



# City Council Report

**Date:** July 11, 2016  
**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.

The Transportation Department 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; cumulatively not to 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, equipment is typically 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.

To evaluate pricing provided through the State's Rental agreement, Purchasing requested quotes from multiple vendors for items commonly used by Transportation and from the analysis the cooperative agreement provides better rental pricing to the City.

Council approved the initial nine-month contract with a four, one-year renewal options on 8/19/2013, and the first, one-year renewal contract on 7/1/2014. Management approved the second, one-year renewal on 6/8/2015. This is the third, one-year renewal option with a one-year option 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: ADSPO13-048528

Mesa Contract Number: 2013141

Renewal Contract Term: 7/1/2016 through 5/29/2017

Possible Renewals: One-year renewal subject to future Council consideration

## **RENEWAL RECOMMENDATION**

| Description   |
|---|
| <p>Vendors to furnish Rental of Heavy Equipment – Operated or Non-Operated as-needed per Specifications, Terms and Conditions and Pricing per Contract No. 2013141 and ADSPO13-00002899</p> <p><u>Awarded Vendors:</u><br/>RDO Construction Equipment Company – Phoenix, AZ<br/>Hertz Equipment Rental Corp. – Gilbert, AZ<br/>Empire Southwest, LLC – Mesa, AZ<br/>Earhart Equipment Corp. – Tucson, AZ<br/>Qualex Construction Inc. – Tonopah, AZ<br/>Sunbelt Rentals, Inc. – Tucson, AZ<br/>Neff Rental, LLC – Phoenix, AZ</p> <p><b>Annual Contract Amount: \$200,000.00</b><br/>(cumulatively not to exceed)</p> |