

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	60253	Agenda Number	42.
Meeting Date:	August 4, 2016			
Department:	Purchasing			
Subject				
<p>Authorize negotiation and execution of an eight-month contract through the U.S. COMMUNITIES GOVERNMENT PURCHASING ALLIANCE with HERTZ EQUIPMENT RENTAL CORPORATION DBA HERC EXCHANGE LLC, for the rental of heavy-duty, commercial, industrial, and construction equipment and vehicles in an amount not to exceed \$210,000, with one 24-month extension option in an amount not to exceed \$630,000, for a total contract amount not to exceed \$840,000.</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$52,500 is available in the Fiscal Year 2015-2016 Operating Budget of Fleet Services. Funding for the remaining six-months of the original contract period and extension option is contingent upon available funding in future budgets.</p>				
Fiscal Note				
<p>A fiscal note is not required.</p>				
Purchasing Language:	<p>Multiple cooperative purchase programs were reviewed for these goods and services. The Purchasing Office has determined this Contractor best meets the needs of the department to provide the services required at the best value for the City. The recommended Contractor is the current provider for these services.</p>			
Prior Council Action:	<p>█</p>			
For More Information:	<p>Marian Moore, Buyer II, 512-974-2062</p>			
Boards and Commission Action:	<p>█</p>			
Related Items:	<p>█</p>			
MBE / WBE:	<p>This contract was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement</p>			

Program. For the services required for this contract, there were no subcontracting opportunities identified and an insufficient number of certified M/WBEs; therefore, no subcontracting goals were established.

Additional Backup Information

The contract will provide rental of heavy-duty equipment and vehicles to meet departmental operational needs. All City departments are approved to rent heavy-duty equipment and vehicles under this contract through the Fleet Services Department. Fleet Services is the single point of contact for all City departments who rent heavy-duty equipment and vehicles on an as-needed basis. Rental of heavy-duty equipment and vehicles includes commercial, industrial, construction equipment and vehicles, dump trucks, backhoes, boom trucks, rollers, cranes and other heavy-duty equipment that is specialized and may not be available within the department or from the City's own rental pool.

An analysis was conducted to determine the U.S. Communities Government Purchasing Alliance contract was the best value to the City. This contract offers low prices and the best variety of heavy duty equipment and vehicles and is able to fully meet the needs of departments requesting rentals. The awarded company, listed in the subject line, is contracted through U.S. Communities Government Purchasing Alliance to supply heavy-duty equipment and vehicle rentals to other public entities as a result of a competitive bidding process. 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 in the Interlocal Cooperation Act, Chapter 791, Texas Government Code.

Without this contract, departments will not be able to rent heavy-duty equipment and vehicles for daily use, high demand situations, and special projects.

HERC RENTALS INC.				
	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	8	\$ 210,000	n/a	n/a
Extension Option 1	24	\$ 630,000	n/a	n/a
TOTAL	32	\$ 840,000	\$ -	\$ -