



**THE PORT
OF LOS ANGELES**

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: SEPTEMBER 7, 2011

FROM: HUMAN RESOURCES

**SUBJECT: RESOLUTION NO. _____ - AWARD OF CONTRACT NO. 39602 TO
ENTERPRISE RIDESHARE FOR COMMUTER VAN LEASING**

SUMMARY:

The Human Resources Division requests approval to award Contract No. 39602 to Enterprise RideShare, located in Anaheim, California, for the leasing of 17 commuter vans in support of the City of Los Angeles Harbor Department's (Harbor Department) on-going vanpool program. The proposed contract is for one year with two one-year renewal options for a total amount not-to-exceed \$605,250 if all renewal options are exercised. The recommendation to select Enterprise RideShare is based on the competitive bid process performed by the City of Los Angeles (City) General Services Department (GSD) for its Contract No. 59009.

RECOMMENDATION:

1. Find that in accordance with Administrative Code Section 10.15(a)(8) the competitive contracting requirement is met using the responses from the City's Request for Bids, which resulted in the City awarding its current Contract No. 59009;
2. Approve Contract No. 39602 with Enterprise RideShare for the leasing of 17 commuter vans for a total amount not-to-exceed \$605,250 for a term of one year with two one-year renewal options;
3. Authorize the Executive Director to execute the proposed contract;
4. Authorize the Executive Director to execute two one-year renewal options, subject to budget authorization in each fiscal year; and
5. Adopt Resolution No. _____.

SUBJECT: CONTRACT WITH ENTERPRISE RIDESHARE FOR VAN LEASING

DISCUSSION:

Background- The City of Los Angeles operates the City RideShare Program to encourage employees to do their part in the City's efforts to reduce traffic congestion and improve air quality in the Los Angeles Basin. The City RideShare Program is administered by the Personnel Department's Commute Options and Parking Section and requires participating employees to pay a portion of the van leasing costs on a monthly basis.

In 2009, the Harbor Department developed its own RideShare Program which includes the commuter vanpool and bike/walk transit subsidies. The fully subsidized commuter vanpool program meets the same goals as the City's program, but is also as an employee recruitment and retention tool. Harbor Department employees do not pay anything to participate in the commuter vanpool program. Bike/walk transit subsidies of up to \$50 per month are offered to Harbor Department employees who bike or take public transportation to work. Five Thousand Dollars is budgeted annually for the bike/walk subsidies.

South Coast Air Quality Management District's (SCAQMD) Rule 2202, On-Road Motor Vehicle Mitigation Option, requires the implementation of an emissions reduction program to reduce emissions related to employee commutes and to meet a worksite specific emission reduction target. The Harbor Department's RideShare Program meets the requirements of SCAQMD's Rule 2202 and is reviewed annually for compliance. Currently, 121 commuter vehicles are taken off the road as a result of the commuter vanpool and bike/walk transit subsidy participation.

Commuter vanpools are subsidized by the Harbor Department at the proposed lease rates. Fuel costs are borne by the Harbor Department at an estimated annual cost of \$98,952 for the current fleet of 13 commuter vans. Compressed Natural Gas (CNG) commuter vans are not available for leasing through Enterprise RideShare. Enterprise RideShare only leases gasoline powered vans.

Insurance and all vehicle maintenance costs are also included in the proposed lease rates. When vehicles require maintenance, they are picked up by Enterprise RideShare and taken to an approved facility and then returned to the Harbor Department worksite before the van is needed for the evening commute. A loaner vehicle is provided if maintenance will take more than a day.

Commuter vans for the vanpool program are currently being leased from Enterprise RideShare using an annual purchase order. There are 13 vans, twelve 8-passenger and one 9-passenger van, in the commuter vanpool providing transportation for 105 Harbor Department employees. The vanpools travel from the following areas (distances from the Port vary from 29 miles to 95 miles one way): El Monte (2), Fontana (2), Glendale, Glendora, Lancaster, Los Angeles, Ontario, San Gabriel (2), Sunland, and Whittier (Transmittal 1).

SUBJECT: CONTRACT WITH ENTERPRISE RIDESHARE FOR VAN LEASING

Currently there is a waiting list of employees who want to participate in the commuter vanpool program. Four new vans are required to satisfy the needs of the employees on the waiting list. The new vans would travel from Granada Hills, North Hollywood and two from Orange County (Transmittal 1). The Fiscal Year (FY) 2010/2011 budget for the commuter van lease was \$140,000. For FY 2011/2012, the budget was increased to \$201,750 to accommodate the need for additional commuter vans.

The estimated cost of the Harbor Department's Rideshare Program for FY 2010/2011 including bike/walk subsidies, commuter van leasing, and fuel costs was \$243,952. With the additional four commuter vans, the estimated total cost for FY 2011/2012 is \$330,148. The commuter van lease and bike/walk subsidies are included in the Human Resources Division's budget and fuel is included in the Construction and Maintenance Division's budget.

Proposed Contract- The Human Resources Division requests approval to award Contract No. 39602 to Enterprise RideShare for the leasing of 17 commuter vans for the Harbor Department's vanpool program (Transmittal 2). Contract No. 39602 is for one year, with two one-year renewal options for a total amount not-to-exceed \$605,250. To synchronize the contract's ending dates with the GSD contract, the initial term shall be from the contract's execution date through June 30, 2012. The Executive Director may exercise two one-year renewal options to extend the contract for the terms of July 1, 2012 through June 30, 2013 and July 1, 2013 through June 30, 2014.

Selection Process- The recommendation to select Enterprise RideShare is based on the competitive bid process performed by the GSD for its Contract No. 59009 (Transmittal 3). The GSD contract provides for competitive rates currently not received through an annual purchase order.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of a Contract with Enterprise RideShare for leasing commuter vans. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the California Environmental Quality Act (CEQA) under Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

ECONOMIC BENEFITS:

Approval of the proposed contract will have very minor employment impact (less than one job) in the five-county region.

FINANCIAL IMPACT:

Approval of the proposed one year lease with two one-year renewal options with Enterprise RideShare would commit \$201,750 during FY 2011/2012 for 17 unlimited mileage commuter vans in support of the Harbor Department's vanpool program.

SUBJECT: CONTRACT WITH ENTERPRISE RIDESHARE FOR VAN LEASING

The requested not-to-exceed amount is \$201,750 for the initial period. Maintenance and insurance costs for the commuter vans are included in the proposed lease rates. Fuel costs for the vans will continue to be borne by the Harbor Department at an estimated annual cost of \$98,952 for the current fleet of 13 commuter vans. With the additional four commuter vans, the total annual fuel cost is estimated to be \$123,398.

Funds for FY 2011/12 are budgeted in the amount of \$201,750 in Account 59020, Center 0530, Program 000. Funds for future fiscal years 2013 and 2014 in the amount of \$201,750 each year will be requested to be budgeted as part of the annual budget adoption process should the renewal options be exercised in each of those years, upon Board approval.

A funding out clause is included in the proposed contract.

CITY ATTORNEY:

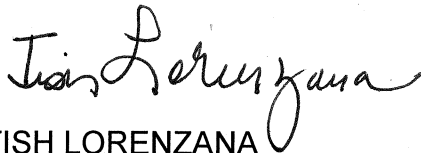
The Office of the City Attorney has reviewed and approved as to form and legality the transmitted contract.

TRANSMITTALS:

1. Harbor Department Vanpool Routes
2. Harbor Department Contract No. 39602
3. City of Los Angeles GSD Contract No. 59009

FIS Approval: ef

CA Approval: me

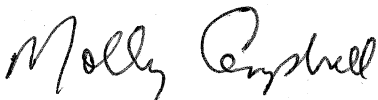


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APPROVED:



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