.

# FISCAL IMPACT:

The total fiscal impact of the action is \$64,403.06. The funds are budgeted and available in the Central Garage Fund, Machine and Equipment Account No. 2215000-462200.

Prepared by: Certified as to	Carl Carey, General Services Director
availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
	Officer/Treasurer
Approved by:	Edward Enriquez, Assistant City Manager/Chief Financial
	Officer/Treasurer
Approved as to form:	Phaedra A. Norton, City Attorney

Attachments:

- 1. Sourcewell Quote
- 2. Sourcewell Contract