

## A G E N D A



## Recommendation for Council Action

Austin City Council	Item ID	39018	Agenda Number	2.
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Meeting Date:	2/12/2015	Department:	Aviation
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## Subject

Authorize award, negotiation, and execution of a concession agreement with E-Z Rent-A-Car, or one of the other qualified offerors to the Consolidated Rental Car Facility New Entrant Request for Proposal, to operate an on-airport rental car concession at Austin-Bergstrom International Airport.

## Amount and Source of Funding

This is a revenue generating lease.

## Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Best evaluated proposal received.
Prior Council Action:	
For More Information:	Stephanie Tucker, Airport Properties Manager, 512-530-7507.
Boards and Commission Action:	To be reviewed by the Austin Airport Advisory Commission on February 10, 2015.
Related Items:	
MBE / WBE:	No goals. This contract will be awarded in compliance with City Code Chapter 3-9C (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this contract.

## Additional Backup Information

The City of Austin Department of Aviation (Airport) issued a Request for Proposals (RFP) for on-airport rental car concessions to operate in the designated new entrant space at the Consolidated Rental Car Facility (CONRAC) upon completion of construction in Fall 2015. E-Z Rent-A-Car (E-Z), one of four proposers who submitted proposals in response to the RFP is one of two winning proposers having been awarded the second highest number of points pursuant to the evaluation criteria set forth in the RFP.

This request allows for the development of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

Airport concessions are subject to the Federal Airport Concession Disadvantaged Business Enterprise (ACDBE) regulations (49 CFR Part 23), and the federally approved City of Austin ACDBE plan. E-Z will comply with the Airport Concession DBE plan and meet the goals under that plan for on-airport rental car concessions.

On or about February 5, 2013, the Airport finalized the sale of its Rental Car Special Facility Revenue Bonds Taxable Series 2013 (the "Bonds") which provided funding for the design and construction of CONRAC to be located on the eastern portion of the Airport's parking lot A. The CONRAC will allow for the consolidation of rental car operations from their current location on the top level of the Airport's garage to purpose built facility providing increased operational efficiencies for the rental car companies. Agreements executed with the Airport's existing rental car operators upon the sale of the Bonds provided for a portion of the CONRAC (the "New Entrant Space") to be occupied by a rental car operator that was not an existing rental car operator as of the sale of the Bonds.

On or about November 7, 2014 the Airport released the RFP to evaluate and recommend up to two new entrant rental car operators to operate in the CONRAC's New Entrant Space. In an effort to insure a competitive environment providing the best options for passengers at the Airport, proposers to the RFP had to demonstrate that they were "not owned, controlled by, or affiliated with a rental car company currently holding [an agreement at the Airport]."

On November 21, 2014, the Airport held a mandatory pre-proposal conference for interested rental car operators to which six rental car operators, E-Z, Firefly Car Rental ("Firefly"), Fox Rent-A-Car ("Fox"), Longhorn Car and Truck Rentals ("Longhorn"), Silvercar, and Sixt Rent a Car ("Sixt") attended. Responses to the RFP were due on December 18, 2014. The Airport received four (proposals in response to the RFP from E-Z, Fox, Longhorn, and Sixt. Proposals were not submitted by the two remaining attendees of the mandatory pre-proposal conference, Firefly and Silvercar.

Pursuant to the evaluation criteria set forth in Section 10.2 of the RFP and shown below, Fox and E-Z are being recommended to the Council as the selected proposers.

**Evaluation Results (Averaged)**

	Fox	E-Z	Sixt	Longhorn
Qualifications and Experience (Point Range 0-20)	14.75	13.75	17.50	17
Financial Information (Point Range 0-20)	17.50	20	20	15
Proposed Minimum Annual Guarantee Concession Fee (Point Range 0-50)	50	45.74	39.44	16
Local Business Presence (Point Range 0-10)	0	0	0	10
<u>Total Points:</u>	<u>82.25</u>	<u>79.49</u>	<u>76.94</u>	<u>58</u>

Upon release of information indicating that Fox and E-Z had been recommended as the two selected proposers, Sixt gave the Airport formal notice of its intent to protest the results of the RFP. On January 21, 2015, Sixt submitted an official protest of the Airport's decision awarding the New Entrant Space to Fox and E-Z. The protest was immediately referred by the Airport to City's Purchasing Department. In a formal response to Sixt dated January 30, 2015, Yolanda Miller, Deputy Purchasing Officer, determined that Sixt had insufficient grounds for their protest to proceed and as such the protest was denied and is considered closed.