



Legislation Text

File #: 17-0181, **Version:** 1

Community Development Agency, Transportation Division, recommending the Board approve and authorize the Chair to sign Agreement for Services 423-O1711 with Holt of California, with a not-to-exceed amount of \$100,000 and a one-year term, to provide short-term equipment rentals for use in road maintenance operations at the same rates 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 423-O1711 with Holt of California (Agreement), with a not-to-exceed amount of \$100,000 and a one-year term, to provide short-term equipment rentals for use in road maintenance operations at the same rates as the previous contract.

DISCUSSION / BACKGROUND

Transportation rents equipment when it is more cost effective to rent than it would be to own. Rental equipment is also needed for continuity of operations when a specialized piece of equipment is required or 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 allow 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, at the same rates as the previous contract. This Agreement will permit Transportation to rent equipment on an as-needed basis for a one-year term, with 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.

In concert with County Procurement and Contracts, staff attempted to leverage other governmental agency rental contracts but the term dates were not appropriate 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.

In the near future, Transportation will be soliciting bids for equipment rentals. Following the competitive process, Transportation will return to the Board with new equipment rental agreements for consideration.

ALTERNATIVES

The Board could choose not to approve the proposed rental Agreement. Transportation would then 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 rentals 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) original copies of the Agreement.
- 2) The Clerk of the Board will return one (1) fully signed original copy 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