

**RESOLUTION NO. 27185**

WHEREAS, on recommendation of Management, there was presented for approval, First Amendment to Contract DA-5343 with Herc Rentals Inc. to increase the contract authority by \$2,500,000, for new total not to exceed \$6,650,000, covering rental of construction equipment and related products and services for Los Angeles International Airport and Van Nuys Airport; and

WHEREAS, in 2019, by Resolution 26707, the Board of Airport Commissioners authorized Los Angeles World Airports (LAWA) to join US Communities (now Omnia Partners) Contract 2019000318 for a five (5)-year contract (DA-5343) with Herc Rentals Inc. (Herc) for said rental of equipment and related products and services for \$4,150,000. The purchasing power of Omnia Partners allows Herc to provide rental equipment at a substantially lower price than an individually procured contract for this magnitude of items. Pricing for the rentals is locked in for the term of the contract unless Herc can provide justification for raising prices; and

LAX

Van Nuys

City of Los Angeles

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Chief Executive Officer

WHEREAS, LAWA Facilities Management Division (FMD) maintains public areas, buildings, mechanical infrastructure, roadways and airfields at Los Angeles International Airport (LAX) and Van Nuys Airport (VNY), using equipment rented from Herc. Equipment may include asphalt compaction rollers, motor graders, wheeled loaders, tracked dozers, dump trucks, aerial lifts, work platforms, and other miscellaneous construction equipment. Rented equipment supplements LAWA equipment, allows access to specialized equipment in a timely manner to prevent schedule and flight delays or runway and gate closures, saves on operating costs from idle equipment or cost of ownership, and is used to when LAWA equipment is unavailable; and

WHEREAS, recent unforeseen occurrences have resulted in a greater than expected use of the contract authority.

- In June 2019, power outages occurred within the Central Terminal Area that required rental of three (3) commercial size generators and cables from Herc for a monthly fee of \$79,470.72. FMD purchased cables and generators in October 2019. The generators were not delivered until the end of June 2020. FMD spent a total of \$1,214,714 on commercial generators and cables that equates to approximately 30% of the contract authority.
- Due to deferral of critical pavement repairs and assignment of three (3) large-scale pavement projects, continued rental of specialized equipment is necessary to complete capital pavement projects, extend the life of taxiways and runways, and preserve the safety of those areas.
- Dump trucks, asphalt rollers, and water trucks have been rented at a more frequent rate due to the airfield pavement repair projects that have taken place over the past 20 months.
- Specialized boom lifts that meet terminal floor load requirements (track drive versus wheel drive) have been repeatedly rented to maintain/repair light fixtures and fire dampers where maintenance had previously been deferred. The lifts cost approximately \$9,400 per month; and

WHEREAS, preventative maintenance work remains a priority, and it is anticipated that FMD shops will continue to take advantage of the reduced passenger loads to more efficiently perform the work. Specialized equipment plays a key role in this effort, which would be significantly impacted if the ability to rent was not available. Increasing the contract authority allows FMD shops to continue to rent construction and other specialized equipment needed to complete current and planned maintenance assignments through contract end in March 2024; and

WHEREAS, funds for the contract are included in the Fiscal Year 2020-2021 LAWA Operating Budget in LAX Cost Center 1150045 – Asphalt Paving Crew. Funding for subsequent years will be requested as part of the annual budget process; and



WHEREAS, this item, as a continuing administrative, maintenance and personnel-related activity, is exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article II, Section 2.f. of the Los Angeles City CEQA Guidelines; and

WHEREAS, Procurement Services reviewed this action (File 10044293). No mandatory Small Business Enterprise (SBE), Local Business Enterprise (LBE), Local SBE, and Disabled Veterans Business Enterprise goals were set for the project, as no subcontracting opportunities were identified. However, Herc is a certified LBE firm, and is credited with 100% LBE participation; and

WHEREAS, Herc will comply with the provisions of the Affirmative Action Program, Child Support Obligations Ordinance, and Equal Benefits Ordinance; and

WHEREAS, Herc is assigned Business Tax Registration Certificate 0000756631-0003-3; and

WHEREAS, Herc will have approved insurance documents, in the terms and amounts required, on file with LAWA; and

WHEREAS, Herc has submitted the Contractor Responsibility Program Questionnaire and Pledge of Compliance, and will comply with the provisions of said program; and

WHEREAS, Herc has submitted the Bidder Contributions CEC Form 55, and will comply with its provisions; and

WHEREAS, Herc has submitted an Iran Contracting Act of 2010 Compliance Affidavit, and will comply with the terms of the Iran Contracting Act; and

WHEREAS, actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 373;

NOW, THEREFORE, BE IT RESOLVED that the Board of Airport Commissioners adopted the amended Staff Report; determined that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f. of the Los Angeles City CEQA Guidelines; approved the First Amendment to Contract DA-5343 with Herc Rentals Inc. to increase the contract authority by \$2,500,000, for new total not to exceed \$6,650,000, covering rental of construction equipment and related products and services for Los Angeles International Airport and Van Nuys Airport; and authorized the Chief Executive Officer to execute said First Amendment to Contract DA-5343 with Herc Rentals Inc. after approval as to form by the City Attorney and approval by the Los Angeles City Council.

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I hereby certify that this Resolution No. 27185 is true and correct, as adopted by the Board of Airport Commissioners at its Regular Meeting held on Thursday, January 7, 2021.

  
Grace Miguel – Secretary  
BOARD OF AIRPORT COMMISSIONERS