

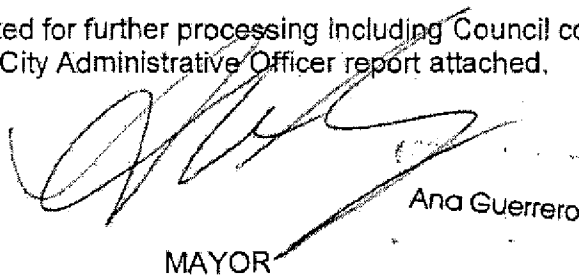
0150-07139-0001

TRANSMITTAL

TO David H. Wright, General Manager Department of Water and Power	DATE FEB 10 2017	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT	

AMENDMENT 1 TO CONTRACT 655 WITH HERC RENTALS

Approved and transmitted for further processing including Council consideration.
See the City Administrative Officer report attached.


MAYOR

REPORT FROM

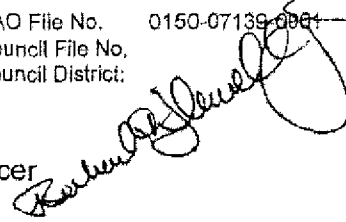
OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: February 8, 2017

CAO File No. 0150-07139-0001
Council File No.
Council District:

To: The Mayor

From: Richard H. Llewellyn, Jr., Interim City Administrative Officer



Reference: Communication from the Department of Water and Power dated December 29, 2016; referred by the Mayor for report on January 20, 2017

Subject: **AMENDMENT 1 TO CONTRACT 655 WITH HERC RENTALS**

RECOMMENDATIONS

That the Mayor:

1. Approve the proposed resolution to authorize the execution of Amendment 1 to Contract 655 with Herc Rentals Inc. to (i) extend the contractual term by 24 months resulting in a total term of 52 months expiring in March 2019 and (ii) increase the expenditure authority by \$7,250,000 resulting in a not to exceed total of \$20,000,000; and,
2. Return the proposed resolution to the Department for further processing, including City Council consideration.

SUMMARY

Approval of the proposed resolution and contract, based on a Cooperative Purchase under North Carolina State University Contract 31172 with Herc Rentals Inc. (formerly known as Hertz Equipment Rental Corporation), will enable the Department of Water and Power (DWP) to continue its access to as-needed construction equipment during an emergency and/or high demand events. The proposed Agreement extends the original 28 month contractual term by an additional 24 months resulting in a total term of 52 months, expiring in March 2019. The Amendment also increases the original expenditure authority of \$12,750,000 by an additional \$7,250,000 resulting in a not to exceed total of \$20,000,000 over the duration of the contract. DWP states it expended approximately \$12,100,000 of its current expenditure authority which leaves approximately \$650,000 or five-percent of the total contract unspent.

City Council approval is required pursuant to Charter Section 373. In accordance with the Los Angeles Administrative Code Section 10.5, unless the Council takes action disapproving the proposed Agreement within 60 days after submission to the City Council, the Agreement will be deemed approved. The City Attorney has approved the proposed resolution as to form and legality.

FISCAL IMPACT STATEMENT

Approval of the proposed resolution will increase the existing expenditure authority by \$7.25 million affecting the DWP Water Revenue Fund and DWP Power Revenue Fund. There is no fiscal impact to the City General Fund.

RHL:RR:10170069