

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	47813	Agenda Number	36.
Meeting Date:	August 20, 2015			
Department:	Purchasing			
Subject				
Authorize execution of a 36-month contract with LONGHORN CAR-TRUCK RENTAL, INC., or one of the other qualified bidders for Invitation for Bid-Best Value No. SLW0201REBID, to provide rental vehicles in an amount not to exceed \$1,008,576, with three 12-month extension options in an amount not to exceed \$316,788 per extension option, for a total contract amount not to exceed \$1,958,940.				
Amount and Source of Funding				
Funding in the amount of \$56,032 is available in the Fiscal Year 2014-2015 Operating Budget of the Fleet Services Department. Funding for the remaining 34-months of the original contract period and extension options are contingent upon available funding in future budgets.				
Fiscal Note				
There is no unanticipated fiscal impact. A fiscal note is not required.				
Purchasing Language:	Best evaluated bid received.			
Prior Council Action:				
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. No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.			

Additional Backup Information

The contract will provide rental services for light, medium and heavy duty vehicles. Rental and leasing of vehicles is governed by the City's Administrative Bulletin 85-06 which states that all City department rent or lease vehicles and equipment through the Fleet Services Department Rental Pool.

Rental vehicles supplement the City owned Fleet and provide City departments with alternative transportation to meet operational needs on a temporary or as needed basis or for emergencies, mid-year Council initiatives, catastrophic losses of critical units, and in general, unforeseen needs. Currently there are 89 City owned vehicles in the Rental Pool. Plans are to purchase five more in Fiscal Year 2016. Rentals allow departments to meet business needs until a new

vehicle can be purchased through the vehicle acquisition process to meet long term needs. Rentals also keep the Department's cost of doing business down by allowing an alternative to purchasing a vehicle for short term projects (e.g. Parks and Recreation Department's rentals for Spring Break and Summer Youth Programs).

Typically rentals are short term (six months); however, depending on departmental needs and timing of the yearly acquisition process, rentals can be longer.

An evaluation committee consisting of Fleet Services personnel evaluated the bids. They recommended Longhorn Car-Truck Rentals, Inc. as offering the best value to the City based on lowest offered cost, quantity and variety of rental units and days and hours of operation. In addition, Longhorn has a fleet of vehicles that are capable of being powered by alternative fuel which is in line with the Citywide objective of obtaining carbon neutrality by 2020. Fleet will rent alternative fueled vehicles to the maximum extent possible when they meet operation needs.

36% of the vehicles in Longhorn's inventory are powered by an engine capable of operating on B20 biodiesel (20% biodiesel blended with 80% petro-diesel). The B20 biodiesel that is utilized in these vehicles is ultra-low sulfur diesel, with the Texas Commission on Environmental Quality approved Kern additive compliant with the Texas Low Emissions Diesel Program. A new technology vehicle operating on B20 produces at least 10% less particulate matter, at least 10% less carbon monoxide, and at least 10% less unburned hydrocarbons than one running on petro-diesel, while also reducing life-cycle greenhouse gas emission by at least 15%.

36% of the vehicles Longhorn's inventory are flex-fuel vehicles capable of operating on gasoline (typically 6-10% ethanol) up to E85 (85% ethanol blended with 15% gasoline). New technology flex-fuel vehicles operating on E85 produce tailpipe nitrous oxide, carbon monoxide, and non-methane hydrocarbon levels no different from running on gasoline while also reducing life-cycle greenhouse gas emissions by at least 20%.

This request allows for the execution of a contract with a bidder, who provides the best value to the City, that Council selects. The current contract expires August 31, 2015 and will run out of authorization. Without this contract, departments must turn in all current rental vehicles and will not have vehicles to meet their existing needs or to respond to unforeseen rental needs or emergency situations.

MBE/WBE solicited: 0/1

MBE/WBE bid: 0/0

BID TABULATION:
IFBBV SLW0201REBID

Vehicle Rental
(16 line items)

<u>Vendor</u>	<u>Total Price for List of Sample Parts</u> <u>(Total Line Items Bid)</u>
Longhorn Car-Truck Rental, Inc. Austin, TX	\$207,132 (16 of 16)
AJ Car and Truck Sales LTD Austin, TX	\$103,391 (6 of 16)

A complete bid tabulation is on file in the Purchasing Office and is on the City's Financial Services Austin Finance

Online website at: https://www.austintexas.gov/financeonline/vendor_connection/solicitation/search.cfm

PRICE ANALYSIS

- a. Adequate competition.
- b. 78 notices were sent including no known MBEs and one WBE. Two bids were received with no response from the WBE.
- c. The pricing offered represents no change from the last purchase made in May 2012.

APPROVAL JUSTIFICATION

- a. Best evaluated proposal. Longhorn Car-Truck Rental, Inc. is the current provider of these services.
- b. The Purchasing Office recommends contract award consistent with evaluation committee.
- c. Advertised in the Austin American Statesman and on the internet.