Thursday, August 19, 2010

Purchasing Office RECOMMENDATION FOR COUNCIL ACTION

Item No. 27

Subject: Authorize award and execution of a 17-month requirements supply contract through the U.S. Communities Government Purchasing Alliance with HERTZ EQUIPMENT RENTAL CORPORATION, Houston, TX, for the rental of heavy-duty, commercial, industrial, and construction equipment and vehicles in an estimated amount not to exceed \$300,000, with one 24-month extension option in an estimated amount not to exceed \$400,000, for a total estimated contract amount not to exceed \$700,000.

Amount and Source of Funding: Funding in the amount of \$35,295 is available in the Fiscal Year 2009-2010 Operating Budget of the Financial and Administrative Services Department, Fleet Services Fund. Funding for the remaining 15 months of the original contract period and 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: Sharon Patterson, Senior Buyer, 972-4014

MBE/WBE: This Cooperative Contract is exempt from the MBE/WBE Ordinance. This exemption is in compliance with Chapter 2-9C of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this contract.

This contract will provide vehicle rental services for commercial, industrial, and construction equipment and vehicles, dump trucks, backhoes, boom trucks, rollers, cranes, and other heavy duty-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 asneeded basis.

Rentals to be provided under this contract are late-models units, manufactured since 2005, which utilize the latest technology in emissions control for off-road equipment. The units are capable of burning biodiesel (B20) fuel. In keeping with Austin Climate Protection Program goals, B20 provides an approximate 25% reduction in greenhouse gas emissions versus using gasoline and an approximate 5% reduction versus using petro-diesel.

This contract is the result of a competitive bid awarded by the U.S. Communities Government Purchasing Alliance. The cooperative purchasing program was established as a national 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.