

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	68866	Agenda Number	40.
Meeting Date:	March 23, 2017			
Department:	Purchasing			
Subject				
<p>Authorize negotiation and execution of three contracts with CAR2GO NA, LLC, REACHNOW, LLC, and ZIPCAR, for the City's Car-Share program, with an initial 36-month term for an estimated revenue amount of \$855,612, with two 12-month extension options in an estimated revenue amount of \$285,000 per extension option, for a total estimated revenue amount of \$1,425,612.</p>				
Amount and Source of Funding				
<p>This is a revenue contract for the Austin Transportation Department.</p>				
Fiscal Note				
<p>A fiscal note is not required.</p>				
Purchasing Language:	<p>The Purchasing Office issued a Request for Proposals (RFP) KDS0502 for these services on November 28, 2016 and it closed on January 3, 2017 with four offers received. The recommended offerors are the best evaluated offers submitted by responsible offerors. Additional information on the solicitation is included below the line. Two of the three recommended offerors are the current providers for these services.</p>			
Prior Council Action:	<p>█</p>			
For More Information:	<p>Claudia Rodriquez, Senior Buyer, 512-974-3092</p>			
Boards and Commission Action:	<p>█</p>			
Related Items:	<p>█</p>			
MBE / WBE:	<p>This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement</p>			

Program. For the services required for this solicitation, there were insufficient subcontracting opportunities; therefore, no subcontracting goals were established.

Additional Backup Information

The contract will provide a membership based car-sharing service. This effort is part of a larger initiative by the City to create a sustainable transportation network which reduces vehicle miles traveled, improves air quality, and mitigates congestion. This initiative, "Car-Share Austin," is expected to support the City's growing density, regional transportation network, bicycle, and transit usage by providing a variety of mobility options and travel alternatives. The focus of this shared transportation service will be Central Austin, Downtown, and the neighborhoods surrounding the Texas State Capitol complex and the University of Texas.

A recent study conducted by the Transportation Sustainability Research Center in July 2016 estimated that each car-share vehicle removed up to 11 vehicles from city streets. The elimination of vehicles improves air quality, mitigates congestion, and supports the City's goal of providing a sustainable transportation alternative.

These three revenue contracts will replace two revenue contracts currently in place with Car2Go NA, LLC and Zipcar for the Car-Share program. The estimated annual revenue for the car-share program is \$285,000.

An evaluation team with expertise in this area evaluated the offers and scored Car2Go NA, LLC, ReachNow, LLC, and Zipcar as the best to provide these services based on the categories of concept and solution; applicable experience and personnel qualifications; evidence of good organization and management practices; available vehicle options; and the proposed rate schedule.

Each car-share contractor will provide unique services to car-share members. Car2Go will offer a fleet of low-emission, two seater vehicles with approximately 33 miles per gallon (mpg) in the city and 41 mpg on the highway. They will also now offer larger vehicles with low emission output. ReachNow offers a BMW series of vehicles which includes, electric vehicles, MINI Coopers, and MINI Clubmans. Zipcar offers a wide range of vehicles for members such as hybrids, trucks, sedans, and sport utility vehicles.

If the City is unable to secure a contract for these services, over 69,000 car-sharing members in Austin would experience a reduction in available car-share services. Members in Austin would not be able to easily access car-share vehicles on public right of way and this may limit the growth and benefits realized by car-sharing in Austin.

A complete solicitation package, including a response list, is on file in the City's Purchasing Office and is available on the City's Financial Services Austin Finance Online website. Link: [Solicitation Documents](#)

CAR2GO NA, LLC., REACHNOW, LLC, and ZIPCAR				
	# months	Estimated Revenue	Contract Amendment	Revised Amount
Original Term	36	\$ 855,612	n/a	n/a
Extension Option 1	12	\$ 285,000	n/a	n/a
Extension Option 2	12	\$ 285,000	n/a	n/a
TOTAL	60	\$ 1,425,612	\$ -	\$ -