



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 10/9/2018

ALL

Item Creation Date: 8/3/2018

E25489.A1 - Construction Equipment Rental - MOTION

Agenda Item#: 21.

Summary:

AMEND MOTION #2015-0534, 8/5/2015, TO INCREASE spending authority from **\$2,218,500.00 to \$3,171,751.58** for Rental of Various Types of Construction Equipment for Various Departments, awarded to **HERC RENTAL, INC** - General and Other Funds

Background:

S40-E25489-A1 – Amend Council Motion 2015-0534, passed August 5, 2015 to increase the spending authority from \$2,218,500.00 to \$3,171,751.58 for rental of various types of construction equipment for various departments.

Specific Explanation:

The Chief Procurement Officer recommends that City Council amend Council Motion 2015-0534, to increase the spending authority for rental of various types of construction equipment awarded to **Herc Rental, Inc.** from **\$2,218,500.00 to \$3,171,751.58** through the Master Intergovernmental Cooperative Purchasing Agreement (MICPA) with U.S. Communities to address the need of emergency repairs for Houston Public Works, the Houston Airport System and the Administration and Regulatory Affairs, General Services, and Parks and Recreation Departments.

Spending authority has been exhausted earlier than anticipated due to the increase in rental of construction equipment following hurricane Harvey and the request from four (4) additional departments to use the award. The additional spending authority will enable the departments to continue to make rental purchases through the remainder of the current award, which expires March 31, 2019. It is anticipated that a new award will be presented to City Council prior to expiration of the current award.

This award began August 10, 2015 for an approximated 45-month term in the amount not to exceed \$2,218,500.00 Expenditures as of September 6, 2018 totaled \$2,184,794.91. All other terms and conditions shall remain as previously approved by City Council.

This award consists of various types of construction equipment that is rented on an "as needed" basis, which includes but is not limited to the following: forklifts, trash pumps, excavators, backhoes, skid steer loaders, articulating boom lifts, arrow boards, vibratory plate compactors, and trucks. The construction equipment will be utilized to supplement the City's fleet of construction equipment.

Under the MICPA with U.S. Communities, the contractor will provide various types of rental equipment to the departments. The utilization of the MICPA allows the City to leverage existing U.S. governmental contracts with over 38,000 participating agencies with an estimated purchase power of \$1.5 billion annually. Moreover, the City will receive the favored nation rate.

The City is eligible to participate in the U.S. Communities Purchasing Alliance as set out in Section 791.011 of the Government Code and such purchases satisfy State bid laws as set out in Section 791.025 of the Government Code.

M/WBE:

Zero-percentage goal document approved by the Office of Business Opportunity.

Hire Houston First:

This procurement is exempt from the City's Hire Houston First Ordinance. Bids/proposals were not solicited because the departments are utilizing a Cooperative Purchasing Agreement for these purchases.

Fiscal Note:

Funding for this item is included in the FY19 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.


Jerry Adams, Chief Procurement Officer
Finance/Strategic Procurement Division

Department Approval Authority Signature

Amount of Funding:

\$ 513,450.00	HPW – Water & Sewer System Operating Fund (8300)
\$ 30,600.00	Stormwater Fund (2302)
\$ 81,500.00	Dedicated Drainage & Street Renewal Fund – Metro (2310)
\$ 40,000.00	Dedicated Drainage & Street Renewal Fund – Ad Valorem (2310)
\$ 168,700.00	M.R.R. Fund (2105)
\$ 19,001.58	General Fund (1000)
<u>\$ 100,000.00</u>	HAS – Revenue Fund (8001)
\$953,251.58	Total

Contact Information:

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ATTACHMENTS:

Description	Type
<u>OBO DOCS.</u>	Backup Material
<u>COUNCIL MOTION</u>	Backup Material
<u>DELINQUENT TAX</u>	Backup Material
<u>AFFIDAVIT</u>	Backup Material
<u>HERZ-HERC Contract</u>	Backup Material
<u>HERC Contract Amendment</u>	Backup Material
<u>Coversheet signed by CPO E25489.A1</u>	Signed Cover sheet
<u>Fund 2302 & 2310 Funding</u>	Backup Material
<u>Revised Fiscal Forms A</u>	Financial Information
<u>Budget vs. Actual L25489.A-1</u>	Financial Information
<u>HPW Signed Coversheet</u>	Signed Cover sheet
<u>Funding Verification for PRD Fund1000, 2105 & HPW Fund8300</u>	Backup Material