

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

45415

Agenda Number

16.

Meeting Date:

May 21, 2015

Department:

Purchasing

Subject

Authorize award and execution of Amendment No. 4 to a contract with LONGHORN CAR-TRUCK RENTALS, INC., to provide vehicle rental services in an amount not to exceed \$149,500, for a revised total contract amount not to exceed \$1,312,500.

Amount and Source of Funding

Funding in the amount of \$149,500 is available in the Fiscal Year 2014-2015 Operating Budget of the Fleet Services Departments.

Fiscal Note

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

Purchasing Language:

Contract Amendment with the current provider for vehicle rental services. Current contract expires August 31, 2015.

Prior Council Action:

May 24, 2012 - Council approved original contract, item 65

For More Information:

Sandy Wirtanen, Buyer II, 512-974-7711

Boards and Commission Action:



Related Items:

MBE / WBE:

This contract will be awarded in compliance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. Per the City's Small and Minority Business Resources Department, no subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

Additional Backup Information

The amendment provides additional funding for vehicle rental services to allow for continuation of existing vehicle rentals to meet Fleet Services' needs and to cover additional requirements for vehicles that are not available within the department or from the City's own rental pool until a new contract is written. Renting a vehicle under this contract is a second recourse after in-house resources have been examined and no appropriate unit is available. The replacement/purchase of vehicles is done through the acquisition process once a year during an upcoming budget cycle. Departments may utilize this contract to supplement their needs until they acquire the newly purchased vehicle, which could take up to one year.

The contract provides for the rental of vehicles and equipment, which include passenger vehicles, light trucks, vans, medium and heavy duty trucks and other types of transportation equipment. All City departments are approved to rent vehicles and equipment under the contract through Fleet Services. Fleet Services is the single point of contact for all City departments who rent vehicles or equipment on an as needed basis.

On May 24, 2012, a request was taken to Council to authorize award and execution of a 36-month requirements contract with Longhorn Car-Truck Rentals, Inc. to provide vehicle rental services in an amount not to exceed \$1,274,000 with three 12-month extension options in amounts not to exceed \$604,800 for the first extension option, \$725,760 for the second extension option, and \$870,912 for the third extension option, for a total contract amount not to exceed \$3,475,472.

During the Council meeting, the amount was reduced from the dais to \$1,050,000 for the 36 month term in an effort to contain costs and control emissions. Council also removed all of the requested extension options with the understanding that Fleet Services should come back for more authorization if needed.

The additional authorization is also needed to support FTEs approved in the 2012-2013 and 2013-2014 budgets for Austin Code and the new Wildfire division, created for the Austin Fire Department, until vehicles could be purchased through the vehicle acquisition program. The original contract was not scoped for these unforeseen rentals.

The current contract has limited funding remaining. To-date the rental expenses have totaled \$1,022,415.57. The current contract expires on August 31, 2015. Without this amendment, the City will not be able to supplement our current vehicle fleet to support all departments including summer projects and program needs such as van and bus rentals for Parks and Recreation supported programs.

CONTRACT SUMMARY:

Description	Action	Amount
Original Contract executed August 31, 2012	Original 36-month contract with extension options removed by Council: \$1,050,000 (36-months)	\$1,050,000
Amendment No. 1: Administrative Increase March 25, 2013	Added administrative funding of \$55,999	\$1,105,999
Amendment No. 2: Administrative Decrease March 26, 2013	Decreased administrative funding by \$999	\$1,105,000
Amendment No. 3: Administrative Increase May 1, 2015	Added administrative funding of \$58,000	\$1,163,000
Proposed Amendment No. 4:	Increase Contract amount by \$149,500	\$1,312,500

