

ENERGY, CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE COMMITTEE REPORT relative to proposed Amendment No. to Contract No. 655 with Herc Rentals, Inc.(Herc Rentals).

Recommendation for Council action:

CONCUR with the June 20, 2017 action of the Board of Water and Power Commissioners (Board), Resolution No. 20034, approving Amendment No. 1 to Contract No. 655 with Herc Rentals to add a two-year renewal option and increase the not-to-exceed amount by \$7,250,000.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that approval of Resolution No. 20034 will increase the existing expenditure authority by \$7.25 million affecting the Los Angeles Department of Water and Power (LADWP) Water Revenue Fund and LADWP Power Revenue Fund. There is no impact to the City General Fund.

Community Impact Statement: None submitted.

**TIME LIMIT FILE - AUGUST 20, 2017**

**(LAST DAY FOR COUNCIL ACTION - AUGUST 18, 2017)**

Summary:

On August 1, 2017, your Committee considered June 21, 2017 Board and February 8, 2017 CAO reports, Resolution No. 2034 relative to proposed Amendment No. to Contract No. 655 with Herc Rentals. According to the CAO, approval of the Resolution and Amendment No. 1, based on a Cooperative Purchase under North Carolina State University Contract 31172 with Herc Rentals (formerly known as Hertz Equipment Rental Corporation), will enable the LADWP to continue its access to as-needed construction equipment during an emergency and/or high demand events. The proposed Amendment extends the original 28 month contractual term by an additional 24 months resulting in a total term of 52 months, expiring in March 2019. Amendment No. 1 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. The LADWP 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.

After further consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of Amendment No. 1 to Agreement No. 655 with Herc Rentals. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ENERGY, CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE COMMITTEE

<b><u>MEMBER</u></b>	<b><u>VOTE</u></b>
MARTINEZ:	YES
KORETZ:	ABSENT
KREKORIAN:	YES
CEDILLO:	YES
O'FARRELL:	YES

ARL  
8/1/17

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**