File ID: 2026-01808 12/1/2026

[Contract Supplement] Holt of California Equipment Rental [Published for 10-Day Review 11/18/2026]

File ID: 2026-01808

Location: Citywide

Recommendation: Pass a **Motion** authorizing the City Manager or designee to execute Supplement Agreement No. 1 to City Agreement No. PRC003835 with Holt of California, to allow for the purchase of rental equipment, increasing the amount of the contract by $750,500, for a new contract not-to-exceed amount of $1,000,000.

Contact: Stacey Chatman, Program Specialist, (916) 808-6711, schatman@cityofsacramento.org; Alison Kerstetter, Fleet Manager, (916) 808-1163, akerstetter@cityofsacramento.org; Department of Public Works

Presenter: None

Attachments:
1-Description/Analysis
2-Supplemental Contract No. 1

Description/Analysis
Issue Detail: The Department of Public Works Fleet Management Division regularly utilizes heavy construction equipment and specialized machinery to support essential City operations and infrastructure projects. Maintaining established equipment rental agreements ensures the City can respond promptly to operational demands, avoid service disruptions, and supplement the City's equipment fleet during peak workloads or emergency repairs.

On September 1, 2025, the City entered into Agreement No. PRC003835 with Holt of California for heavy equipment rentals, utilizing competitively awarded Sourcewell Cooperative Agreement No. 040924-CAT, formal solicitation no. 040924. The current agreement has an established not-to-exceed (NTE) amount of $249,000. Due to an increase in ongoing and upcoming projects, additional heavy equipment rentals (e.g., excavators, earthmoving equipment, generators) are required through fiscal year 2029, the remaining contract term.

Staff recommend executing Supplemental Agreement No. 1 to City Agreement No. PRC003835 with Holt of California to increase the contract amount by $750,500, from $249,000 to a new total not-to-exceed amount of $1,000,000. All other terms and conditions of the original agreement will remain in effect through the contract expiration date of June 11, 2029.

Policy Considerations: The recommendations in this report are in accordance with Sacramento City Code Section 3.56.240, which allows for the use of cooperative purchasing agreements without separate competitive bidding, Sacramento City Code Section 3.56.090 which requires any agreement of $250,000 or more to be approved by City Council, and with Sacramento City Code Section 4.04.020 and City Council Rules of Procedure, Chapter 7, Section E.2.d, which requires additional posting time for labor agreements and all agreements greater than $1 million. This item was published on November 18, 2026, for 10-day review, in compliance with the City Code.

Economic Impacts: None.

Environmental Considerations:
California Environmental Quality Act (CEQA): No environmental review is necessary because the proposed activity in this report involve the rental of vehicles and are not considered to be a project in accordance with Section 15378(b)(2) of the California Environmental Quality Act guidelines and is therefore not subject to CEQA Guidelines Section 15060(c)(3).

Sustainability: The recommended purchase agreement amendment is consistent with the updated Fleet Sustainability Policy adopted by City Council on December 12, 2017 (Resolution No. 2017-0478) and California Air Resources Board (CARB) regulations. Zero emission models will be rented as they are made available from the vendors and if they comply with operational needs.

Commission/Committee Action: None.

Rationale for Recommendation: The City entered into a cooperative purchasing agreement with Holt of California, the local Caterpillar Inc. dealer, pursuant to the Sourcewell competitive procurement process. Sourcewell issued request for proposals no. 040924 for rental equipment, products, and related services, receiving eleven responses and awarding five contracts. The City’s agreement with Holt of California became effective September 1, 2025.

Utilizing the competitively awarded cooperative agreement enables the City to secure advantageous pricing, reflecting the benefit of aggregated purchasing volumes. This approach also streamlines procurement by reducing the time and administrative burden associated with conducting independent solicitations.

Analysis of fiscal year 2027 expenditures indicates an upward trend in demand for heavy equipment rentals, with further increases anticipated in fiscal years 2028 and 2029. Accordingly, it is

recommended that the contract's not-to-exceed amount be increased by $750,500. This adjustment will ensure sufficient capacity for equipment rentals throughout the remaining term of the cooperative agreement, while maintaining compliance with budget authority and all applicable City purchasing requirements

Financial Considerations: Purchases under this contract will be made from the Department of Public Works FY27 operating budget (Fleet Fund, Fund 6501) and charged to the applicable customer department using the rental equipment.
Sufficient funding is available in the Department's FY27 operating budget. Approval of the contract supplement does not appropriate additional funding. Purchases will be made only to the extent sufficient budget authority is available in the Fleet Fund and applicable customer department budgets.

Local Business Enterprise (LBE): The minimum LBE participation requirement is waived for the City's use of cooperative purchase agreements that have been competitively bid, evaluated, and awarded by other governmental agencies that may or may not have similar LBE programs.

CONTRACT #: PRC003835
AMENDMENT #: 01
CONTRACT NAME: Holt of CA Rental Equipment
NOT TO EXCEED AMOUNT (INCLUDING SUPPLEMENTS): $1,000,000

DATE: 12/1/2026
PROJECT: None
SOLICITATION: Cooperative
MOTION / DATE OR FILE ID: 12/1/26 2026-01808

CITY OF SACRAMENTO

CONTRACT AMENDMENT
COOPERATIVE/PIGGYBACK AGREEMENT
CHANGE IN NOT-TO-EXCEED AMOUNT

The City of Sacramento ("City") and **HOLT OF CALIFORNIA**("Contractor"), as parties to that certain Cooperative/Piggybacking Agreement designated as Contract Number **PRC003835**, including any and all prior amendments modifying the contract (the contract and all amendments are hereafter collectively referred to as the "Contract"), hereby amend the Contract as follows:

1. The maximum not-to-exceed amount that is specified in the Contract for payment of Contractor's fees and expenses is **increased** by $750,500, and the Contract's maximum not-to-exceed amount is amended as follows:

Contract's original not-to-exceed amount:	$249,500
Net change by previous amendments:	$ 0
Not-to-exceed amount prior to this amendment:	$249,500
Increase by this amendment:	$750,500
New not-to exceed amount including all amendments:	$1,000,000

2. Contractor warrants and represents that the person or persons executing this contract amendment on behalf of Contractor is duly authorized by Contractor to sign this amendment and bind Contractor to the terms hereof.

3. Except as specifically revised herein, all terms and conditions of the Contract shall remain in full force and effect, and Contractor shall perform as required under the Contract, as modified by this amendment.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature: Mark Griffin (Oct 12, 2026 16:45:55 PDT)

Title: Sales Representative

Additional Signature (if required):

Title:

CITY OF SACRAMENTO

A Municipal Corporation

APPROVED AS TO FORM:

Signature: Paul Gale

Title: Sr. Dep City Atty

Reviewed By:

Signature:

Title:

Approved By:

Signature:

Title:

Additional Signature (if required):

Title: