THE CITY OF ASHEVILLE

Staff Report

Council Meeting Date: July 25, 2023

Subject: Contract Amendment for H&E Equipment

Staff Resource(s): Tony McDowell, Finance Director, Amy Patterson, Purchasing Manager

Action Requested: Adoption of a resolution authorizing the City Manager to amend a contract with H&E Equipment for rental equipment utilized by various departments.

Background:

- A request for proposals was advertised in January 2021 for Rental Equipment Services.
- 6 Contracts were executed in July 2021 with 6 different vendors offering different types of equipment.
- H&E Equipment was one of the contracts executed, with a not-to-exceed amount of $85,000.
- This contract has been renewed twice.
- This contract is utilized by multiple departments to rent equipment needed for various tasks and projects.
- The $85,000 not-to-exceed limit is projected to be reached soon; and therefore needs to be increased.
- The City's Procurement, Purchasing and Contracting Policy requires Council approval for General Service Contracts valued at $90,000 or greater.

Vendor Outreach Efforts:

- At the time this contract was initially advertised, Staff performed outreach to minority and women owned businesses through solicitation processes which include posting on the State's Interactive Purchasing System and requiring prime contractors to reach out to Minority & Women-Owned Business Enterprise (MWBE) service providers for subcontracted services.
- No MWBE firms submitted bids with this prime contractor and all work will be self performed by the prime contractor.

Council Goal(s):

- A Financially Resilient City

Committee(s):

- None

Pro(s):

- Departments will continue to be able to access equipment needed to complete tasks via rental on an as-needed basis.
- The City will not need to purchase various equipment that may only be needed for short or intermittent periods.

Con(s):

- None

Fiscal Impact:

- The fiscal impact will vary depending upon utilization, but will not exceed the contract limit of $170,000.

- Each rental will be paid for by the user department from their operating budget.

Suggested Motion:

- Motion to adopt a resolution authorizing the City Manager to execute a Contract Amendment with H&E Equipment for rental equipment to be utilized by multiple departments.

Attachment(s)

- Resolution

RESOLUTION NO. 23-____

RESOLUTION AUTHORIZING THE CITY MANAGER TO AMEND THE EXISTING CONTRACT BETWEEN THE CITY OF ASHEVILLE AND H&E EQUIPMENT

WHEREAS, the City of Asheville has authority pursuant to Article 3 of Chapter 160A of the North Carolina General Statutes to enter into contracts for services with other entities; and

WHEREAS, the City entered into a contract with H&E Equipment on July 15, 2021 with a not-to-exceed limit of $85,000; and

WHEREAS, this contract has been renewed twice; and

WHEREAS, this contract is utilized by multiple departments and the total usage has nearly reached the not-to-exceed limit; and

WHEREAS, pursuant to the City's Procurement, Purchasing and Contracting policy, general service contracts valued at $90,000 or more require City Council approval; and

WHEREAS, the amendment to this contract is intended to ensure continuous operations; and

WHEREAS, to authorize the amendment to increase the contract value, City Council approval is needed; and

WHEREAS, this is not an encumbered contract and the current available budget from the requesting department will be utilized respectively;

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

The City Manager is authorized to execute a contract amendment with H&E Equipment to add an additional $85,000 to this contract, bringing the total not-to-exceed amount to $170,000.

Read, approved and adopted this the 25th day of July, 2023.

_____ _____

City Clerk Mayor

Approved as to form:

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City Attorney