

FOR CONSIDERATION

October 20, 2011

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Vehicle Lease Agreement for the Empire State Development Corporate Office

REQUEST FOR: Authorization to Enter into a Contract with Hoselton Chevrolet for Vehicle Lease Services

I. Contract Summary

Contractor: Hoselton Chevrolet
Scope of Services: Vehicle Lease - Chevrolet Equinox FlexFuel AWD
Contract Term: 3 years – 90,000 miles
Contract Amount: Contract Total: \$28,287
Funding Source(s): Corporate account

II. Background

ESD is increasing the current fleet to accommodate the travel needs for all ten (10) Regional Offices. The current NYC vehicle will be given to the Regional Director of the North Country Region, who is presently without a car and a FlexFuel AWD vehicle is being requested for the New York City Regional Office.

In order to conduct ESD’s mission of critical economic development, a vehicle is required for client outreach and visiting project sites. ESD staff has invested a significant amount of time in identifying dealerships that will lease vehicles to ESD. The OGS NYS Contract lease was identified as the best option and value, procuring a three (3) year lease with a 90,000 mile cap. Therefore, ESD is requesting authorization to enter into a lease contract for a 2012 Chevrolet Equinox FlexFuel AWD from Hoselton Chevrolet, an approved OGS vendor.

The requested vehicle, the 2012 Chevrolet Equinox FlexFuel AWD, is a fuel efficient vehicle and will also be in compliance with EO111, promoting the efficient use of energy and natural resources in the interest of long term protection and enhancement of the environment . In

analyzing the options and costs, it was determined that a AWD vehicle would be leased as different counties of New York State are sometimes faced with challenging weather conditions and/or poor road conditions. In reviewing the NYS Contract options, the Chevy Equinox has an excellent safety rating and offers the best gas mileage among the current options in its class. The gas mileage rating is 16 mpg city and 23 mpg hwy.

III. Selection Process

Three (3) dealerships were solicited to submit a proposal for a three (3) year vehicle lease. All three companies complied with the request which met the specifications requested by ESD's Procurement Department. The lease agreement includes a FlexFuel vehicle, warranty for parts, labor and routine maintenance.

The following vendors submitted their proposals and ranked as follows:

Hoselton Chevrolet	\$25,020
Enterprise Fleet Management	\$25,148
HB Chevrolet	\$27,221

The proposed vendor has complied with State Finance Law Section 139-j and 139-k, State Tax Law 5a and the Corporation's policy related thereto. Staff has: a) considered the proposed contractor's ability to perform the services provided for in the proposed contract; and b) consulted the list of offerers determined to be non-responsible bidders and debarred offerers maintained by the New York State Office of General Services. Based on the foregoing, staff considers the proposed contractor to be responsible.

IV. Scope of Contract

Three-year vehicle lease.

V. Contract Term, Price and Funding

Contract Amount: Not to exceed \$28,287 including an additional 10% contingency to cover any additional costs/or fees due to dealer under the terms of the NYS Contract including the delivery fee.
\$695/month – 3 yrs – 90,000 miles = \$25,020
Delivery fee = \$765
Contract Total: \$28,287
Additional costs (over the term of the lease): Over-mile costs - \$.15/mile plus possible costs associated with additional keys, license plates, registration, etc.

VI. Requested Action

The Directors are requested to approve the entry into a contract with Hoselton Chevrolet for three (3) years with cost of services not to exceed twenty eight thousand two hundred eighty seven dollars (\$28,287).

VII. Recommendation

Based on the foregoing, I recommend the Directors to authorize ESD to enter into a contract with Hoselton Chevrolet in an amount not to exceed \$28,287.

VIII. Attachments

Resolution

October 20, 2011

EMPIRE STATE DEVELOPMENT CORPORATION – Authorization to Enter into a Contract
with Hoselton Chevrolet to provide Vehicle Lease Services and to Take Related Actions

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Hoselton Chevrolet to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Hoselton Chevrolet in an amount not to exceed TWENTY EIGHT THOUSAND TWO HUNDRED EIGHTY SEVEN DOLLARS (\$28,287) including a 10% contingency for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

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