



City Council Report

Date: March 6, 2023
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Kristy Garcia, Procurement Administrator
Subject: Use of a Cooperative Contract for a 32-Month Term Contract with a Two-Year Renewal Option for Equipment Rental and Related Services for the Energy Resources Department **(Citywide)**

Recommendation

Council is requested to approve the award as recommended.

The Energy Resources Department and Purchasing recommend authorizing the purchase using the OMNIA (State of North Carolina) cooperative contract with Herc Rentals, Inc. at \$300,000 annually, based on estimated requirements, with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

Background / Discussion

This contract will provide long-term and short-term rentals of vehicles and equipment. Energy Resources utilizes rental vehicles and equipment for daily operations when City equipment is down or inoperable; when spare department vehicles are in-use, leaving no option but rental vehicles for day-to-day operations. Rental options include light duty trucks, heavy duty trucks, backhoes, mini excavators, forklifts, 2,000-gallon water trucks and dump trucks.

The OMNIA cooperative contract has been competitively bid and meets City procurement requirements. Based on the regional/state purchase volume, staff believes the cooperative pricing is the most advantageous to the City and going out for a formal bid would not result in any significant cost savings to the City.

Purchase Information

Action: Award
Procurement Type: Cooperative Contract Use
Contract Number: 2023205
Contracting Agency/Contract Number: OMNIA (State of North Carolina)/2019000318
Amendment 8
Local Consideration: Policy did not apply to this procurement method
Protests Received: None
Initial Contract Term: 32 Months (3/6/2023 to 10/31/2025)
Possible Renewals: One, two-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