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Title: RESOLUTION AUTHORIZING A PURCHASE AGREEMENT WITH HAWTHORNE MACHINERY CO. FOR THE PURCHASE OF AN EXTENDED REACH FORKLIFT IN AN AMOUNT NOT TO EXCEED \$300,000. FUNDS FOR FISCAL YEAR 2023 HAVE BEEN BUDGETED IN THE EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS BUDGET

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Attachments: 1. 1. 2022-0181 Attachment A, 2. 1. 2022-0181 Attachment B, 3. 1. 2022-0181 Attachment C, 4. 1. 2022-0181 Attachment D, 5. 1. 2022-0181 Draft Resolution

Date	Ver.	Action By	Action	Result
9/13/2022	1	Board of Port Commissioners	adopted	

DATE: September 13, 2022

SUBJECT:

RESOLUTION AUTHORIZING A PURCHASE AGREEMENT WITH HAWTHORNE MACHINERY CO. FOR THE PURCHASE OF AN EXTENDED REACH FORKLIFT IN AN AMOUNT NOT TO EXCEED \$300,000. FUNDS FOR FISCAL YEAR 2023 HAVE BEEN BUDGETED IN THE EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS BUDGET

EXECUTIVE SUMMARY:

The Fiscal Year 2023 Equipment Outlay budget includes the purchase of one (1) Caterpillar Telehandler (extended reach forklift). The proposed purchase agreement will be coordinated through a cooperative purchasing agreement with Sourcewell under a contract with Caterpillar, Inc. (Attachment A). The equipment will be purchased through Hawthorne Machinery Co., the local Caterpillar equipment dealer located in Chula Vista, CA.

Staff recommends selecting and authorizing the agreement for the purchase of one (1) Caterpillar Telehandler in an amount not to exceed \$300,000.

RECOMMENDATION:

Adopt a Resolution selecting and authorizing agreements with Hawthorne Machinery Co. for the purchase of one (1) Caterpillar Telehandler in an amount not to exceed \$300,000.

FISCAL IMPACT:

Funds for the proposed equipment purchase were approved in the Fiscal Year 2023 Equipment Outlay and Other Capital Projects budget.

COMPASS STRATEGIC GOALS:

This agenda item supports the following Strategic Goal(s).

- A Port that the public understands and trusts.
- A thriving and modern maritime seaport.
- A financially sustainable Port that drives job creation and regional economic vitality.

DISCUSSION:

District staff is proposing to purchase one (1) Caterpillar Telehandler, an extended reach forklift that will meet the operational requirements of the District by supporting operations and maintenance at District facilities, cruise ship terminals, and marine terminals. The new Caterpillar Telehandler will replace an existing extended-reach forklift that is over 20 years old and meets replacement criteria due to high maintenance costs, inability to obtain specific parts, and frequent equipment breakdowns.

District staff reviewed all available options for all-electric extended reach forklifts to help meet our Maritime Clean Air Strategy (MCAS) and zero-emission vehicle/equipment procurement goals. None of the current all-electric models met the District's operational requirement of having a lifting capacity greater than 10,000 pounds.

Procurement Details:

To facilitate the equipment purchase, the District has arranged procurement through a cooperative purchasing program with Sourcewell pursuant to Board of Port Commissioners Policy No. 110, Section III.D. Sourcewell is a service cooperative created by the Minnesota legislature as a local unit of government that is governed by local elected municipal officials and school board members. Caterpillar, Inc. was awarded the Sourcewell contract under a competitively solicited process covering numerous heavy equipment manufacturers utilized by public fleets (Attachment B & C).

The equipment will be purchased through Hawthorne Machinery Co., a California Corporation with its headquarters in San Diego, CA, and a local Caterpillar equipment sales dealer in Chula Vista, CA.

Purchase Agreement amounts are as follows (Attachment D):

- One (1) Caterpillar TL 1055 05A Telehandler (extended forklift): \$300,000

General Counsel's Comments:

The Office of the General Counsel has reviewed this agenda sheet and attachments, as presented to it, and approves the same as to form and legality.

Environmental Review:

The proposed Board action, including without limitation, authorizing a purchase agreement with Hawthorne Machinery Co. for the purchase of an extended reach forklift, does not constitute a project under the definition set forth in California Environmental Quality Act (CEQA) Guidelines Sections 15352 and 15378 because no direct or indirect changes to the physical environment would occur. CEQA requires that the District adequately assess the environmental impacts of projects and reasonably foreseeable activities that may result from projects prior to the approval of the same. Any project developed as a result of the proposed Board action requiring the District or the Board's discretionary approval resulting in a physical change to the environment would be analyzed in accordance with CEQA prior to such approval. CEQA review may result in the District, in its sole and absolute discretion, requiring implementation of mitigation measures, adopting an alternative, including without limitation, a "no project alternative," or adopting a Statement of Overriding Consideration, if required. The exercise of this discretion is in no way limited by this proposed Board action. Therefore, no further CEQA review is required.

The proposed Board action complies with Sections 21 and 35 of the Port Act, which allows the Board to pass resolutions; and to do all acts necessary and convenient for the exercise of its powers. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the proposed Board action is consistent with the Public Trust Doctrine.

The proposed Board action does not allow for development, as defined in Section 30106 of the California Coastal Act, or new development pursuant to Section 1.a. of the District's Coastal Development Permit (CDP) Regulations because there will not be, without limitation, a physical change, change in use or increase the intensity of uses. Therefore, issuance of a Coastal Development Permit or exclusion is not required. However, development within the District requires processing under the District's CDP Regulations. Future development would remain subject to its own independent review pursuant to the District's certified CDP Regulations, Port Master Plan (PMP), and Chapters 3 and 8 of the Coastal Act. The exercise of the District's discretion under the District's CDP Regulations is in no way limited by the proposed Board action.

Diversity, Equity, and Inclusion Program:

As a pre-competed cooperative purchasing contract, the District's SBE goal-setting process was not applied.

PREPARED BY:

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Attachment(s):
Attachment A: Sourcewell Contract #032119-CAT
Attachment B: Sourcewell RFP #032119-CAT
Attachment C: Sourcewell RFP Evaluation #032119-CAT
Attachment D: Purchase Agreement 77-2022MA Hawthorne Machinery Corp.