

# City of Sacramento

## Legislation Text

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File #: 2021-00334, Version: 1

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**Title:**

**Cooperative Purchase Contract: Enterprise Rental Vehicles**

File ID: 2021-00334

**Location:** Citywide

**Recommendation:**

Pass a Motion: 1) approving the use of the State of California cooperative purchase agreement with EAN Services, LLC DBA Enterprise Rent-A-Car (Contract No. 5209924) for rental vehicles in an amount not to exceed \$750,000 through February 29, 2024, or through the date of any extension of the cooperative purchase agreement; and 2) authorizing the City Manager or the City Manager's designee to execute any contracts required to complete the authorized purchases provided sufficient funds are available in the budget adopted for the applicable fiscal year.

**Contact:** Alison Kerstetter, Program Specialist, (916) 808-1163; Mark Stevens, Fleet Manager, (916) 808-5869, Department of Public Works

**Presenter:** None

**Attachments:**

1-Description/Analysis

2-Contract

**Description/Analysis**

**Issue Detail:** The Department of Public Works, Fleet Management Division, has a customer requirement for vehicle rentals to support City departments. The recommended agreement will be used when City departments request vehicles that are not available in the Motor Pool or when departments have seasonal work that requires the use of additional vehicles for a period of time.

**Policy Considerations:** The recommendations in this report are in accordance with City Code Chapter 3.56.

**Economic Impacts:** None

**Environmental Considerations:**

**California Environmental Quality Act:** No environmental review is necessary because the recommendations in this report involve rentals of vehicles and are not considered to be a project in accordance with Section 15378(b)(2) of the California Environmental Quality Act guidelines.

**Sustainability:** The recommended purchases are consistent with the updated Fleet Sustainability Policy adopted by City Council on December 12, 2017 (Resolution No. 2017-0478).

**Commission/Committee Action:** None

**Rationale for Recommendation:** After reviewing the available purchase options, the Fleet Management Division has determined that the State of California cooperative purchase agreement with EAN Services, LLC DBA Enterprise Rent-A-Car represents the most advantageous purchasing strategy. The contract was competitively bid statewide, and the State of California receives greater discounts from the manufacturer due to a higher purchase volume than the City would receive if issuing its own bid.

In an ongoing effort to maximize cost savings and staff resources, many government agencies share contracting efforts through cooperative purchasing. This procurement method increases pricing competitiveness and lowers operating costs through volume buying. When comparing the administrative costs of procurement, staff considers product research, source selection, specifications, advertising, staff reports, awarding, protest, and administration of the contract.

The City has used both regional and national cooperative purchase agreements to complement its own contracting initiatives. Cooperative purchasing enables City departments to evaluate a broader range of contracting opportunities and to share resources with other jurisdictions. Cooperative purchasing also leverages internal and external resources to maximize cost savings opportunities for the City.

**Financial Considerations:** The recommended contract, in a total amount not to exceed \$750,000, will be made from the Department of Public Works Fiscal Year (FY) 2020/21 operating budget (Fleet Fund, Fund 6501) to rent vehicles through June 30, 2021. Purchases made after June 30, 2021 are subject to funding availability in the adopted budget of the applicable fiscal year.

**Local Business Enterprise (LBE):** EAN Services, LLC DBA Enterprise Rent-A-Car is not an LBE. The minimum LBE participation requirement is waived for the City's use of cooperative purchase agreements that have been competitively bid, evaluated, and awarded by other governmental agencies that may or may not have similar LBE programs.