

Mayor and Council Communication

DATE: 08/13/24

M&C FILE NUMBER: M&C 24-0630

LOG NAME: 13P AMEND CSO 58462 ILA TARRANT VEHICLE RENTALS HO CITY

SUBJECT

(ALL) Authorize Execution of an Amendment to City Secretary Contract No. 58462 with EAN Holdings, LLC – Dallas Fort Worth dba Enterprise Rent-A-Car for Vehicle Leasing and Rentals to Increase the Annual Spending Amount by \$300,000.00 for a New Annual Amount Up to \$1,400,000.00 and Authorize an Additional Annual Renewal Option for the Same Amount Using Interlocal Agreement 2022-209 with Tarrant County for All City Departments

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of an amendment to City Secretary Contract No. 58462 with EAN Holdings, LLC – Dallas Fort Worth dba Enterprise Rent-A-Car for vehicle leasing and rentals to increase the annual spending amount by \$300,000.00 for a new annual amount up to \$1,400,000.00; and
2. Authorize one additional annual renewal option for the same amount.

DISCUSSION:

In October 2022, the Water Department requested that the Purchasing Division enter into an agreement for vehicle leasing and rentals for all City departments on an as-needed basis. Vehicles are used in conducting official City business and in supporting various City operations.

On November 8, 2022, the City Council approved Mayor and Council Communication (M&C) 22-0913, authorizing an agreement with EAN Holdings, LLC – Dallas Fort Worth dba Enterprise Rent-A-Car for vehicle leasing and rentals using an Interlocal Agreement with Tarrant County (Agreement 2022-209, referred to as the Tarrant County Agreement) for an annual amount up to \$1,000,000.00, with an initial term of October 1, 2022, to September 30, 2023, with one one-year renewal option. The City executed Contract 58462 (the City Agreement) with an initial term of October 1, 2022, to September 26, 2023, with two one-year renewal options, to align with the Tarrant County Agreement.

On July 11, 2024, the administrative change order was used to increase the agreement by \$100,000.00 for a new annual amount up to \$1,100,000.00. Since contract execution, City demand for these services has grown and is projected to exceed the current spending authority, in part due to increases in the need for these services to accommodate additional projects, functions, and staff needing to use rental vehicles. Accordingly, staff is now requesting authorization to amend the existing purchase agreement to increase the annual amount by an additional \$300,000.00, for a total annual amount up to \$1,400,000.00.

Additionally, staff is now requesting authorization to align the City Agreement's term with the Tarrant County Agreement by adding one one-year renewal option for the same amount and changing the term dates to begin on September 27th and end on September 26th each year.

City departments will continue to use this agreement for the rental of various types, sizes, makes, and models of automobiles, sport utility vehicles, vans, and pickup trucks. Vehicles will be used by staff when necessary to conduct City business and for City travel. The City will have the ability to select vehicles that best fit the needs of the assigned duties.

The maximum annual amount allowed under this agreement citywide will be \$1,400,000.00. However, the actual amount used will be based on the needs of the departments and the available budget.

State law provides that a local government purchasing an item under a Cooperative Purchasing Agreement or Interlocal Agreement satisfies state laws requiring that the local government seek competitive bids for the purchase of the item. Tarrant County conducted competitive bidding for the contract during September 2022 (BID No. 2022-209). The contract has a term through September 26, 2024.

ADMINISTRATIVE CHANGE ORDER - An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval.

AGREEMENT TERM - The current term of the Agreement will expire on September 26, 2024.

RENEWAL OPTIONS – The Agreement may be renewed for one, one-year renewal option, so long as the underlying interlocal agreement is renewed.

A M/WBE goal is not assigned when purchasing from an approved purchasing cooperative or public entity.

FISCAL INFORMATION / CERTIFICATION:

The Finance Director certifies that funds are available in the current operating budget, as previously appropriated, in the participating departments'

Operating Funds to support the approval of the above recommendation and amendment to the purchase agreement. Prior to any expenditures being incurred, the participating departments have the responsibility to validate the availability of funds.

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