



City Council Report

Date: July 1, 2015
To: City Council
Through: Alex Deshuk, Manager of Technology and Innovation
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator
Subject: One-Year Renewal of Term Contract for Heavy Equipment Rental for the Transportation Department **(Citywide)**

Purpose and Recommendation

Council is requested to approve a Renewal of the Term Contract for Heavy Equipment Rental as recommended.

Transportation and Purchasing recommend authorizing a one-year renewal using the State of Arizona cooperative contract with multiple vendors: RDO Construction Equipment Company; Hertz Equipment Rental Corp.; Empire Southwest, LLC (a Mesa business); Earhart Equipment Corp.; Qualex Construction Inc.; Sunbelt Rentals, Inc.; and Neff Rental, LLC; not to cumulatively exceed \$200,000.00 annually, based on estimated requirements.

Background / Discussion

When Transportation needs to rent heavy equipment for storm drain system maintenance, right-of-way maintenance and road hazard responses, typically equipment is needed as soon as possible and the department does not know in advance the type of equipment required to complete the job.

The State cooperative contract provides multiple vendors for the rental of a variety of heavy equipment available with and without an operator on an as-needed basis. Items such as: compaction, drilling, landscape, paving and moving equipment; backhoe-loaders and backhoes; front end wheel, tractor loaders and loaders; sump and trash pumps; water trucks and tower; and miscellaneous tools; will be available through this contract.

Purchasing solicited quotes from vendors for items commonly used by Transportation (4,000 gallon water truck, a skid steer, and a drum roller vibratory). From this review it showed that the State's contracted vendors' pricing was lower for daily, weekly, and monthly rentals compared to the vendors' quotes. The cumulative cooperative volume from the State contract provides better rental pricing to the City.

This is the second, one-year renewal option with two, one-year renewal options remaining.

On August 19, 2013, Council approved the initial nine-month contract with a four, one-year renewal options. On July 1, 2014, Council approved the first, one-year renewal contract. This is the second, one-year renewal option with two, one-year renewal options remaining.

Alternatives

Council may choose not to authorize the purchase and bids will be obtained.

Fiscal Impact

The total amount of \$200,000.00 is available in the Transportation operating budget.

Coordinated With

Transportation and Purchasing

PURCHASING INFORMATION

Action: Renewal

Contracting Agency: State of Arizona

Contracting Agency Contract Number: ADSPO13-00002899

Mesa Contract Number: 2013141

Renewal Contract Term: Second Renewal, 7/1/2015 through 5/29/2016

Possible Renewals: Two, one-year renewals subject to future Council consideration

CITY OF MESA AWARD RECOMMENDATION

Description
<p>Vendors to furnish Rental of Heavy Equipment – Operated or Non-Operated as-needed per Specifications, Terms and Conditions and Pricing per ADSPO13-00002899</p> <p><u>Awarded Vendors:</u> RDO Construction Equipment Company – Phoenix, AZ Hertz Equipment Rental Corp. – Gilbert, AZ Empire Southwest, LLC – Mesa, AZ Earhart Equipment Corp. – Tucson, AZ Qualex Construction Inc. – Tonopah, AZ Sunbelt Rentals, Inc. – Tucson, AZ Neff Rental, LLC – Phoenix, AZ</p> <p>Annual Contract Amount: \$200,000.00 (cumulatively not exceed)</p>