

#5502
12/13/22

(R-2023-325)

RESOLUTION NUMBER R- 314544
DATE OF FINAL PASSAGE DEC 20 2022

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO AUTHORIZING THE FOURTH AMENDMENT
TO THE AS-NEEDED CITYWIDE COOPERATIVE
AGREEMENT WITH HERC RENTALS INC. FOR THE
RENTAL OF VARIOUS LARGE EQUIPMENT.

WHEREAS, On May 22, 2018, the City of Charlotte, North Carolina issued a Request for Proposal (RFP) No. 269-2018-047 for equipment rental; and

WHEREAS, on November 1, 2018, based on the results of the competitive bid process, the City of Charlotte awarded to Herc Rentals, Inc. (HERC) a contract for five years with two additional two-year options (Contract No. 2019000318); and

WHEREAS, On February 20, 2019, the City's Purchasing Agent certified in writing that the Contract meets the requirements set forth in San Diego Municipal Code section 22.3208 based on the following reasons: (1) The Contract is in the best interest of the City because it will ensure timely completion of construction projects by allowing City forces access to an extensive list of equipment options that are readily available; (2) The Contract was awarded using a process that complies with the Policies and Regulations as stipulated in the San Diego Municipal Code; and (3) The Contract is to the City's economic advantage because HERC has agreed to provide equipment rentals at Platinum-Level pricing, which is an average of a 40% discount from published retail pricing; and

WHEREAS, the City entered into a cooperative procurement contract with Herc on February 20, 2019. Subsequently, three amendments to the contract have been executed, incorporating yearly updated rental prices to the equipment identified in the contract; and

WHEREAS, the largest users of this contract include the Transportation Department, Storm Water Department, and Public Utilities Department which requires the rental of additional pumps, bull dozers, excavators, and rock trucks to complete an increasing number of cyclical channels clearing projects; and

WHEREAS, yearly increases in rental fees, rental of additional vehicles to help prevent the spread of COVID, and large improvement projects over the last two years have quickly depleted the initial not-to-exceed value that was forecasted at the onset of the contract; and

WHEREAS, Purchasing & Contracting is requesting Council approve a resolution to execute a Fourth Amendment to the existing contract increasing the not-to-exceed amount by an additional \$4,000,000; and

WHEREAS, by increasing the expenditure authority, the City Council is not obligating City funding. Departments may only spend what is approved and available in their operating budgets; and

WHEREAS, the Office of the City Attorney has drafted this resolution based on the information provided by City staff, with the understanding that this information is complete, true, and accurate; NOW THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, that the Mayor or his designee is authorized to execute, for and on behalf of the City, a Fourth Amendment to the As-Needed Citywide Cooperative Agreement with Herc Rentals, Inc. to increase the expenditure authority for the rental of various light to heavy equipment from \$14,325,000 to an amount not to exceed \$18,325,000 over the term of the Agreement, pursuant to the terms and conditions set forth in the Agreement, on file with the City Clerk as Document No. RR- 314544.

BE IT FURTHER RESOLVED, that the Chief Financial Officer is authorized to expend an amount not to exceed \$18,325,000 over the full term of the Agreement, contingent upon the adoption of the Annual Appropriation Ordinance for the applicable fiscal year, and sufficient funding being available in each participating department's budget each fiscal year.

APPROVED: MARA W. ELLIOTT, City Attorney

By /s/ Eric S. Pooch
Eric S. Pooch
Deputy City Attorney

ESP:sc
12/07/2022
Or.Dept: Purchasing and Contracting Department
Doc. No. 3159605_2

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of DEC 13 2022

ELIZABETH S. MALAND
City Clerk

By *Kristle Medina*
Deputy City Clerk

Approved: 12/20/22
(date)

Todd Gloria
TODD GLORIA, Mayor

Vetoed: _____
(date)

TODD GLORIA, Mayor

DEC 18 2022

Passed by the Council of The City of San Diego on _____, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jennifer Campbell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stephen Whitburn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Monica Montgomery Steppe	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marni von Wilpert	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kent Lee	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Raul A. Campillo	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vivian Moreno	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sean Elo-Rivera	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage DEC 20 2022

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

TODD GLORIA
Mayor of The City of San Diego, California.

(Seal)

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

By Kristel Medina, Deputy

<p>Office of the City Clerk, San Diego, California</p> <p>Resolution Number R- <u>314544</u></p>
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