



STAFF REPORT

SUBJECT: Hotel Engine
DEPARTMENT: Finance
STAFF CONTACT: Rebecca Crosson

RECOMMENDATION:

The Purchasing Department and the Director of Finance recommend entering a contract with Hotel Engine with the right to terminate the agreement at any time for any reason.

BACKGROUND:

Hotel Engine is a hotel booking platform that is available through Texas SmartBuy (contract # 971-M1). Hotel Engine has an online portal where we can add members of our departments to, manage expenses, and pay directly with credit cards or have the option to apply for DirectBill to be invoiced at a later date. The portal shows all hotels that have negotiated rates, SmartBuy pricing, and has an option to hide rates out of budget. If there are hotels that we would like to see on the portal in the future, Hotel Engine will reach out for negotiations and bids on our behalf. The portal is very user friendly. Any admin would be able to add departments, add users who can book their stays, add purchase order requirements, budget limits, and be able to see itemized receipts online.

FISCAL IMPACT SUMMARY:

Currently, when we book hotels for City departments and Council members, we use credit cards to present at check-in. Our City credit cards have restrictions on them to limit fraudulent transactions. Often, a credit card limit must be increased to pay for a hotel stay due to the single transaction limits set in place. Hotel Engine has an application for DirectBill with net 30 terms with the option to pay via check. In fiscal year 2023-2024, 30% of the amount paid by credit card was due to hotel transactions. In addition, the average discount on Hotel Engine is 26% which would have saved the City over \$27,000 last year.

ALTERNATIVE

The alternative is to not approve the Hotel Engine contract and to continue to pay for hotels via credit card at full price.