

STATE OF DELAWARE EXECUTIVE DEPARTMENT OFFICE OF MANAGEMENT AND BUDGET

April 5, 2013

SUBJECT:	AWARD NOTICE – Addendum # 9, Effective October 19, 2018 CONTRACT NO. GSS13694-VEH_RENTAL Nationwide Vehicle Rental Services
FROM:	SHANNON WROBEL STATE CONTRACT PROCUREMENT OFFICER II 302-857-4537
TO:	ALL STATE AGENCIES, SCHOOL DISTRICTS, MUNICIPALITIES, VOLUNTEER FIRE COMPANIES AND POLITICAL SUBDIVISIONS

TABLE OF CONTENTS OF KEY CONTRACT INFORMATION

1.	MANDATORY USE CONTRACT	3			
2.	CONTRACT PERIOD	3			
3.	VENDORS	4			
	RESERVATION PROCEDURES HERTZ CORPORATION				
5.	RESERVATION PROCEDURES ENTERPRISE HOLDINGS	4			
6.	CHAPTER 11 – TRAVEL POLICY	5			
7.	PRICING	5			
ADDITIONAL TERMS AND CONDITIONS5					
EXH	XHIBIT A				



KEY CONTRACT INFORMATION

1. MANDATORY USE CONTRACT

(Return to Table of Contents)

- a. REF: Title 29, Chapter 6911(d) <u>Delaware Code</u>. Every state department and agency within the Executive Branch and Judicial Branch of the state government shall procure all material, equipment and nonprofessional services through the statewide contracts administered by Government Support Services, Office of Management and Budget. Delaware State University, Delaware Technical and Community College, the operations funded by Public School Districts, Delaware Transit Corporation, the Legislative Branch and the Board of Pension Trustees and their consultants are specifically exempted from the requirements of this subsection.
- b. Under Title 29 §6933, the State of Delaware is authorized to participate in, sponsor, conduct or administer a cooperative purchasing agreement for the procurement of materiel or nonprofessional services with 1 or more public procurement units either within the State or within another state in accordance with an agreement entered into between the participants. Government Support Services, Office of Management and Budget has entered into a cooperative agreement with the State of Colorado, under the National Association of State Procurement Officer (NASPO)/Western States Contracting Alliance (WSCA) for the rental of vehicles.
- c. 29 Del. C. § 7105 (c) requires that no agency shall lease passenger vehicles for <u>in-state</u> transportation, except Government Support Services. The Governor's car is exempt.

2. CONTRACT PERIOD

(Return to Table of Contents)

Each contractor's contract shall be valid through October 18, 2015. Each contract may be renewed for additional periods by agreement of the parties. The term of the Price Agreement shall not exceed ten (10) years.

This contract has been extended two years, through October 18, 2017.

This contract has been extended for one year, through October 18, 2018.

This contract has been extended for one year, through October 18, 2019.

3. VENDORS

(Return to Table of Contents)

GSS13694-VEH_RENTAL\ Oregon Price Agreement #9 Enterprise Holdings /DBA 20400 S.W. Teton Avenue Tualatin, OR 97602-8812	9950 (NASPO)	GSS13694-VEH_RENTALV01 Oregon Price Agreement #9949 (NASPO) The Hertz Corporation 3800 Jefferson Davis Hwy. Alexandria, VA 22305	
POC: Lauren Willis	POC: David Taylor	POC: Sam Crawley	POC: Sunny Borras
PH: 302-345-8513	PH: 610-476-9345	PH: 804-475-2771	PH: 703-683-9233
EM: lauren.willis@ehi.com	FX: 844-721-3053	FX: 866-544-7445	EM: sborras@hertz.com
	EM: david.j.taylor@ehi.com	EM: scrawley@hertz.com	
Website: www.enterprise.co	o <u>m</u>	Website: www.hertz.com	
FSF Vendor #: 0000023596	·	FSF Vendor #: 0000002623	

4. RESERVATION PROCEDURES HERTZ CORPORATION

(Return to Table of Contents)

For Hertz rental reservations, contract users will need to provide the following Corporate Discount Program number at reservation: Contact current contract officer for account information.

Domestic Reservations: 800-654-3131 or International Reservations: 800-654-3001

Payment method is required to be provided at rental pick-up.

5. RESERVATION PROCEDURES ENTERPRISE HOLDINGS

(Return to Table of Contents)

The contract with Enterprise Holdings allows vehicle rentals to be made through Enterprise Rent-A-Car or National Car Rental. For both Enterprise Rent-A-Car and National Car Rental, payment method is required to be provided at rental pick-up. Contact current contract officer for account information.

Enterprise Rent-A-Car

Enterprise Rent-A-Car reservations can be made online or by phone.

For Enterprise Rent-A-Car online Reservations, please visit: <a href="https://www.enterprise.com/car_rental/corpAcctSignIn.do?Home_regularPath=%2FcorporateClassIntrology.com/car_rental/corpAcctSignIn.do?Home_regularPath=%2FcorporateClassIntrology.com/car_rental/corpAcctSignIn.do?Home_regularPath=%2FcorporateClassIntrology.com/car_rental/corpAcctSignIn.do?Home_regularPath=%2FcorporateClassIntrology.com/car_rental/corpAcctSignIn.do?Home_regularPath=%2FcorporateClassIntrology.com/car_rental/corpAcctSignIn.do?Home_regularPath=%2FcorporateClassIntrology.com/car_rental/corpAcctSignIn.do?Home_regularPath=%2FcorporateClassIntrology.com/car_rental/corpAcctSignIn.do?Home_regularPath=%2FcorporateClassIntrology.com/car_rental/corpAcctSignIn.do?Home_regularPath=%2FcorporateClassIntrology.com/car_rental/corpAcctSignIn.do?Home_regularPath=%2FcorporateClassIntrology.com/car_rental/corpAcctSignIn.do?Home_regularPath=%2FcorporateClassIntrology.com/car_rental/corpAcctSignIn.do?Home_regularPath=%2FcorporateClassIntrology.com/car_rental/corpAcctSignIn.do?Home_regularPath=%2FcorporateClassIntrology.com/car_rental/corpAcctSignIn.do?Home_regularPath=%2FcorporateClassIntrology.com/car_rental/corpAcctSignIn.do?Home_regularPath=%2FcorporateClassIntrology.com/car_rental/corpAcctSignIn.do?Home_regularPath=%2FcorporateClassIntrology.com/car_rental/corpAcctSignIntrology.com/car_rental/car_renta

For Enterprise Rent-A-Car phone reservations, please call: 1-877-881-5500

> National Car Rental

For reservations with National Car Rental, please call: 1-800-468-3334

6. CHAPTER 11 - TRAVEL POLICY

(Return to Table of Contents)

- a. General The use of a rental car when traveling out-of-state must be justified as an economical need and not as a matter of personal convenience. All rentals should be at the most economical rate per day, including government rates. When traveling in groups, the sharing of vehicles, when practical, should be done to minimize costs.
- b. Vehicle Size Whenever possible, compact cars shall be rented or reserved. However, if a larger size vehicle is more economical or more than two travelers are traveling together, the larger vehicle may be appropriate.
- c. Insurance The PCard should be used to pay for rental cars. Use of the PCard provides collision and theft coverage from the card provider. To activate the coverage, the rental transaction must be completed with the PCard and any Collision Damage Waiver (CDW) coverage, which is offered by the car rental company, must be declined. Reimbursements for additional or optional insurance coverage will not be approved.
- d. Refueling Before Return To avoid a refueling surcharge, all rental cars must be refueled before returning the vehicle to the rental company. Any surcharges billed to the employee or State must be explained on the reimbursement request.
- e. All rental car expenses require itemized receipts.

7. PRICING

(Return to Table of Contents)

Prices will remain firm for the term of the initial contract year. Refer to Exhibit E, Pricing Spreadsheet associated with this contract award.

ADDITIONAL TERMS AND CONDITIONS

(Return to Table of Contents)

8. <u>BILLING</u>

The successful vendor is required to <u>"Bill as Shipped" to the respective ordering agency(s)</u>. Ordering agencies shall provide at a minimum the contract number, ship to and bill to address, contract name and phone number.

9. PAYMENT

The agencies or school districts involved will authorize and process for payment each invoice within thirty (30) days after the date of receipt. The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

10. PURCHASE ORDERS

Agencies are required to identify the contract number GSS13694-VEH_RENTAL on all Purchase Orders (P.O.) and shall complete the same when entering P.O. information in the state's financial reporting system.

11. HOLD HARMLESS

The contractor agrees that it shall indemnify and hold the State of Delaware and all its agencies harmless from and against any and all claims for injury, loss of life, or damage to or loss of use of property caused or alleged to be caused, by acts or omissions of the contractor, its employees, and invitees on or about the premises and which arise out of the contractor's performance, or failure to perform as specified in the Agreement.

12. NON-PERFORMANCE

In the event the contractor does not fulfill its obligations under the terms and conditions of this contract, the ordering agency may purchase equivalent product on the open market. Any difference in cost between the contract prices herein and the price of open market product shall be the responsibility of the contractor. Under no circumstances shall monies be due the contractor in the event open market products can be obtained below contract cost. Any monies charged to the contractor may be deducted from an open invoice.

13. FORCE MAJEURE

Neither the contractor nor the ordering agency shall be held liable for non-performance under the terms and conditions of this contract due, but not limited to, government restriction, strike, flood, fire, or unforeseen catastrophe beyond either party's control. Each party shall notify the other in writing of any situation that may prevent performance under the terms and conditions of this contract.

14. AGENCY'S RESPONSIBILITIES

The Agency shall:

- a. Examine and review in detail all letters, reports, drawings and other documents presented by the Contractor to the Agency and render to the Contractor in writing, findings and decisions pertaining thereto within a reasonable time so as not to delay the services of Contractor.
- b. Give prompt written notice to the Contractor whenever the Agency observes or otherwise becomes aware of any development that affects the scope or timing of the Contractor's services.
- c. When an ordering agency first experiences a relatively minor problem or difficulty with a vendor, the agency will contact the vendor directly and attempt to informally resolve the problem. This includes failure to perform by the date specified and any unacceptable difference(s) between the purchase order and the merchandise received. Ordering agencies should stress to vendors that they should expedite correction of the differences because failure to reply may result in an unfavorable rating in the execution of the awarded contract.
- d. The state has several remedies available to resolve non-performance issues with the contractor. The Agency should refer to the Contract Terms and Conditions to view these remedies. When a default occurs, the Agency should first review the contract to confirm that the issue is a part of the contract. If the issue is not covered by the contract, the state cannot expect the contractor to perform outside the agreement. If the issue is a part of the contract, the Agency or GSS Contracting must then contact the contractor, discuss the reasons surrounding the default and establish a date when the contractor will resolve the non-performance issue.

e. If there is a performance deficiency, a Corrective Action Report (CAR) may be used. Complete this form to report concerns with vendors or commodities. Be sure to furnish as much detail as possible. http://gss.omb.delaware.gov/divisionwide/forms.shtml.

EXHIBIT A SCOPE OF SERVICES

1. CONTRACTOR REQUIREMENTS:

- 1.1. Contractor shall provide to the State of Delaware vehicle rental Services and related Goods from nationwide locations on the terms and conditions in this Price Agreement. A State of Delaware Agency may purchase any quantity of Services listed in Exhibit E at the prices in that Exhibit. Prices in Exhibit E are exclusive of charges listed in Section 1.16.1 below.
- 1.2. Contractor shall rent to any Traveler who possesses a valid driver's license, is at least 18 years of age or older and has a form of payment allowed under the Master Price Agreement. No additional prequalification is required either via oral or written inquiry and no minimum age surcharge will be on Price Agreement rates. The Contractor shall also allow under the same terms and conditions of the Master Price Agreement more than one Traveler to drive a rental vehicle including another Agency employee traveling with the Traveler.
- **1.3.** Rental receipts must clearly detail all surcharges, local taxes, concession fees, fuel charges and other charges that are not included in the Exhibit E rate.
- 1.4. RENTAL CONDITIONS: This is a rental only Price Agreement and nothing herein contained shall be construed as transferring to the State of Delaware or State of Delaware Agency any ownership right, title, or interest in or to any vehicle rented hereunder. State of Delaware Agencies are not granted hereby and shall not have any right or option hereunder to purchase any rental vehicle either during the term or on expiration of a rental contact. THIS IS NOT A FINANCING AGREEMENT OR LEASE.
- **1.5. MAINTENANCE AND OPERATING EXPENSES:** The only operating expense State of Delaware Agencies will be responsible for is gasoline. All other maintenance and operating expenses (including insurance) are the responsibility of the Contractor. Contractor shall only supply vehicles that have been maintained in accordance with manufacturer's requirements, industry standards, and all applicable laws.
- **1.6. VEHCILE DOWNTIME:** If a vehicle becomes substantially impaired or unsafe to operate, in Traveler's judgment, while in possession of Traveler, Contractor shall immediately replace the vehicle upon notification by Traveler, at no extra charge. Contractor shall deliver the replacement vehicle to a location determined by Traveler. Contractor shall be responsible for all repairs and towing of vehicle.
- **1.7. ASSIGNMENT:** State of Delaware Agency and Traveler will not assign a Contract or permit anyone other than a properly authorized and licensed Traveler to operate any rental vehicle.

- 1.8. ACCIDENTS: State of Delaware Agencies shall require Traveler to promptly notify the Contractor of all accidents involving any rental vehicle Traveler has in its possession, including the time, place and nature of the accident or damage, the names and addresses of parties involved, persons injured, witnesses, owners of property damaged, the place at which Contractor may examine the vehicle and such other information as may be known by Traveler, and promptly advise contractor of all correspondence, papers, notices and documents delivered to Traveler in connection with any claim or demand involving or relating to any vehicle or its operation. State of Delaware Agencies and Traveler shall reasonable cooperate with Contractor in the investigation of all such claims and demands and in the recovery of damages from liable third persons.
- 1.9. LIABILITY FOR RENTAL VEHICLE: Contractor shall hold State, Agency and Traveler harmless from any physical damage, loss, vandalism, fire or theft of the rental vehicle provided rental vehicle was not used by the Agency or Traveler in any manner listed in Section 3.1. The Contractor shall not charge the State, Agency or Traveler any collision/loss damage waiver fee for a vehicle operated in compliance with the terms of the Contract. The loss of use fee is in the pricing section of this Price Agreement. On behalf of itself and its franchisees, Contractor specifically waives any right to submit any claim against the State, Agency or Traveler for any physical damage, loss, vandalism, fire or theft, or any other costs such as downtime, loss of revenue, administrative expenses and other expenses, of a rental vehicle provided under this Contract, provided rental vehicle was not used by the Agency or Traveler in any manner listed in Section 3.1. Notwithstanding above, Travelers shall not smoke in Contractors vehicles, and Contractor may reasonably charge State of Delaware Agency for any smoking damages caused by Traveler or Traveler's passengers in the vehicle while in Traveler's possession.
 - 1.9.1. Liability Insurance for Rental Vehicle: Contractor shall provide liability protection with each vehicle rental transaction at no additional cost to State of Delaware Agency for a vehicle operated in compliance with the terms of the Contract. This liability protection shall extend third party liability protection to Agency and Traveler in a combined single limit amount per occurrence of not less than \$1,000,000 per accident for bodily injury, death, or property damage to others arising out of the use or operation of the rental vehicle.
 - **1.9.2. Property in the Vehicle:** Contractor is not responsible for loss of or damage to any Agency personal property in or on the vehicle, in any service vehicle, on Contractors premises, or received or handled by Contractor.
- 1.10. RESERVATIONS: Contract shall accept reservations made at least 24 hours in advance on car rentals and seven (7) calendar days in advance on one way rentals, mini-vans, large SUV's and 12 passenger vans. Reservations may be made by Agency or Traveler, contracted travel agencies or common carriers. Reservations shall guarantee vehicle availability including automatic, no-added-cost substitution. Reserved vehicle will be held for three (3) hours after the Traveler's estimated time of arrival prior to release. Whenever possible, the Agency or Traveler will advise the Contractor a minimum of 8 hours in advance of any change of travel plans necessitating rental vehicle cancellation or delayed pickup, however, in no situation shall the State, Agency or Traveler be liable for payment of "no shows". Travelers and Agencies will cancel reservations in the same manner they were made when possible.

Reservation Systems/Options: Contractor shall maintain an internet reservation system where Travelers can access the rates under this Price Agreement. Contractor shall make available its rates under this Price Agreement on all major Global Distribution Systems (GDS). Contractor shall also accept reservations at branch locations via walk-in or local telephone number. Contractor personnel at all Contract locations must have access to the rates and terms and conditions contained in this Price Agreement.

1.10.1. Contractor shall provide a 24 hour customer service number accessible by a toll free telephone number.

ENTERPRISE/NATIONAL

Enterprise customer service can be reached 24 hours a day at 1-800-261-7331 or by e-mail from the Enterprise Website (click the *Contact Us* link in the top right corner on Contractor's homepage and then click the *E-mail Us* link).

National's reservation team is available toll free at 1-877-222-9058 24 hours a day or by e-mail from the National Website (click the *Contact Us* link in the top right corner on Contractor's homepage and then click the *E-mail Us* link).

National's Account Customer Service team is available at 1-800-468-3334 from 8 a.m. to 10 p.m. EST Monday through Friday, from 9 a.m. to 8 p.m. EST Saturday, and from 11 a.m. to 7:30 p.m. EST Sunday. This number is *only* for inquiries into past rentals.

HERTZ

Domestic Reservations: 800-654-3131 International Reservations: 800-654-3001

- **1.11. SHORT NOTICE RESERVATIOONS:** Contractor shall not charge additional fees for short notice reservations.
- 1.12. VEHICLE DEMAND: Contractor shall attempt to meet 100% percent of Agency's or Traveler's requests and shall meet 100% of confirmed reservations when 24 hours notice is given. If a reserved vehicle is not available at the time of pickup by the Traveler, Contractor shall substitute a vehicle of similar or greater quality at no additional cost. Contractor shall note on the invoice that a vehicle of same or greater quality was substitute at same or lower price. Contractor must have service available to accommodate 95% of estimated total aggregate volume for the State under the Master Price Agreement.
- 1.13. VEHICLE PICKUP/RETURN: Contractor will make all reasonable efforts t expedite the pickup and return of vehicles. At airport locations with counters, Contractor personnel will be available during terminal hours of operation to meet the standard of 90% of all incoming flights. For locations without airport counters, a courtesy phone or clearly identifiable sign indicating the telephone number to call for Contractor's shuttle is required. Shuttle van service pickups is to be accomplished within 15 minutes of Traveler's notification to Contractor. Vehicle pickup should routinely be accomplished within a total of 30 minutes from initial contact with the Contractor.

Contractor may request Traveler to sign Contractor's Standard Rental Form solely to document the delivery of the vehicle, to provide the time and place of return of the vehicle, the applicable Contract rates and the computation and method of payment of charges. Area maps will be provided free of charge upon request. Vehicle will be furnished with an initial full tank of gas. Contractor will also provide the Traveler with accident, repair, and vehicle return instructions and, upon return of the rental vehicle to off airport locations, transport Traveler to the airport terminal within 30 minutes of turn in. Contractor shall provide to Traveler a competed copy of the Standard Rental Form showing total charges to be billed for the rental.

- 1.14. CONTRACT ADHERENCE: Contractor shall ensure that at all Contractor locations master Price Agreement prices and terms and conditions are available and that there is 100 percent Master Price Agreement adherence. Personnel at all Contractor locations must be knowledgeable with the terms and conditions of the Mater Price Agreement.
- **1.15. AIRPORT LOCATIONS:** Contractor shall have branch locations at the 2007 top 50 commercial airline airports as shown at http://www.faa.gov/airports/planning capacity/passenger allcargo stats/passenger/media/cy07 primary np comm.pdf

The branch location may be an on-site, airport consolidated facility, or off site location within close proximity to the airport. For branch locations located off airport grounds, Contractor must have a shuttle bus that runs a minimum incremental of 15 minutes to and from airport and branch location. Branch locations serving major airports must remain open to meet the standard of 90% of all incoming flights. Shuttle buses must run when the branches are open.

1.16. RATE COMPOSITION

1.16.1. ROUND TRIP RENTALS: Contractor shall charge only the Pricing Exhibit rates for rental of vehicle at each branch location. Rate includes all charges for reservations, shuttle service, collision/loss damage waiver insurance, and unlimited mileage.

Rates under the Master Price Agreement are not subject to blackout dates and do not require a minimum rental period. Applicable weekend/weekly discounts will be calculated and applied.

Rates in the Pricing Exhibit are base rates. They are exclusive of fuel for re-fueling, optional Services or features purchased by Traveler, local and state sales and federal excise taxes, airport concession fees, city surcharges or city differential fees applicable in certain cities, legislative or mandated taxes or fees, bond issues imposed by government bodies and similar charges controlled by third party(ies). Contractor shall itemize those charges as separate line items on the rental agreement and add the charges to the base rate.

Contractor may charge hourly overtime at one third of daily rental rate up to a maximum of the daily rental rate.

1.16.2. ONE WAY RENTALS:

Enterprise – Contractor will charge the exhibit E base rate and other allowable charges identified in Section 1.16.1 for a one-way vehicle rental as if a round trip rental. Contractor shall not charge any drop fee or mileage charge for one way rentals of 500 miles or less. For one way rentals greater than 500 miles, Contractor may charge a higher daily rental differential fee as defined in the price section of the Master Agreement. In addition, National Car Rental shall offer one-way rentals that exceed 500 miles at no additional charge per the zones outlined in Exhibit I.

Hertz – Contract will charge the exhibit E base rate and other allowable charges identified in Section 1.16.1 for a one-way vehicle rental as if a round trip rental. Contractor shall not charge any drop fee or mileage charge for one way rentals of 500 miles or less. For one way rentals greater than 500 miles, Contractor may charge a per rental differential fee at the rate in Exhibit E.

- **1.16.3. DAILY SURCHARGE:** Contractor may charge a daily surcharge in addition to the daily rate at the amount and in those markets identified in Exhibit E.
- 1.17. INVESTIGATIVE ASSISTANCE: The contractor shall assist any investigative unit of the State concerning alleged wrongdoing or suspected fraud or abuse by any Travelers or those entities doing business with the Contractor. Reciprocal assistance from the State with regard to investigations shall be provided to the Contractor.
- **1.18. BRANCH LOCATIONS:** The branch locations or in-terminal counters will be in a permanent structure, well-lighted, clean, properly maintained and clearly identified as the vehicle rental Contractor with whom the reservation was made.

1.19. RESERVED

1.20. EMERGENCY ROADSIDE ASSISTANCE:

Enterprise – Contractor shall provide a toll-free roadside assistance number 24 hours a day, 365 days a year at 1-800-307-6666 for Enterprise and 1-800-367-6767 for National or successor number established by Contractor. At the rates listed in Exhibit E, Contractor's Roadside Assistance Department shall assist Traveler with problems including but not limited to accidents, lost keys, flat tires or a vehicle breakdown. Contractor's Roadside Assistance Department shall work with Travelers to ensure the proper solution is found in a timely manner by utilizing Contractor local rental office, manufacturer's programs, dealer networks or other vendors. Contractor shall provide instructions for reporting accidents and any other roadside problems in the Standard Rental Form, which is provided to the customer Traveler at the counter. For Emerald Club members who choose to bypass the counter and proceed directly to the vehicle, the instructions for reporting accidents and any other roadside problems will be located in the car on the driver's visor.

If experiencing any operating problems, the Traveler may choose to return the vehicle to a Contractor branch location at his or her convenience or request a different vehicle to be brought to a specific location as soon as possible.

Roadside Assistance charges will vary depending on the situation. Most preventable issues such as running out of gasoline or locking keys in the vehicle will result in a minimum service fee assessed to the Agency by Contractor. The minimum service fee is stated in Exhibit E.

Hertz – Contractor provides 24-Hour Emergency Roadside Assistance nationwide. On receipt of Agency or Traveler's toll free call to 800-654-5060, Contractor shall arrange for any type of vehicle assistance from flat tire changes to vehicle replacement for mechanical failure. Contractor has working agreements with AAA and local service providers in virtually every corner of the country. Contractor shall provide 24-Hour Emergency Roadside Assistance free of charge with each vehicle rental.

1.21. ENVIRONMENTAL AWARENESS (Hertz): During 2009 Contractor has approximately 5,000 hybrids (Prius, Camry and Altimas) ("Green Collection") in approximately 75 of Contractor corporately owned airport locations. Where hybrids are available, Contractor shall allow renters to make reservations of hybrid vehicles by specific make and model.

1.21. ENVIRONMENTAL AWARENESS (Enterprise):

1.21.1. RESERVED

- 1.21.2. Off-Setting CO2: Contractor shall offer Traveler the option of using carbon offsets through TerraPass Inc. TerraPass is an effort to increase awareness of the rising amount of carbon dioxide being released into earth's atmosphere, while simultaneously giving Travelers the option to help counteract the effect fuel emissions have on the environment. TerraPass will be offered to Travelers booking reservations on the internet, by phone, or through travel agents. If the Traveler decides to participate in the carbon-offset program, the Traveler shall pay a carbon-offset fee (currently \$1.25 per rental) to help fund projects that offset CO2 in the air. This cost is based on the average CO2 emissions generated by an average rental. More information on off-setting CO2 can be found at www.terrapass.com.
- **1.21.3. Hybrid Vehicles:** Contractor shall provide hybrid vehicles at most of its locations; however, Contractor shall have designated locations ("green branches" where the demand warrants a higher concentration of hybrid vehicles. Pricing for hybrid vehicles is located in Exhibit E, Pricing sheet.
- **1.21.4. Alternative Fuel Vehicles:** In locations where E85 may be easily obtained, Contractor offers FlexFuel vehicles configured to run on gasoline or E85, an ethanol-gas blend of up to 85 percent ethanol. Contractor shall provide maps showing the locations of gas stations which offer E85 to the public.
- **1.22. PREFERRED CUSTOMER LANE (Hertz):** Where #1 Gold Services is available, Contractor shall provide #1 Gold Service at no cost to all Agencies. The service shall include the following features:

Canopy Service, where available:

- By pass the counter and go direct to rental vehicle
- Arrive at a Contractor weather-protected area
- Pre-selected vehicle awaits nearby
- Rental agreement and local map are in vehicle
- Quick driver's licenses checks at the gate...and drive away!

Counter Service, where available:

- Present driver's license at Contractor Gold counter
- Pick up keys and pre-printed rental agreement
- That's it...no long lines, no unnecessary paperwork

- **1.22. PREFERRED CUSTOMER LANE (Enterprise):** Contractor shall provide features specifically designed to expedite the rental car process for the Traveler.
 - 1.22.1. National locations: National's information system Odyssey allows Contractor to maintain a database of Agency profiles and reservation information, eliminating several steps that typically slow down the rental process. In addition, members of The Emerald Club (Contractors frequent renter program) can expedite the rental process by using one of the counter bypass services: Emerald Reserve Service or Emerald Club Aisle Service. These services offer Emerald Club members the option of bypassing the rental counter and proceeding directly to the rental vehicle. Contractor shall expedite the Vehicle return process with National's Express Return Service, Counter Service or Handheld Return Service. With National's Handheld Return Service, currently available at most of its busiest locations, the Rental Return Agent will greet the Traveler at the Vehicle, record all the necessary information in a handheld device and print a receipt on the spot.
 - **1.22.2. Enterprise locations**: At most Enterprise airport locations, a Traveler will utilize a designated return lane where an Enterprise employee will provide a detailed receipt immediately using the handheld return device. At Enterprise off-airport locations, the vehicle return process may differ based on how Enterprise secures the vehicle return. If Traveler leaves the vehicle at a location for Enterprise to pick up, Contractor shall mail or fax a receipt, or generate a receipt for delivery and Agency access on-line. If Traveler returns the vehicle to the branch location, Contractor shall generate a receipt immediately upon the closing of that rental agreement. Receipts are always available to print 24 hours per day at www.enterprise.com for any Traveler.
- **1.23. OTHER CONVENIENCE OPTIONS (Hertz):** Contractor shall provide the additional convenience options to Agencies at no additional cost where the options are available:
 - Instant Return Contractor Service representative meets the Traveler car side with a handheld computer and printer to process vehicle return instantly.
 - Contractor Covered Return Special weather protected return area where Instant Return representative meet Traveler car side.
 - Receipt on the web Agency can log in <u>www.hertz.com</u> and retrieve a receipt anytime.
 - Hertz # 1 Awards This awards program is a free customer loyalty program for Hertz # 1 Gold Members & # 1 Club Members where Agencies can earn points redeemable for free rental days or frequent traveler points from many of Hertz Travel partners.
 - Make & Model Reservations Contractor shall allow Agencies to choose their make and model during the reservation process.
 - # 1 Club gold Tier Frequent travelers can earn upgrades in status to 5-Star Gold (after 10 rentals) of President's Circle (after 40 rentals). These tiers offer additional recognition including # 1 Awards points and vehicle upgrades.

1.23. OTHER CONVENIENCE OPTIONS (Enterprise):

1.23.1. National Reservations (National): Contractor shall confirm National U.S. business reservations with as little as one hour notice through its toll-free number. Guaranteed reservations through National Car Rental are held 12 hours past the requested pick-up time and rental charges begin only when the vehicle is picked up.

- **1.23.2. Kiosks (National):** Contractor shall offer touch-screen rental kiosks for vehicle check-in at National Car Rental locations at most major airports throughout the country.
- 1.23.3. Month-or-More Rental Plan (Enterprise): N/A Delaware; use of this contract excludes instate travel.
- 1.23.4. We'll Pick You Up (Enterprise): Where available and subject to geographic limitations, Contractor will provide Traveler with a free ride from the Enterprise location after checking in a rental vehicle.
- 1.24. HOURLY PROGRAMS: N/A Delaware; use of this contract excludes in-state travel only.

1.25. INTERNATIONAL RENTALS

Hertz – Contractors shall provide international rentals in 8,064 locations in 143 countries.

Rates will vary depending on the country of rental. International pricing will consist of a discount off of the standard rate for that country. Please refer to the Pricing Exhibit for International rates discounts. The price for international rentals does not include Sections 1.9 and 1.9.1 third party liability and loss damage waiver protection.

Enterprise – National Car Rental has a transatlantic partnership with Europear. When a Participant books a rental at an international location serviced by Europear, State and Traveler will see National Car Rental signage with directions to the Europear counter. When National signage is not available, Agency and Traveler will be advised at the time of reservation to go to the Europear counter.

- **1.25.1. Average rates (Enterprise):** International Rates vary by country of rental and are adjusted on January 1st of each year.
- 1.25.2. Insurance options are available and the costs (Enterprise): Contractor's National international pricing includes loss damage waiver, theft waiver, and minimum required third party liability as required in each country. Participant will be responsible for deductible amounts for both loss damage waiver and theft waiver. Extra insurance is available in all countries. Pricing varies upon requirements for each country. Contractor shall provide the Agency with the terms and conditions for vehicle rental in each country if requested.

2. VEHICLE REQUIREMENTS:

- **2.1.** Contractor shall maintain a sufficient number of vehicles on hand to meet the needs of Agencies with advance reservations.
- 2.2. REQUIRED VEHICLES/EQUIPMENT: Contractor shall only provide Agencies with rental vehicles with fewer than 40,000 miles. Contractor certifies that odometer and original miles are the same and are accurate. Minimum standard equipment shall include automatic transmission, power steering, power brakes, air conditioning, AM/FM radio, air bags (if available from manufacturer) and all season radial tires. Contractor shall equip and maintain all rental vehicles to meet all federal, state and local vehicle safety standards, codes, and ordinances.

- 2.3. At time of vehicle pickup, Contractor shall deliver to Traveler a vehicle with a full tank of gas; proper fluid levels; coolant protected to 020 degrees; and in clean condition (inside and out). All vehicles should be in a like-new condition with no body damage or mechanical problems that impedes the safe operation of the vehicle.
- 2.4. Reserved
- **2.5.** Reserved
- **2.6.** If available, hand controls for the disabled shall be available for use.
- 2.7. OnStar.

Hertz – Agency acknowledges that the Vehicle may be equipped with the OnStar System, which provides emergency and other services. Agency expressly authorizes OnStar services. Agency acknowledges that OnStar requires the vehicle's electrical system and equipment, cellular service and satellite technologies to be available and operating for OnStar to function properly. Not all OnStar services are available on all vehicles. OnStar acts as a link to existing emergency and other service providers.

Services are limited by, and Contractor is not liable for, conditions or services outside the control of Contractor. Any information (e.g. navigational route support) provided through OnStar is on an "as is" basis. Contractor is not liable to Agency or Traveler in connection with the use of such information. The State understands and agrees that OnStar may provide law enforcement with all necessary information to enable law enforcement to locate the vehicle, if the State Agency fails to return the vehicle when and where required under this agreement.

Enterprise – Many of Contractor's GM models are equipped with OnStar, a blend of cellular and global positioning system (GPS) technologies, provided with the rental vehicle at no additional charge. Agency acknowledges that the vehicle may be equipped with the OnStar System, which provides emergency and other services such as roadside assistance, emergency services, airbag deployment contact, remote door unlock, stolen vehicle recovery, and remote diagnostics. Agency expressly authorizes OnStar services. Agency acknowledges that OnStar requires the vehicle's electrical system and equipment, cellular service and satellite technologies to be available and operating for OnStar to function properly. Not all OnStar services are available on all vehicles. OnStar acts as a link to existing emergency and other service providers. Services are limited by, and Contract is not liable for, conditions or services outside the control of OnStar or Contractor. Any information (e.g. navigational route support) provided through OnStar is on an "as is" basis. Contractor is not liable to Agency or Traveler in connection with the use of such information. Agency understands and agrees that OnStar may provide law enforcement with all necessary information to enable law enforcement to locate the vehicle, if Agency fails to return the vehicle when and where required under this agreement.

2.7.1. GLOBAL POSITION SYSTEM:

Hertz – Contractor NeverLost GPS In-Car Navigation Satellite System is powered by the Magellan GPS system. NeverLost can be reserved where available in the US for an additional charge. Since the units are permanently installed in the vehicle, no additional insurance is required. Contractor shall not rent a Global Positioning System to Traveler without Agency's express advance consent. This unit is not part of the car and the loss damage waiver does not apply. The Agency is responsible for any loss or damage to the unit and its accessories regardless of cause. If the unit or its accessories are lost or damaged so as ti, in Contractor's sole opinion, require repair or replacement, the Agency will pay Contractor for repair or full retail cost, which may be as much as \$499. If Traveler returns the unit to a location other than the renting branch location without Contractor authorization, the Agency will pay contractor the fee in Exhibit E for that unauthorized return. Contractor does not use GPS units to track or locate vehicles, other than those that are reported lost or stolen or as may be required by law enforcement agencies.

Enterprise – The Garmin Street Pilot (GPS device) is currently available at over 250 National locations and over 200 Enterprise locations across North America for an additional daily charge. Contractor shall not rent a Global Positioning System to Traveler without Agency's express advance consent. This unit is not part of the vehicle and is not included in the loss damage waiver. Agency is responsible for any loss or damage to the unit and its accessories regardless of cause. If the GPS unit or its accessories are lost, stolen, or damaged so as to, in Contractors sole opinion, requires repair or replacement, Agency will pay Contractor for repair or full retail cost not to exceed \$499. Contractor does not use GPS units to track or locate vehicles, other than those that are reported lost or stolen or as may be required by law enforcement agencies.

- 2.8. If the vehicle size classification requested by the Agency at the time of reservation is not available at the time of vehicle pickup, the Traveler will be so advised and offered an upgrade at no additional cost. The Contractor shall not leave the Traveler without a means of transportation nor force the Traveler to use out-of-picket expenses to secure their own transportation.
- 2.9. Repossessing the Vehicle. Contractor can repossess the vehicle if it is reported to be illegally parked, being used to violate the law or the terms of the Contract, or it is reported by local law enforcement to be abandoned. Contractor can also repossess anytime it discovers that a misrepresentation was made to obtain the vehicle. Contractor shall first notify the Traveler or Agency to attempt to resolve any issues in advance of any Contractor action to repossess the vehicle.
- 2.10. VEHICLE MODELS: Contractor shall have available for rent under this Price Agreement the following models of vehicles or equivalent models approved by the WSCA Contract Administrator in the following size classifications. For purposes of the size classifications in this Section 2.10, "intermediate" or "standard" is defined as a mid-sized four-door sedan automobile capable of comfortably transporting four adult passengers and four pieces of luggage (luggage to fall within the size category of airline "carry on").

Compact – Hyundai Accent, Kia Rio, Nissan Versa, Suzuki SX4, Toyota Yaris.

Intermediate/Standard/Mid Size – Ford Focus, Chevy Cavalier, Dodge Neon, Chevy Cobalt, Dodge Caliber, Kia Spectra, Hyundai Elantra, Mazda 3, Nissan Sentra, Pontiac G5, Toyota Corolla, Dodge Stratus, Chevy Malibu, Chrysler PT Cruiser, Chrysler Sebring, Dodge Avenger, ford fusion, Hyundai Sonata, Kia Optima, Kia Rondo, Mazda 5, Pontiac G6, Volkswagen Jetta, Toyota Matrix.

Full-size – Ford Taurus, Chevy Impala, Toyota Camry, Honda Accord, Pontiac G6, Pontiac Grand Prix, Mitsubishi Gallant, Buick Lacrosse, Dodge Charge, Ford Mustang, Nissan Altima, Mazda 6, Saturn Aura, VW Passat.

Premium Size Sedan – Kia Amante, Chrysler 300, Toyota Avalon, Mercury Grand Marquis, Nissan Maxima.

Sport Utility - Chevrolet S-10 Blazer, Jeep Grand Cherokee, Dodge Durango, ford Explorer.

Mini-Van – Chevrolet Astro, Chevrolet Venture, Dodge Caravan, Chrysler Voyager, Ford Windstar, Pontiac Montana.

12 Passenger Vans – Chevrolet 2500 Express/GMC 2500, Ford E350.

State Wagons – Ford Taurus or approved equal

Small Pick-UP – Ford Ranger, Chevrolet Canyon, Dodge Dakota.

Large Pickup – Dodge Ram BR 2500, Ford F250, GMC Sierra, 2500 HD, Chevrolet Silverado 2500 HD.

Cargo Van - Chevrolet 2500 Express Cargo, Ford F250, Econoline, Dodge Ram Van 2500.

- **2.11. LICENSING REQUIREMENTS:** Contractor shall secure, maintain and pay for any federal, state and local licenses required to provide the services reference in the Price Agreement.
- **2.12. ALTERNATE VEHICLES/EQUIPMENT:** Contractor shall not provide without the consent of the State alternate size classifications (larger or smaller) other than the Mandatory and Desirable classes identified in Section 2.10. At time of reservation, the State may expressly request rental vehicles from alternate size classes. All alternate size vehicles must be equipped with minimum standard equipment identified in Section 2.2 above.

Alternate size classifications specifically identified by the State of Oregon shall be subject to Vehicle Models as defined in Section 2.10 above. Alternate size classifications not identified by the State of Oregon, but offered by the Contractor, will be considered as conditional use, regardless of location.

- **2.13. ALTERNATIVE FUEL VEHICLES:** Where available and on not less than seven (7) days advance request, Contractor shall provide a class of vehicles known as Alternative Fuel (E85, natural gas or hydrogen) or "hybrid" vehicles. Hybrid vehicles must have a federal MPG rating of at least 25 MPG.
- **2.14. NON-SMOKING VEHICLES:** Contractor shall make every attempt to provide under the Master Price Agreement, non-smoking vehicles, whereas previous renters did not smoke tobacco products inside the vehicle.

3. AGENCY RESPONSIBILITIES

- **3.1. PROPER USE OF VEHICLE:** Agencies agree that the rental vehicle will not be used:
 - **A.** By a driver who is under the influence of alcohol or any prohibited drugs.
 - **B.** For any illegal purpose.
 - **C.** To push or tow another vehicle unless the vehicle is equipped for towing and is specified in the rental agreement.
 - **D.** To carry passengers or property for hire.
 - **E.** In a test, race or contest.
 - **F.** By an unlicensed driver.
 - **G.** By a person other than an authorized Traveler with the minimum driver requirements.
 - **H.** Outside of the United States except where such use is specifically authorized by the Contract.
 - I. Off pave, graded or maintained roads, or driveways, except when the Contractor has agreed to this in writing beforehand, SUV's, cargo vans and pick-up trucks shall be allowed, with Contractor's prior written agreement, to operate off paved, graded or maintained roads and driveways or roads open for use by high-clearance vehicles. (Maintenance Level 2 definition for roads in National Forests).
 - **J.** By a driver who allows more passengers to occupy the vehicle than there are seatbelts or who does not require all passengers to comply with applicable seatbelt and child restraint laws.
 - **K.** By a driver who is under 18 years of age.
 - **L.** By a drive or occupant who is smoking.
 - **M.** By a driver who obtained the vehicle through fraud or misrepresentation.
 - **N.** By a driver who intentionally caused the damage to or loss of the vehicle.
 - **O.** In a live artillery fire exercises, or used in training or tactical maneuvers.
 - **P.** Will not leave the keys in the vehicle while unattended. If vehicle is stolen, the Ageny must be able to produce the keys.
- **3.2.** Agencies shall not use passenger vans with a capacity of 10 or more passengers to transport children in the twelfth (12th) grade or younger for school related functions.
- **3.3.** Agencies shall not operate or use passenger vans with a capacity of 10 or more passengers in the District of Columbia, the States of Florida, Iowa, Maine, Massachusetts, New York, Rhode Island and the country of Canada.
- **3.4.** FULL FUEL TANKS: Agencies shall return a vehicle to the Contractor with a full tank of fuel, or partially filled if the vehicle is an AFV that uses compressed natural gas. If the Agency returns the vehicle to Contractor with less than a full tank of fuel, Contractor may invoice the Agency for the missing fuel at the average retail cost of fuel for the market at the return location.
- **3.5.** RETURN OF VEHICLE: The Agency shall return the vehicle to the agreed return location as specified on the Standard Rental document.
- **3.6.** FINES, EXPENSES, COSTS AND ADMINISTRATIVE FEES: The Agency shall pay all fines, penalties and court costs for parking, traffic, toll and other violations, including storage liens and charges.
- **3.7.** DRIVER QUALIFICATIONS: At the time of reservation, Agency will provide the Agency account number. At the time of rental, the Traveler will present a method of payment, acceptable to Contractor and a valid driver's license.