



**Purchasing Service Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 21
AGENDA DATE: Thu 06/17/2004
PAGE: 1 of 2**

SUBJECT: Authorize execution of 12-month service agreement with RDO EQUIPMENT COMPANY, Austin, TX, for rental of a motor grader for the Solid Waste Services Department in an amount not to exceed \$54,000, with two 12 -month extension options in an amount not to exceed \$54,000 per extension option, for a total agreement amount not to exceed \$162,000.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$13,500 is available in the Fiscal Year 2003-2004 Approved Operating Budget of the Solid Waste Services Department. Funding for the remaining nine 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.

REQUESTING Purchasing **DIRECTOR'S**
DEPARTMENT:for Solid Waste Services; **AUTHORIZATION:** Vickie Schubert

FOR MORE INFORMATION CONTACT: RC Hernandez, Senior Buyer/974-6434

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Lowest bid of two bids received.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 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 solicitation.

This contract is for the rental of a motor grader to be assigned to the Solid Waste Services Department's (SWS) FM 812 Landfill. The motor grader is used to maintain landfill roads to provide safe driving conditions for landfill staff and customers. It is also used to maintain slopes to prevent unanticipated interruptions in landfill operations sometimes caused by bad weather conditions. The motor grader is also needed to ensure the roads to the dump sites are continuously maintained and passable.

This contract includes full preventative maintenance and repair services by RDO Equipment.

MBE/WBE solicited: 9/10

MBE/WBE bid: 0/0



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**BID TABULATION
IFB No: RH04300050
RENTAL - MOTOR GRADER
(12 MONTHS)**

<u>Vendor</u>	<u>Monthly Rental</u>	<u>Annual Price</u>
RDO EQUIPMENT CO. AUSTIN, TX	\$4,500	\$54,000
Waukesha-Pearce Industries Austin, TX	\$4,975	\$59,700

PRICE ANALYSIS

- Adequate competition.
- One hundred ninety notices were sent including nine MBEs and ten WBEs. Seven solicitations were issued. Two bids were received with no MBE/WBE responding.
- The current monthly rental price represents an approximate 11% decrease from the last contract awarded April, 2003.

APPROVAL JUSTIFICATION

- Low bidder.
- Solid Waste Services Department concurs with the recommended award herein.
- Advertised in the Austin American-Statesman and Internet.