

**MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION**

TO: Honorable Board of Supervisors
FROM: Brett Wood, Purchasing Manager
DATE: February 3, 2015
SUBJECT: Local Equipment Rental – River City Rentals and Hertz Equipment Rentals

ACTION REQUESTED

1. Approve the annual renewal of a competitively bid Countywide blanket purchase order with Placer Equipment Rental dba River City Rentals of Auburn, CA and Countywide blanket purchase orders using a cooperative contract with Hertz Equipment Rentals of Roseville, CA and Reno, NV for local equipment and machinery rentals in the maximum aggregate amount of \$140,000, for the period of April 1, 2015 to March 31, 2016;
2. Authorize the Purchasing Manager to sign the resulting blanket purchase orders; and
3. Authorize the Purchasing Manager to transfer funds between blanket purchase orders as needed.

BACKGROUND

The Department of Public Works Road Maintenance Division and the Department of Facility Services require annual blanket purchase orders (BPOs) for local equipment and machinery rentals on an as-needed basis. On December 11, 2012, your Board approved the renewal of competitive Bid No. 9952. As the result, Countywide BP021235 was issued to Hertz Equipment Rentals for equipment rentals in the Roseville area and BP021203 was issued to Placer Equipment Rental dba River City Rentals for rentals in the Auburn area. The Purchasing Manager awarded a separate BPO to Hertz Equipment Rentals for the Truckee/North Lake Tahoe area utilizing the U.S. Communities Contract No. 31172. All of the BPOs were issued for the period of April 1, 2014 through March 31, 2015.

River City Rentals is the only equipment rental yard in the Auburn area that carries a sufficient inventory that meets the department's requirements. Purchasing Policy Manual (PPM) Section 7.2 allows the County to negotiate BPO for operational services and supplies based on geographic proximity to the County's site of operations. PPM Section 1.3(o) also allows the County to renew a contract based on satisfactory service, to avoid the interruption of County business, and if it makes good business sense. River City Rentals has agreed to renew at the same pricing and terms which represents discounts of 20-45% from the vendor's standard retail pricing. Procurement recommends accepting the vendors' renewal pricing and terms.

Both BPOs with Hertz will be awarded utilizing the U.S. Communities Contract No. 31172, which is effective through March 31, 2017. PPM Section 1.3(e)(3) permits contracting with a vendor that was awarded an agreement by another public agency as the result of a competitive process without further competitive bidding by Placer County. The U.S. Communities contract meets this criterion.

Therefore, your Board's approval is required to proceed with new one-year BPOs in the maximum aggregate amount of \$140,000 and to authorize the Purchasing Manager to sign the resulting BPOs.

FISCAL IMPACT

Upon your Board's approval, Countywide BPOs will be awarded to River City Rental and Hertz Equipment Rentals in the maximum aggregate amount of \$140,000, effective for the period of April 1, 2015, through March 31, 2016. Each department is responsible for budgeting properly for its own expenditures from these Countywide BPOs.

