



## Legislation Text

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**File #:** 16-1178, **Version:** 1

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Community Development Agency, Transportation Division, recommending the Board approve and authorize the Chair to sign Agreement for Services 424-O1711 with Neff Rental, LLC, to provide short-term equipment rentals for use in road maintenance operations, for the not-to-exceed amount of \$100,000 and a term effective April 22, 2017, and expiring on April 21, 2018, with the rates remaining the same as the previous contract.

**FUNDING:** Road Fund. (100% - Local)

### **DEPARTMENT RECOMMENDATION**

Community Development Agency, Transportation Division (Transportation), recommending the Board approve and authorize the Chair to sign Agreement for Services 424-O1711 with Neff Rental, LLC (Agreement), to provide short-term equipment rentals for use in maintenance operations, for the not-to-exceed amount of \$100,000 and a term effective April 22, 2017, and expiring on April 21, 2018, with the rates remaining the same as the previous contract.

### **DISCUSSION / BACKGROUND**

Transportation rents equipment when it is more cost effective to rent than it would be to own the equipment. Rental equipment is also needed for continuity of operations when Transportation's equipment breaks down.

Transportation has several agreements with multiple companies to ensure availability of rental equipment when needed at the time of a job. Backup vendors are needed for the same type of equipment due to the increasing 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.

The proposed Agreement provides for short-term rental of equipment used to support Transportation's operations. This Agreement will permit Transportation to rent the equipment on an as-needed basis for a one-year term, with a start date of April 23, 2017, and a not-to exceed amount of \$100,000. The full amount may not be expended during the one-year term, but it gives Transportation the flexibility to rent equipment as required to meet operational needs.

The County Purchasing Agent approved a waiver in accordance with Policy C-17, Section 7.10, on January 27, 2017. In the near future, Transportation will be soliciting bids for equipment rentals. The request for new contract was started on November 22, 2016 and a request was sent to Purchasing for a waiver in accordance with Policy C-17, Section 7.10. In discussions with Purchasing, staff attempted to use other government contracts but the term dates were not long enough to meet the County's needs. As a result, the Purchasing Agent approved a waiver in accordance with Policy C-17, Section 7.10 on January 27, 2017. Following the competitive process for a contract longer than a year, Transportation will return to the Board with equipment rental agreements for consideration.

### **ALTERNATIVES**

The Board could choose not to approve the rental Agreement. Transportation would prepare a bid proposal for equipment rentals. This would cause a delay in road maintenance activities where rentals are used until bid results are received and a new agreement is processed.

**OTHER DEPARTMENT / AGENCY INVOLVEMENT**

County Counsel and Risk Management.

**CAO RECOMMENDATION**

It is recommended that the Board approve this item.

**FINANCIAL IMPACT**

Funding for equipment rental will be provided by the Road Fund. Appropriations for equipment rental expenses are included in the current adopted budget and will be proposed in the Fiscal Year 2017/18 budget.

**CLERK OF THE BOARD FOLLOW UP ACTIONS**

- 1) The Clerk of the Board will obtain the Chair's signature on two (2) originals of the Agreement.
- 2) The Clerk of the Board will return one (1) signed original of the Agreement to the Community Development Agency, Contracts and Procurement Unit, for further processing.

**STRATEGIC PLAN COMPONENT**

Infrastructure

**CONTACT**

Bard Lower

Director

Community Development Agency, Transportation Division