THE CITY OF ASHEVILLE

Staff Report

Council Meeting Date: October 24, 2023

Subject: Sole Source Resolution for P.C. McKenzie Company Compressed Natural Gas (CNG) Parts & Service

Staff Resource(s): Greg Shuler, Public Works Director; Jakob Klodt, Fleet Division Manager; Keith Leader, Project Manager - Fleet Management; and Amy Patterson, Purchasing Manager

Action Requested: Adoption of a resolution supporting the sole source procurement of Ingersoll Rand CNG parts and CNG Services from P.C. McKenzie Company.

Background:

- The City owns and operates a Compressed Natural Gas (CNG) Filling system at its Fuel Station for City and public use.
- Several components need replacement due to age to return the CNG System to safe and productive operating conditions.
- CNG components are manufactured by Ingersoll Rand.
- These parts are only available through authorized dealers.
- P.C McKenzie Company is the only distributor authorized to sell new equipment and parts, and provide warranty and repair services for Ingersoll Rand Brand CNG Components in our geographic area.
- Use of OEM (original equipment manufacturer) parts is recommended to maintain the equipment up to the manufacturer's standards.

Vendor Outreach Efforts:

- CNG components are manufactured by Ingersoll Rand.
- These parts are only available through authorized dealers.
- P.C McKenzie Company is the only distributor authorized to sell new equipment and parts, and provide warranty and repair services for Ingersoll Rand Brand CNG Components in our geographic area.

Council Goal(s):

- A Well-Planned and Livable Community
- A Clean and Healthy Environment

Committee(s):

- None

Pro(s):

- This resolution will allow the Fleet Division to efficiently purchase the parts required to repair and maintain the City's CNG Filling System at the City Fuel Station.
- Out-of-date components will be replaced to ensure safety of equipment and those who use it.

Con(s):

- None

Fiscal Impact:

- Staff estimate that $60,000 will be spent in the current fiscal year.
- Funding for these purchases is available in the Public Works Department operating budget.

Suggested Motion:

- Motion to adopt a resolution approving the sole source procurement of Ingersoll Rand CNG Parts & Service from P.C. McKenzie Company.

Attachment(s)

- Resolution

RESOLUTION NO. 23-____

RESOLUTION AUTHORIZING THE STANDARDIZATION PURCHASE OF INGERSOLL RAND PARTS & SERVICES FOR CITY CNG STATION FROM P.C. MCKENZIE COMPANY, THE SOLE SUPPLIER OF INGERSOLL RAND PARTS & SERVICE IN THE CITY OF ASHEVILLE'S GEOGRAPHIC REGION____

WHEREAS, the City of Asheville has authority pursuant to N.C.G.S. § 160A-20.1 to contract with private entities to carry out any public purpose that the City is authorized by law to engage in; and

WHEREAS, the City of Asheville has authority pursuant to N.C.G.S. § 143-129, which details the procedures for the letting of public contracts; and

WHEREAS, N.C.G.S. §143-129(e) identifies exceptions to those procedures as they relate to procurement contracts; and

WHEREAS, item (6) of N.C.G.S. §143-129(e) states that the governing body of a political subdivision of the state shall approve the purchase of apparatus, supplies, material, or equipment without formal bidding when "(i) performance or price competition for a product are not available… and (iii) standardization or compatibility is the overriding consideration;" and

WHEREAS, Section 7.4(a) of the City of Asheville Contracting Policy states that formal bidding is not required where the City Council approves the purchase of apparatus, supplies, material or equipment where (i) Performance or price competition for a product are not available; (ii) a needed product is available from only one source of supply; or (iii) standardization or compatibility is the overriding consideration; and

WHEREAS, the City operates a compressed natural gas (CNG) filling system at its fuel station that the City uses to help carry out authorized public purposes and has opened for Public use; and

WHEREAS, the City's CNG filling system at its fuel station uses Ingersoll Rand Components for compressing, containing and filling CNG; and

WHEREAS, Ingersol Rand has certified to the City that P.C. McKenzie Company is the only authorized vendor of Ingersoll Rand CNG parts & services in the City of Asheville's geographic region, and the use of only original equipment manufacturer ("OEM") parts is necessary to ensure continued proper functionality of the City's CNG Filling Station;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

City Council hereby authorizes the City of Asheville to purchase Ingersoll Rand OEM parts and services from P.C. McKenzie Company, as permitted under N.C.G.S. § 143-129(e)(6), for equipment standardization for as long as the City continues to operate its CNG filling station.

Read, approved and adopted this the 24th day of October, 2023.

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City Clerk Mayor

Approved as to form:

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City Attorney