



Legislation Details (With Text)

**File #:** 22-83      **Version:** 1      **Name:**

**Type:** CONSENT AGENDA      **Status:** Approved

**File created:** 12/1/2021      **In control:** Office of Procurement Services

**On agenda:** 1/26/2022      **Final action:**

**Title:** Authorize Supplemental Agreement No. 2 to the service price agreement with Herc Rentals, Inc. for damages to a rental vehicle resulting in a total loss - Not to exceed \$41,495.00, from \$2,015,552.00 to \$2,057,047.00 - Financing: SDM-Operations Fund

**Sponsors:**

**Indexes:** 300

**Code sections:**

**Attachments:** 1. Resolution

Date	Ver.	Action By	Action	Result
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**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** January 26, 2022

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

**SUBJECT**

Authorize Supplemental Agreement No. 2 to the service price agreement with Herc Rentals, Inc. for damages to a rental vehicle resulting in a total loss - Not to exceed \$41,495.00, from \$2,015,552.00 to \$2,057,047.00 - Financing: SDM-Operations Fund

**BACKGROUND**

The City entered into a service price agreement with Herc Rentals, Inc. for the leasing of equipment and vehicles, as needed, which was approved by City Council on August 28, 2019, by Resolution No. 19-1268. On March 25, 2021, utilizing this agreement, Dallas Water Utilities leased a 2021 Chevrolet Silverado pickup truck which was subsequently damaged due to fire caused by a portable generator utilized on the truck. The City determined the damage constituted a total loss of the vehicle to Herc Rentals, Inc.

Under Section 6 of the Contract, "Risk of Loss," the City is responsible for only those damages caused solely by the negligence of the City or its agents and employees for misuse of the equipment. Here, the City is responsible for the loss of the pickup truck and this supplemental agreement is needed to pay Herc Rentals, Inc. for the loss.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On August 28, 2019, City Council authorized a three-year service price agreement for vehicle and heavy equipment rental with Sunbelt Rentals, Inc., Herc Rentals, Inc., Star Tractor LTD., EAN Holdings, LLC dba Enterprise Rent-A-Car, Landmark Equipment, Inc., Kirby-Smith Machinery, Inc., Four Seasons Equipment LLC, CLS Sewer Equipment Co., Inc., Holt Texas, LTD., Metro Golf Cars, Inc., and RDO Equipment Co.; and Supplemental Agreement No. 2 to (a) increase the service contract for the rental of vehicles and equipment with Herc Rentals, Inc., EAN Holdings, LLC dba Enterprise Rent-A-Car, Four Seasons Equipment LLC, Landmark Equipment, Inc., Holt Texas, LTD., Kirby-Smith Machinery, Inc., Sunbelt Rentals, United Rentals (North America), Inc., and Metro Golf Cars; and (b) extend the term of the contracts from September 20, 2019 to October 31, 2019 by Resolution No. 19-1268.

On December 11, 2019, City Council authorized rescinding the three-year service price agreement with Star Tractor, LTD., previously approved on August 28, 2019, by Resolution No. 19-1268, for vehicle and heavy equipment rental; and Supplemental Agreement No. 1 to the service price agreement for vehicle and heavy equipment rental with Holt Texas, LTD, Kirby-Smith Machinery, Inc., Herc Rentals, Inc., and RDO Equipment Co. by Resolution No. 19-1921.

**FISCAL INFORMATION**

Fund	FY 2022	FY 2023	Future Years
Sdm-Operations Fund	\$41,495.00	\$0.00	\$0.00

**OWNER**

**Herc Rentals, Inc.**  
10966 Harry Hines Blvd.  
Dallas, TX 75220

Lawrence H. Silber, President  
James Bruce Dressel, Senior Vice President  
Jason Oosterbeck, Vice President