

MANAGEMENT MEMO

NUMBER:

MM 06-02

SUBJECT:

2006 COMMERCIAL CAR RENTAL CONTRACTS

DATE ISSUED:

JANUARY 11, 2006

EXPIRES:

December 31, 2008

REFERENCES:

**Supercedes Management Memo 05-01 dated January 1, 2005;
SAM Section 3620**

ISSUING AGENCY:

DEPARTMENT OF GENERAL
SERVICES

Rental Car Agreement

This Management Memorandum announces the new contracts between the State of California and the commercial rental car vendors. This year the Department of General Services (DGS) competitively bid the commercial car rental contract resulting in a contract with a primary car rental vendor and a secondary car rental vendor. The primary car rental vendor is Enterprise Rent A Car for all government travel. In the event that the primary vendor is unable to provide service the secondary vendor must be used. Vanguard Car Rental USA is the secondary vendor. Vanguard Car Rental USA is the parent company of Alamo and National Car Rental. Departments are required to ensure that the secondary vendor is only used when the primary vendor cannot provide service.

Contract Information

The new rental car contracts require vendors to provide counter bypass. Counter bypass allows government employees traveling on official State business to proceed directly to the rental vehicle. Enterprise Rent A Car provides a State of California employee sign with a CalGov Express Lane at each location. Vanguard Car Rental USA provides an on-line application where government employees enroll in the National Emerald Club or Alamo Quick Silver prior to travel. The websites can be accessed at the www.ofa.dgs.ca.gov Travel Program website.

The two contracted commercial rental car companies, the base rates, and the maximum rates for compact vehicles are listed below. The maximum rate incorporates the rental rate of the vehicle, insurance, and additional fees such as airport access fees, location fees, vehicle license fees, facility fees and State, City and County local surcharges. All fees must be paid with the exception of frequent flyer fees. These rates, fees and surcharges must not exceed the maximum rate allowable. Sales tax and refueling charges are not included in the rate. Please note that the rates listed below are applicable nationwide excluding New York City. There will be no one-way drop charge fees in the State of California when travel reservations have been made indicating point of pick up and point of return. Reservations for a one-way drop must indicate location points.

STATE ADMINISTRATIVE MANUAL

This contract is intended to address the business travel needs of State employees and is limited to daily and weekly rentals. Long term leasing of vehicles (any vehicle longer than 7 days) must be approved by the Chief, Office of Fleet Administration (OFA).

Long term leases constitute an increase in the overall State fleet and are subject to State fleet asset management analysis to ensure the most cost effective transportation solution. See SAM Section 3620.

Base and Maximum Cap Rate

PRIMARY VENDOR - ENTERPRISE RENT A CAR

Base Rate \$ 32.39

Maximum Rate \$38.84

SECONDARY VENDOR – VANGUARD CAR RENTAL USA

Base Rate \$ 33.90

Maximum Rate \$80.75

The recognized forms of payment are the American Express Government Card and the Car Rental Business Travel Account (CRBTA). Directions for State departments and universities to establish a CRBTA can be found on the www.ofa.dgs.ca.gov website. Cash, personal checks, and personal credit cards are not authorized forms of payment for the State of California commercial car rental rates. State travelers should consult their department policy when scheduling travel with their travel agency or Southwest Airlines SWABIZ (www.swabiz.com) for car rental reservations.

Commercial Car Rental Company Representatives

- ENTERPRISE RENT A CAR
Corporate ID – DBCALIF
Lisa Holmes
199 North Sunrise Ave.
Roseville, CA 95661
(916) 787-4733
- VANGUARD CAR RENTAL USA
Alamo Corporate ID – 191259
National Corporate ID - 5400321
Rob Fyfe
778 Burlway Road
Burlingame, CA 94010
(800) 608-7514 x 160

Note: Vanguard Car Rental USA is the parent company for Alamo and National Car rental.

STATE ADMINISTRATIVE MANUAL

DGS Contact For further information, contact:
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Signature Original SAM Management Memo signed by Ron Joseph, Director DGS
Ron Joseph
Director
Department of General Services