

AGENDA



Thursday, May 17, 2007

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 23**

Subject: Authorize award and execution of a 24-month requirements service contract with LONGHORN CAR-TRUCK RENTALS, Austin, TX, to provide vehicle rental services in an estimated amount not to exceed \$800,000, with two 12-month extension options in an estimated amount not to exceed \$400,000 per extension option, for a total estimated contract amount not to exceed \$1,600,000.

Amount and Source of Funding: Funding in the amount of \$166,667 is available in the Fiscal Year 2006-2007 Operating Budget of the Finance and Administrative Services Department, Fleet Services Fund. Funding for the remaining 19 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Rosemary Ledesma, Supervising Sr. Buyer/974-2011.

Purchasing Language: Best evaluated bid of two bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This service contract will provide vehicle rental services for vehicles including passenger vehicles, light trucks, and vans. All City departments are approved to rent vehicles under the contract through the Fleet Services division of the Finance and Administrative Services Department. Fleet Services will serve as the single point of contact for all City departments who rent light duty vehicles. Fleet Services intends to consolidate all vehicle rentals into a one-stop shopping program for the entire City. Since Fleet Services currently administers a motor pool of spare vehicles, it is appropriate for this City department to administer the program. The vehicles will be rented on an as needed basis.

An analysis of vehicle rental expenses indicate that the City was paying more than \$1,000,000 annually in fees for rentals of various types of rolling stock (cars, trucks, equipment, etc.). The City will benefit from the consolidation of vehicle rentals into a single contract.

Rental services for category two (medium and heavy duty trucks) and category three (equipment) units will be not be acquired under this contract, but rather procured in a separate solicitation. The bids for these categories were non-responsive to the solicitation requirements.

An evaluation panel consisting of Fleet Services and Purchasing personnel evaluated the bids for best value. They recommended Longhorn Car-Truck Rentals as offering the best value to the City based on capacity and availability of inventory, experience of firm and staff, rental agreement proposed, and lowest offered cost. The vendor will be providing various models of vehicles for rent under the contract manufactured by Ford, Chevrolet, Toyota, Honda and others. Longhorn Car-Truck Rentals is a local firm and has been in the rental business since 1980.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0

Price Analysis

- a. Adequate competition.
- b. Forty notices were sent. There are no known MBEs/WBEs for this commodity. Two bids were received.
- c. This is the first consolidated contract for vehicle rental services; therefore, there is no pricing history available.

Approval Justification

- a. Best evaluated bid.
- b. The Purchasing Office concurs with Fleet Services of the Finance and Administrative Services Department's recommended award.
- c. Advertised in the Austin American-Statesman and the Internet.