THE CITY OF ASHEVILLE

**Staff Report**

**Council Meeting Date:** April 14, 2020

**Subject:** Carolina Tractor & Equipment Co. Contract Value Increase

**Staff Resource(s):** Greg Shuler, Public Works Director; Jakob Klodt, Fleet Division Manager

**Action Requested:** Adoption of a resolution authorizing the City Manager to amend the existing maintenance agreement with Carolina Tractor & Equipment to increase the annual contract value from $500,000 to $650,000 to supplement Fleet Maintenance capacity.

**Background:**

- The Fleet Management Division of the Public Works Department maintains over 1,000 city-owned vehicles and pieces of equipment.
- Subcontracted work is used to supplement existing staff resources at times of high demand or to provide services when the Fleet Division does not have suitable facilities or resources (e.g., paint shop, etc.).
- Under an earlier procurement process, Carolina Tractor & Equipment was selected to provide supplemental fleet maintenance services. Adopted on October 25, 2016, Resolution 16-228 authorized the City Manager to enter into a contract with this firm for an initial one-year term with up to four one-year renewals. The annual contract value was initially noted as $200,000.
- Resolution 18-120 authorized the City Manager to amend the original agreement to increase the annual contract value from $200,000 to $300,000 due to an increased workload caused by vehicle accidents and repairs.
- Resolution 19-238 authorized the City Manager to further amend the agreement to increase the annual contract value from $300,000 to $500,000 due to significant repairs necessitated by aging equipment during FY19.
- Due to the COVID-19 pandemic, Fleet Management is requesting the annual contract value be increased from $500,000 to $650,000 to allow for continuity of essential City operations in the event that Fleet Management is unable to perform heavy vehicle repairs.

**Vendor Outreach Efforts:**

- Staff performed outreach to minority- and women-owned businesses through the original contract solicitation process, which included posting on the City's bid page, Twitter, and the State's Interactive Purchasing System.

**Council Goal(s):**

- Thriving Local Economy
- Connected and Engaged Community
- Smart City

**Pro(s):**

- Allows third-party service work to continue as a supplement to in-house staff;
- Provides flexibility in service delivery without significant capital investment in equipment or facilities (e.g., paint shop, etc.) that aren't used on a daily basis; and
- Supports vehicle "uptime" and returning vehicles to service after needed repairs.

**Con(s):**

- Potential increases of expenditures under the contract.

**Fiscal Impact:**

- Costs for these services are included in the General Fund fleet allocations for departments requiring vehicle repair and maintenance activities.

**Suggested Motion:**

- Motion to adopt a resolution authorizing the City Manager to amend the existing maintenance agreement with Carolina Tractor & Equipment to increase the annual contract value from $500,000 to $650,000 to supplement Fleet Maintenance capacity.

**Attachment(s)**

- Resolution

RESOLUTION NO. 20-____

RESOLUTION AUTHORIZING THE CITY MANAGER TO AMEND THE EXISTING CONTRACT WITH CAROLINA TRACTOR & EQUIPMENT FOR SERVICES RELATED TO THE REPAIR AND MAINTENANCE OF CITY VEHICLES AND EQUIPMENT

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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 of Asheville is currently under contract with Carolina Tractor & Equipment for the provision of services related to the repair and maintenance of vehicles and equipment; and

WHEREAS, the City of Asheville desires to increase the annual contract value for the above-referenced contract from $500,000 to $650,000; and

WHEREAS, funding for said work is included in the budget and the Fleet Management Division would utilize funds from the operating budgets of the departments that are receiving the services provided by Carolina Tractor & Equipment;

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

The City Manager is hereby authorized to enter into an Amendment to the Agreement for the Services on behalf of the City of Asheville with Carolina Tractor & Equipment to increase the annual contract value from $500,000 to $650,000 for services related to the repair and maintenance of vehicles and equipment and further authorized to execute any change orders to said Agreement which may arise during performance of said work up to the annual budgeted amount of $650,000.

Read, approved, and adopted this the 14th day of April 2020.

City Clerk Mayor

Approved as to form:

City Attorney