



THE PORT  
OF LOS ANGELES  
Executive Director's  
Report to the

Board of Harbor Commissioners

**DATE: JULY 24, 2025**

**FROM: CONSTRUCTION AND MAINTENANCE**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - AWARD OF BID NO. F-1247 TO  
HERC RENTALS INC. FOR RENTALS OF CONSTRUCTION  
EQUIPMENT AND HEAVY TRUCKS**

**SUMMARY:**

Staff requests approval of Bid No. F-1247 (Contract) with Herc Rentals Inc. (Herc) located in Bonita Springs, Florida for construction equipment and heavy truck rentals. The proposed Contract would be for a one-year term with two one-year renewal options and would utilize an existing national cooperative agreement for such services between the City of Charlotte, North Carolina and Herc. The proposed Contract provides for the rental of a variety of construction equipment and trucks required for both maintenance and construction projects throughout the City of Los Angeles Harbor Department (Harbor Department). The amount of the proposed Contract shall not exceed \$400,000 for the initial year. If the two renewal options are exercised, up to \$600,000 will be authorized for the second year and up to \$300,000 for the third year. The total contract amount would not exceed \$1,300,000 for the duration of the three-year contract. The Harbor Department will be financially responsible for the payment of costs incurred under the proposed Contract.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II, Section 2 (f) of the Los Angeles City CEQA Guidelines;
2. Find that in accordance with the City of Los Angeles Administrative Code Division 10, Chapter 1, Article 2, Section 10.15 (a)(8), the Harbor Department may enter into a Contract with Herc utilizing a current agreement for such services with the City of Charlotte, North Carolina through their Contract No. 2019000318, a cooperative purchase agreement;
3. Approve Bid No. F-1247 with Herc for the rental of construction equipment and trucks for a period of one year, with two one-year renewal options with \$400,000 for the initial year, \$600,000 for the second year, and \$300,000 for the third year for a total compensation amount not to exceed \$1,300,000 if all renewal options are exercised by the Executive Director or his/her designee;

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4. Authorize the Executive Director to execute and the Board Secretary to attest to Bid No. F-1247 for and on behalf of the Board; and
5. Adopt Resolution No. \_\_\_\_\_.

**DISCUSSION:**

Background/Context – In the last decade, the Construction and Maintenance Division (C&M) has completed a wide range of capital infrastructure and maintenance improvement projects, which were needed to maintain the Harbor Department’s facilities and to provide safe, reliable, and quality services to its customers. The proposed Contract provides for the rental of a variety of equipment that may be needed for maintenance, through cost-efficient resources, that will support specific areas throughout the Harbor Department. Such equipment includes lifts and hoists, excavators, telehandlers, light plants, storage containers, and generators. Although C&M has an inventory which includes such items, Herc would be used to supplement that C&M inventory if equipment is out of service due to repairs or if additional equipment is required due to the limitations of our fleet. Renting equipment allows C&M to keep its capital equipment to a minimum as well as minimizing the need to hire additional employees for year-round maintenance of trucks and equipment.

The potential expenditure being proposed through this Contract is an estimate based on current project needs and contract year expenditure levels. The proposed Contract will be utilized in conjunction with various current and future capital and maintenance improvement projects and for as-needed repairs and demolitions throughout the Harbor Department. The following lists some of the Fiscal Year (FY) 2025/26 capital projects where construction equipment and truck rentals are required:

- Lane Victory New Electrical Service
- Berth 72 Fish Market Window Replacement
- Berth 93 Roof Replacement
- Berth 86 Marine Services Building Renovations and Repairs

Selection Process – The City of Los Angeles Charter Article III, Section 371(e)(8) and Los Angeles Administrative Code Division 10, Chapter 1, Article 2, Section 10.5 (a)(8) allow for “contracts for cooperative arrangement with other governmental agencies for the utilization of the purchasing contracts and professional, scientific, expert or technical services contracts of those agencies and any implementing agreements, even though the contracts and implementing agreements were not entered into through a competitive bid process.”

Bid No. F-1247 (Transmittal 1) with Herc is a cooperative purchasing (“piggyback”) agreement based on the City of Charlotte, North Carolina Contract No. 2019000318.

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Therefore, in accordance with the City of Los Angeles Charter and Administrative Code, the proposed action by the Board is consistent with contracting policies and staff recommends approval of the proposed Contract with Herc.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the approval of a contract for construction equipment rentals, which is an administrative activity. Individual projects implemented with the use of this contract will be subject to separate environmental review by the lead agency with jurisdiction over the project, as necessary. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Approval of the proposed Contract would authorize expenditures of up to \$400,000 for the initial year, \$600,000 for the second year, and \$300,000 for the third year, or a maximum of \$1,300,000 over three years if all options are exercised for construction equipment and truck rentals. FY 2025/26 funding in the amount of \$400,000 has been budgeted as follows: \$100,000 within Account 561005 (Maintenance Equipment Rental), Division 32010 (C&M Administration), and \$300,000 within Account 161305 (Construction-in-Progress), Division 00000 (Harbor Global). Funding for future fiscal years will be requested as part of the annual budget process upon Board approval.

Spending under the proposed Contract is anticipated as follows:

<b>Fiscal Year</b>	<b>Operating Budget (Account 561005 – Maintenance Equipment Rental)</b>	<b>Capital Improvement Program (Account 161305 – Construction in Progress)</b>	<b>Totals</b>
2025/26	\$100,000	\$300,000	\$400,000
2026/27	\$100,000	\$500,000	\$600,000
2027/28	\$100,000	\$200,000	\$300,000
<b>Total</b>	<b>\$300,000</b>	<b>\$1,000,000</b>	<b>\$1,300,000</b>

If any subsequent fiscal year funds are not appropriated by the Board for the work required under the Contract, the Contract shall be terminated. However, such termination shall not relieve the parties of liability for any obligations previously incurred. The Harbor Department will be financially responsible for payment of expenses incurred under the

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proposed Contract as well as all operational and maintenance costs associated with the newly acquired equipment.

**CITY ATTORNEY:**

The Office of the City Attorney has reviewed and approved this Agreement as to form and legality.

**TRANSMITTALS:**

1. Bid No. F-1247

FIS Approval: JS

CA Approval: SO



TIM CLARK  
Director of Port Construction & Maintenance



DINA ARYAN-ZAHLAN, P.E.  
Deputy Executive Director  
Development

APPROVED:



EUGENE D. SEROKA for  
Executive Director

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