



City Council Report

Date: August 26, 2024
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Kristy Garcia, Procurement Administrator
Subject: Ratification of an Emergency Purchase and Dollar Limit Increase to the Term Contract for Equipment Rental and Related Services **(Citywide)**

Recommendation

Council is requested to approve the emergency purchase and dollar limit increase as recommended.

Energy Resources, Water Resources, Transportation, Parks, Recreation and Community Facilities, and Facilities Management Departments and Procurement Services recommend ratifying the emergency purchase of \$450,000 through 10/31/2024; and a dollar limit increase of \$665,000, with a new upper limit at \$965,000 annually thereafter using the contract with Herc Rentals, Inc., with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

Background / Discussion

This contract provides long-term and short-term rentals of vehicles and equipment. Rental options include light-duty trucks, heavy-duty trucks, backhoes, mini excavators, forklifts, 2,000-gallon water trucks, and dump trucks.

The emergency increase is needed to facilitate payment of outstanding invoices for the Transportation and Energy Resources Departments; and to add the Parks, Recreation, and Community Facilities and Facilities Management Departments to the contract with an authorized spend. The Parks, Recreation, and Community Facilities Department requires vehicle rentals for special events staff as needed for each City sponsored event. The Facilities Management Department requires vehicle rentals such as forklifts and bucket trucks.

The emergency purchase was approved by the City Manager's office as provided in the City Code during the Council break for the immediate preservation of public safety.

Purchase Information

Action: Emergency Purchase ratification and dollar limit increase
Procurement Type: Cooperative Contract Use
Contract Number: 2023205

Contracting Agency/Contract Numbers: Omnia (State of North Carolina) 2019000318

Local Consideration: Policy did not apply to this procurement method

Initial Contract Terms: 32 Months (3/6/2023 to 10/31/2025)

Possible Renewals: (1) one, two (2) year renewal option subject to administrative review and approval

Funding Source: Energy Resources Department budget through Gas Utility Operations and Maintenance, and Capital Improvement Program, Transportation Local Street Sales Tax, Utility Fund, Facilities Management O&M, PRCF General and Restricted Funds

Dollar Limit History

Original Council Approval Amount - 3/6/2023:	\$300,000.00
Administrative Approved Increase - 8/23/2023:	\$90,000.00
Administrative Approved Increase – 11/1/2023:	\$100,000.00
City Manager Approved Emergency Increase – 8/6/2024:	\$450,000.00
New Contract Value (through 10/31/2024):	\$940,000.00
Original Contract Value (resets on 11/1/2024):	\$300,000.00
This Dollar Limit Increase:	\$665,000.00
New Annual Contract Value (Years 3 through 10/31/2027):	\$965,000.00