



# ***CITY COUNCIL AGENDA REPORT***

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MEETING DATE: June 2, 2015

ITEM NUMBER: **CC-10**

**SUBJECT: VEHICLE RENTAL FROM ENTERPRISE RENT-A-CAR HOLDINGS THROUGH COOPERATIVE PRICING AGREEMENT**

**DATE: APRIL 29, 2015**

**FROM: POLICE DEPARTMENT – SUPPORT SERVICES DIVISION**

**PRESENTATION BY: ROB SHARPNACK, CAPTAIN - SUPPORT SERVICES DIVISION**

**FOR FURTHER INFORMATION CONTACT: STEVE DUNIVENT, INTERIM FINANCE DIRECTOR  
(714) 754-5243**

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## **RECOMMENDATION:**

Approve the service agreement for vehicle rentals through the Western States Contracting Alliance (WSCA) Master Price Agreement No. 9950 with Enterprise Rent-A-Car Holdings, 28112 Camino Capistrano, Laguna Niguel, CA 92677 in the amount not to exceed \$83,000 annually.

Authorize the Mayor and the City Clerk to execute the Participating Agency Addendum for the pricing contract.

Authorize the Chief Executive Officer to sign for any justified rate increase to the contract within his signing authority and to extend the contract for four (4) additional one-year terms.

## **BACKGROUND:**

The Police Department has had a long-term relationship with Enterprise Rent-A-Car Holdings. City staff members in the end-user departments have expressed strong satisfaction with the services offered. The services supplied by Enterprise Rent-A-Car Holdings are for the vehicle make and/or model, and time period rented per vehicle specified according to the requirements of the Costa Mesa Police Department and WSCA Master Price Agreement No. 9950.

Law enforcement operations conducted by different units of the Costa Mesa Police Department require the use of many different makes and models of unmarked vehicles that are reliable and can be exchanged quickly and frequently. The most efficient and cost-effective way to accomplish this is through an annual contract with a rental car company.

Over the past several years, the ability to change vehicles in a timely manner has kept a variety of investigations on track, which ultimately culminated in arrests and closure of the respective cases. The large inventory of different vehicle makes and models has been helpful in maintaining anonymity under those circumstances.

The Costa Mesa City Council approved participation in other public agencies' purchasing bids and contracts with adoption of Resolution 94-11 on March 7, 1994. The WSCA organization, formed in October 1993 and was created to provide and establish cost effective and efficient cooperative agreements that participating state agencies can utilize. WSCA contracts may also be used by designated political subdivisions (such as city and county government, and public and higher education) of the WSCA states. California is a member of WSCA and therefore Costa Mesa is eligible for the pricing agreement. The WSCA price agreement with Enterprise Rent-A-Car Holdings was established through a formal solicitation by the State of Oregon at which the original contract period term was for three (3) years, October 19, 2009 – October 18, 2012. The contract has a renewal option for renewal options up to ten (10) years. The current approved term runs through October 18, 2015.

### **ANALYSIS:**

Purchasing staff searched for additional cooperative contracts in the region available for vehicle rental services and found a contract awarded by the Orange County Sheriff-Coroner to Enterprise Rent-A-Car Holdings through the County's Online Bidding System (OLB). While the pricing was very competitive, the contract limits the ability for an inter-agency agreement. The State of California offers a Master Services Agreement with Enterprise Rent-A-Car Holdings that was reviewed as a potential inter-agency option. While the lead agency on this contract is the State of California, it was noted that the final contract extension expires December 31, 2015, the contract pricing was higher than that of the recommended cooperative contract and pertained solely for travel purposes.

### **ALTERNATIVES CONSIDERED:**

Purchasing staff could send out a formal bid for vehicle rental services, however, based on the competitive pricing available through the WSCA agreement staff doesn't foresee any notable benefits in a formal bid solicitation at this time.

Purchasing staff researched alternative contracts for vehicle rental services for the Police Department and found the pricing available through the WSCA agreement to be the best alternative in meeting the current needs of the Police Department, while endeavoring to save the City money.

### **FISCAL REVIEW:**

Comparable pricing in the State contract based on current usage is about \$40,500 higher than the recommended WSCA agreement.

### **LEGAL REVIEW:**

There is no legal review required on this item.

**CONCLUSION:**

Based on the analysis of the savings that the City of Costa Mesa realizes by utilizing the WSCA pricing contract, staff recommends that the City Council approve the service agreement for vehicle rental services through the WSCA cooperative pricing agreement with Enterprise Rent-A-Car Holdings beginning May 2015 and continuing through the end of the contract term, to authorize the Mayor and City Clerk to execute the Participating Agency Addendum for the pricing contract and to authorize the Chief Executive Officer to sign for any justified rate increase to the contract within his signing authority and to extend the contract for four (4) additional one-year terms.

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Rob Sharpnack  
Police Captain

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Ronald E. Lowenberg  
Interim Chief of Police

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Steve Dunivent  
Interim Finance Director

Attachment I: [Master Price Agreement](#)  
Attachment II: [Participating Agency Addendum](#)  
Attachment III: [Contract Pricing Fee Schedule](#)