

9300 Harris Corners Parkway
Suite 350
Charlotte, NC 28269
PH: 704-597-2262 FX: 704-921-9880

June 12, 2024

Brenda Peshel
Fleet Manager
1525 East Jefferson St.
Brooksville, FL 34601
Hernando County, FL

Re: 21-RG014 Contract Renewal

Brenda,

We would like to thank the County for our nearly three years of partnership thus far. We are looking forward to exercising the first of the three available one-year renewal periods. The cost environment over these previous two plus years has been extremely difficult, with key Consumer Price Indexes far exceeding the average 1.5% increase we accounted for in the first three-year fixed term. However, as a show of our continued support of the County we are offering a modest 3% increase for upcoming contract year, which is less than the current CPI-U index of 3.4%. We hope this will help the County mitigate cost overages in other areas in support the citizens of Hernando County.

The current Consumer Price Indexes for our industry are:

Overall CPI – All Urban Consumers – **3.4%**

I have included a standard renewal amendment for your review. Some clients want to use this or they have their purchasing department create the document.

Please contact me with and questions or for further discussion.

Regards,



Aubrey Felton
Executive Vice President

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Amendment #1 to the Agreement for Contractor Operated Parts Store (Contract # 21-RG0014/PH) between

**Hernando County, FL
And
Vector Fleet Management, LLC**

This amendment is made the 1st day of October, 2024, 2023 by and between Hernando County, FL ("the County") and Vector Fleet Management, LLC ("the Contractor").

Whereas, the County and the Contractor now desire to renew and amend the Current Contract rate for the FY 2024-2025 period consisting of twelve months (12), ending on September 30, 2025 and;

Whereas, costs for subsequent years are modified by Consumer Price Index – All Urban Consumers as published by the Bureau of Labor Statistics, U.S. Department of Labor and;

Whereas, Current (April) Consumer Price Index, CPI-U – All Urban Consumers, is 3.4%, and;

Whereas, future contract year cost adjustments will be modified at the then published Consumer Price Index, CPI-U – All Urban Consumers, as detailed in annual renewal request from Contractor to County, and;

Whereas, the monthly fixed monthly Overhead Fee shall increase from \$7,671.58 to \$7,901.73, and;

Whereas, the percentage of mark-up on Tires, Parts, and Supplies will remain unchanged at 9.5%, and;

Whereas, all other costs are detailed in Exhibit A

Except as expressly amended by this document, the Contract as previously executed remains in full force and effect and legally binding upon the County and the Contractor.

WITNESSES:

Alice Moran, Director Marketing Communications



CONTRACTOR:

Aubrey Felton, Executive Vice President



7/12/24

COUNTY:

By: Carla Rossiter-Smith

Print: Carla Rossiter-Smith

Title: Chief Procurement Officer

Date: 7/17/24

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EXHIBIT A

CONTRACTOR COST DETAIL

Contract Year 2024-2025

Item	Description	Unit of Measure	Unit Price	Estimated Quantity	Extended Price
1	Hourly Rate - Normal Hours	Hour	\$40.69	80	\$3,254.80
2	Hourly Rate - After Hours	Hour	\$49.44	80	\$3,955.20
3	Overhead (Monthly charge inclusive of personnel, office equipment and supplies)	Monthly	\$7,901.73	12	\$94,820.73
4	Products List Pricing Less Percentage Discount	Percentage	45.00%	\$500,000	\$275,000
5	Non-Vendor Products Mark-up (OEM Manufacturer Parts)	Percentage	9.50%	\$220,000	\$240,900
6	Restocking Fee	Percentage	1.00%	\$20,000	\$2,020

EXHIBIT B

CONSUMER PRICE INDEX

CONSUMER PRICE INDEX – APRIL 2024

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.3 percent in April on a seasonally adjusted basis, after rising 0.4 percent in March, the U.S. Bureau of Labor Statistics reported today. Over the last 12 months, the all items index increased 3.4 percent before seasonal adjustment.