



Legislation Text

File #: 14-0027, Version: 1

Community Development Agency, Transportation Division, recommending the Board approve and authorize the Chair to sign Agreement for Services No. 391-O1411 with Holt of California, in the amount of \$300,000 for a term of three years for short-term rental of equipment used to support operations for the Division.

**FUNDING:** Road Fund (No Federal Funds).

<b>BUDGET SUMMARY:</b>	
Total Estimated Cost.....	\$300,000
Budget - Current FY.....	\$100,000
Budget - Future FY.....	\$200,000
New Funding.....	
Savings.....	
Other.....	
Total Funding Available.....	\$300,000
Change To Net County Cost.....	\$0

**Fiscal Impact/Change to Net County Cost**

Funding for equipment rental will be provided by the Road Fund for the Community Development Agency, Transportation Division (Division) road maintenance activities. It is included in the current fiscal year budget and will be budgeted in future fiscal years.

**Background**

The Division has several agreements with multiple companies to ensure availability of the equipment needed at the time of the job. Backup vendors are needed for the same type of equipment due to the increasing volume of demand on rental fleets today, which often depletes vendors' inventory during construction season. Multiple agreements also allows for choosing the best equipment to rent for a particular job, as some vendors do not carry all types of equipment.

**Reason for Recommendation**

The Division rents equipment when it is more cost effective to rent than it would be to own the equipment. The Division rents the equipment for a broad spectrum of activities including work in the Rubicon, changeable message sign board coverage, and heavy construction. Rental equipment is also needed to cover for the job when the Division's equipment breaks down.

This Agreement provides for short-term rental of equipment used to support operations for the

Division. This Agreement will permit the Division to rent equipment on an as-needed basis. This Agreement provides for a three-year term, with compensation not to exceed \$300,000. The full amount may not be expended during the three-year term, but it gives the Division the flexibility to rent equipment as required to meet operational needs.

Notification of Human Resources is not necessary for the rental of equipment.

The Purchasing Agent approved a waiver in accordance with Policy C-17, Section 7.10 on December 9, 2013.

**Clerk of the Board Follow Up Actions**

1. The Clerk will obtain the Chair's signature on Agreement No. 391-O1411.
2. The Clerk will forward one fully executed original Agreement to the Transportation Division for further processing.

**Contact**

Bard R. Lower, Transportation Division Director  
Community Development Agency

**Concurrences**

County Counsel and Risk Management