



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: JUNE 23, 2025

SUBJECT: PURCHASE OF TEN VOLTU 3 ELECTRIC TRUCKS FROM VOLTU MOTOR INC., OF RIVERSIDE, CALIFORNIA, IN THE AMOUNT OF \$1,744,250, LESS REPLACEMENT FUNDING OF \$837,852, FOR A TOTAL AMOUNT OF \$906,398

ISSUE:

Consider recommending that the City Council approve a Single Source purchase of ten Voltu 3 Electric Trucks from Voltu Motor Inc., of Riverside, California, in the amount of \$1,744,250, less replacement funding of \$837,852, for a total amount of \$906,398.

RECOMMENDATION:

That the Board of Public Utilities recommend that the City Council:

1. Approve a Single Source purchase of ten Voltu 3 Electric Trucks from Voltu Motor Inc., of Riverside, California, in the amount of \$1,744,250, less replacement funding of \$837,852, for a total amount of \$906,398; and
2. Authorize the City Manager, or designee, to execute all documents necessary to effectuate this purchase, including making minor and non-substantive changes.

BACKGROUND:

The City of Riverside is committed to sustainability by replacing aging vehicles with electric alternatives. This transition reduces emissions, lowers fuel costs, improves reliability, supports public health, ensures regulatory compliance, and promotes green technology.

City of Riverside Fleet

Since 2020, the General Services Department, Fleet Division (Fleet) has been recognized among the 100 Best Fleets in the Americas (North, Central and South), highlighting the City's commitment to innovation and sustainability. As part of this effort, the City is prioritizing the replacement of diesel and aging vehicles with clean, electric alternatives that offer multiple benefits including:

- **Environmental Impact:** Electric vehicles produce zero tailpipe emissions, reducing air pollution and greenhouse gases. This supports cleaner air, a healthier environment, and helps the City achieve its greenhouse gases reduction goals.
- **Cost Savings:** Electric vehicles have lower operating costs, with reduced maintenance and fuel expenses. Cheaper electric power, supported by Riverside Public Utilities (RPU), enables long-term savings for the City.
- **Reliability and Performance:** Modern electric vehicles offer superior performance with

quicker acceleration, lower noise levels, and reduced maintenance needs, enhancing reliability for field staff working long hours.

- **Regulatory Compliance:** California's Advanced Clean Fleets (ACF) regulation requires municipalities to phase in zero-emission medium- and heavy-duty vehicles through 2042. Transitioning to electric vehicles ensures the City remains compliant and avoids potential fines.
- **Public Health:** Reducing diesel emissions improves public health, especially for vulnerable populations in urban areas, by decreasing air pollutants that contribute to respiratory and related illnesses.
- **Technological and Economic Development Advancements:** Investing in electric vehicles supports technological innovation and positions Riverside as a leader in the green economy. As home to CARB, the City aims to attract sustainable companies and become a global hub for clean technology.

Voltu Motor Inc.

Founded in the United States with an international headquarters in Argentina, Voltu Motor Inc. (Voltu) is a technology and innovation company specializing in electric power. On October 22, 2024, Voltu selected the City of Riverside as the site for its U.S. headquarters and manufacturing facility for electric vehicles and lithium cell batteries. The decision was influenced by California's status as the largest electric vehicle market, the Inland Empire's logistical advantages, and Riverside's supportive green technology ecosystem.

On November 19, 2024, the City Council authorized the preorder and purchase of 20 Voltu 3 Electrified Dual Motor 4WD Crew Cab Trucks at a cost of \$2,392,500. This effectively locked in a base price of \$125,000 per unit, City priority to receive the vehicles and provided time for City staff to consider departmental needs including upfitting, customizations and safety modifications and infrastructure (i.e. charging equipment, electrical capacity, etc.). The vehicle purchase is to take place after Voltu secures their Riverside location, including Global Headquarters, manufacturing facility and point of sale in Riverside.

DISCUSSION:

The Voltu 3 Electrified Dual Motor 4WD Crew Cab Truck is the first Class 3 all-electric pickup truck in the U.S. It integrates Voltu's proprietary electric powertrain components into a Ford F-350 chassis to deliver a 350-mile range, 17,000 pound towing capacity, and 4WD capabilities - solving the challenges that have limited EV adoption in this category.

The Voltu 3 is the only Class 3 all-electric vehicle/truck on the market that is not a cabover truck. It is the only vehicle in its class that has a high tow rating and payload capacity compared to other four-door mass-produced electric trucks including the Chevrolet Silverado EV, Edison Future EF1-T, Ford Lightening F150e, GMC Sierra EV, Hummer EV, Ram 1500 REV, Rivian R1T, and the Tesla Cyber Truck. Although those vehicles have similar horsepower, they do not have the proper torque or tow-rating and are not adequate for municipal fleet use.

The General Services Department and City Manager's Office collaborated with Riverside Public Utilities (RPU) staff and Public Works Department to identify existing vehicles eligible for replacement that could be upgraded to the Voltu 3 electric truck (see Attachment 3 for the full list).

All of the recommended vehicles meet the City's fleet replacement criteria to ensure effective and efficient fleet management. Vehicles may qualify for replacement using motor pool funds under various conditions, including, but not limited to, 10 to 15 years of service, mileage exceeding 100,000 miles, poor vehicle condition, or cumulative maintenance and repair costs that exceed the cost of a new vehicle. When considering replacements with a Voltu 3, staff also considered appropriateness of use and current operational needs. The vehicles recommended for replacement are current as of the date of this report but may change based on operational needs. For example, an accident or major repair may necessitate a quicker replacement option. All of the aforementioned criteria will be applied to any required changes.

RPU staff identified 10 vehicles as candidates for replacement with a Voltu 3. The table below highlights the costs and available replacement funds currently available. Upfitting, customizations and safety modifications, such as light packages, were determined by RPU staff.

| Cost Center | Division | Vehicle Qty | Voltu Price + Sales Tax | Estimated Upfitting Costs | Total Estimated Costs | Replacement Funds | Outstanding Balance |
|---------------|----------------|-------------|-------------------------|---------------------------|-----------------------|-------------------|---------------------|
| 6100000 | Electric Ops | 1 | \$119,625 | -- | \$119,625 | \$63,657 | \$55,968 |
| 6105000 | Electric Field | 2 | 239,250 | 136,000 | 375,250 | 151,051 | 224,199 |
| 6120140 | Generation | 1 | 119,625 | 25,000 | 144,625 | 140,907 | 3,718 |
| 6200000 | Water Ops | 3 | 358,875 | 183,000 | 541,875 | 243,720 | 298,155 |
| 6205000 | Water Field | 3 | 358,875 | 204,000 | 562,875 | 238,517 | 324,358 |
| Totals | | 10 | \$1,196,250 | \$548,000 | \$1,744,250 | \$837,852 | \$906,398 |

Purchasing Resolution No. 24101 Section 602(d) states, "Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances: ...(d) When the Procurement can only be obtained timely from a Single Source and the Manager is satisfied that the best price, terms and conditions for the Procurement thereof have been negotiated." There are no other class 3 vehicles available with the same capabilities.

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution No. 24101, Sections 602(d).

The General Services Director concurs with this report.

STRATEGIC PLAN ALIGNMENT:

The recommended purchase of the new replacement vehicles contributes to the City's **Strategic Priority No. 5 - High Performing Government** and **Goal No. 5.5** – Foster a culture of safety, well-being, resilience, sustainability, diversity, and inclusion across the city organization.

This item aligns with each of the Cross-Cutting Threads as follows:

1. **Community Trust** – Transitioning to electric vehicles (EVs) shows a commitment to sustainable practices and environmental responsibility. Electric vehicles contribute to cleaner air by reducing emissions, which directly benefits the health of the community, especially in areas prone to air pollution. This enhances the city's reputation as a municipality that prioritizes the well-being of its citizens
2. **Equity** – Replacing aging vehicles with safer and reliable vehicles will help to ensure equitable services to the community and keep residents and RPU staff safe.

3. **Fiscal Responsibility** – While EVs may have a higher upfront cost, they offer significant savings in the long term through lower maintenance and fuel costs. Furthermore, this investment supports local economic growth and job creation as Voltu establishes its headquarters in Riverside, maximizing the return on investment for taxpayers while advancing the City's goals for a cleaner and more sustainable future.
4. **Innovation** – The transition to EVs showcases Riverside's commitment to adopting innovative technologies. The city can position itself as a forward-thinking, tech-savvy community that embraces smart solutions to modern challenges, such as climate change and energy efficiency. This partnership not only brings state-of-the-art manufacturing and research capabilities to Riverside but also promotes the integration of advanced technologies in the municipal fleet, enhancing operational efficiency and performance. Our partnership with Voltu requires collaboration with local educational institutions to cultivate a skilled workforce, driving research and development that can lead to further innovations in sustainable transportation. Overall, this partnership exemplifies how the City can leverage private sector expertise to drive progress and create a more innovative, sustainable future for Riverside residents.
5. **Sustainability and Resiliency** – EVs directly contribute to the city's sustainability goals by reducing greenhouse gas emissions, improving air quality, and decreasing the reliance on fossil fuels. This aligns with Riverside's environmental sustainability efforts, helping the city meet long-term climate action goals. Riverside's partnership with Voltu and deployment of vehicles plays a pivotal role in helping further position the City as the global hub for clean and green technology and leverage existing economic development assets. By investing in local manufacturing and technology development, the City enhances its economic resiliency, creating jobs and fostering a green economy that can adapt to future challenges.

FISCAL IMPACT:

The total fiscal impact of this action is \$1,744,250. Funding will be available in Central Garage Account 2215200-462100 with a supplemental appropriation of \$837,852 if approved by City Council. Funding of \$906,398 is available in the Electric and Water accounts as outlined below.

| Fund | Program | Account | Amount |
|---------------------|---|------------------|--------------------|
| 650, Central Garage | Motor Pool, Automotive Equipment | 2215200-462100** | \$837,852 |
| 510, Electric | Electric Operations, | 6100000-462100 | 55,968 |
| 510, Electric | Electric Field Operations | 6105000-462100 | 224,199 |
| 510, Electric | Generation | 6120140-462100 | 3,718 |
| 520, Water | Water Production & Operations, Automotive Equipment | 6200000-462100 | 298,155 |
| 520, Water | Water Field Operations, Automotive Equipment | 6205000-462100 | 324,359 |
| TOTAL | | | \$1,744,250 |

**Requires City Council approval of a supplemental appropriation from Fund 650.

| | |
|------------------------|--|
| Approved by: | David A. Garcia, Utilities General Manager |
| Certified as to | |
| availability of funds: | Kristie Thomas, Finance Director/Assistant Chief Financial Officer |
| Approved by: | Rafael Guzman, Assistant City Manager |
| Approved as to form: | Rebecca McKee-Reimbold, Interim City Attorney |

Attachments:

1. Quote
2. Recommended Vehicles for Replacement
3. Presentation