

AGENDA



Thursday, March 20, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 28**

Subject: Authorize award and execution of a four-month contract through the Texas Cooperative Purchasing Network (TCPN) with HERTZ EQUIPMENT RENTAL CORPORATION, Houston, TX, for the rental of heavy duty, commercial, industrial, and construction equipment and in an estimated amount not to exceed \$200,000, with four 12-month extension options in an estimated amount not to exceed \$600,000 per extension option, for a total estimated contract amount not to exceed \$2,600,000.

Amount and Source of Funding: Funding in the amount of \$300,000 is available in the Fiscal Year 2007-2008 Operating Budget of the Financial and Administrative Services Department, Fleet Fund. Funding for the extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Steve Cocke, Buyer II, 512-974-2003

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). This contract is a cooperative purchase; therefore, it is exempted under Chapter 791 of the Texas Government Code and no goals were established for this solicitation.

This contract will provide vehicle rental services for commercial, industrial, and construction equipment and vehicles, including trucks over one ton, dump trucks, backhoes, boom trucks, rollers, cranes, and other heavy equipment.

All City departments are approved to rent vehicles under this contract through the Fleet Services Division of the Financial and Administrative Services Department. Fleet Services will serve as the single point of contact for all City departments who rent these heavy duty vehicles and equipment. Fleet Services intends to consolidate all vehicle rentals into a one-stop rental program for all City departments on an as needed basis.

An analysis of vehicle rental expenses indicates that the City will save approximately \$400,000 annually through the consolidation of the various vehicle rentals into a single contract.

This contract is the result of a competitive bid awarded by the Texas Cooperative Purchasing Network. The cooperative purchasing program was established as a state structure for local government agencies to make use of their collective purchasing power and is authorized under the provisions of the Interlocal Cooperation Act, Chapter 791, Texas Government Code.