



Recommendation for Action

File #: 20-2373, **Agenda Item #:** 65.

7/29/2020

Posting Language

Authorize an amendment to an existing cooperative contract with HERC Rentals, Inc., for continued rental of heavy-duty, commercial, industrial, and construction equipment, for an increase in the amount of \$789,000, for a revised total contract amount not to exceed \$1,850,000.

(Note: This amendment was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this contract there were no subcontracting opportunities identified; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Fleet Mobility Services.

Fiscal Note

Funding in the amount of \$131,500 is available in the Fiscal Year 2019-2020 Operating Budget of Fleet Mobility Services. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Contract Amendment.

Prior Council Action:

March 28, 2019 - Council approved the original contract, item 27, on an 11-0 vote.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>> or to Marian Moore, at 512-974-2062 or Marian.Moore@austintexas.gov <<mailto:Marian.Moore@austintexas.gov>>.

Additional Backup Information:

The proposed amendment will provide for the continued rental of heavy-duty equipment and vehicles for use by all City departments. Fleet Mobility Services coordinates with all City departments to obtain rental equipment and vehicles under this contract, which includes commercial, industrial, construction equipment, 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.

Due to unanticipated needs from several departments, including the Parks and Recreation Department and the

Austin Transportation Department, as well as the City's response to the Coronavirus (COVID-19), there is insufficient spending authority to maintain the contract through its term. The contract, based on the U.S. Communities Government Purchasing Alliance cooperative contract, is scheduled to expire on October 31, 2023. Cooperative agreements save taxpayer dollars by leveraging volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program.

The contract is necessary to provide City departments with a reliable and continuous source for renting heavy-duty equipment and vehicles for daily use, high demand situations, and special projects.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Current Contract Authorization</u>	<u>Requested Additional Authorization</u>	<u>Revised Total Authorization</u>
Initial Term	56 mos.	\$1,000,000		\$1,000,000
Contract Amendment		\$ 61,000		\$ 61,000
Proposed Amendment			\$789,000	\$ 789,000
TOTALS	56 mos.	\$1,061,000	\$789,000	\$1,850,000

Note: Contract Authorization amounts are based on the City's estimated annual usage.

Strategic Outcome(s):

Mobility.