

**Addendum to Request for Proposals #102-1524-09
Nationwide Vehicle Rental Services**

To all holders of Request for Proposals #102-1524-09

This Addendum No. 2 to Request for Proposals #102-1524-09 (the RFP) is issued by the State of Oregon, Department of Administrative Services, State Procurement Office. The RFP solicits proposals for Nationwide Vehicle Rental Services. Except as modified by this Addenda No. 2 all areas of the RFP not specifically mentioned in or affected by this Addendum shall remain unchanged. Capitalized terms used but not defined herein have the meanings given them in the RFP.

Protest of This Addendum # 2

Protest of the provisions of this Addendum No. 2 must meet the requirements of RFP Section 2.6. Requests for Changes, and Protests of RFP provisions (Solicitation Protests) must be received by DAS SPO by 5:00 PM (Pacific Time) on Wednesday, July 22, 2009. DAS SPO will not consider requests or protests of matters not added or modified by Addendum No. 2.

PROPOSER NOTE: The Closing date of this RFP remains unchanged. It closes August 3, 2009 at 3:30 PM. .

Proposers should either acknowledge the changes shown in this Addendum No. 2 in their Proposals, or sign and return this Addendum No. 2 with their Proposal.

The RFP is hereby revised as follows with new language underlined and deleted language is shown with strikethroughs.

1.1 SUMMARY OVERVIEW:

PURPOSE OF SOLICITATION: This is an Request for Proposal (RFP) to provide a Price Agreement for RENTAL OF PASSENGER CARS, LIGHT DUTY PICK-UP TRUCKS, SPORT UTILITY VEHICLES and 7 PASSENGER MINI VANS, 12 PASSENGER AND CARGO VANS ~~and CARGO BOX TRUCKS~~ as listed in this RFP, for the State of Oregon, its participating Oregon Cooperative Purchasing Program members (ORCPP), the Western States Contracting Alliance (WSCA), and other Participants. Oregon is the Lead State for this RFP.

This is a multiple-award opportunity. DAS SPO intends to award to two ~~choose primary and secondary~~ contractor(s). If a Proposer wishes to submit multiple brands as one Proposal, all brands will be evaluated as one and Proposer shall offer all brands at the same rates and terms. If a Proposer wishes to submit separate Proposals for each brand, Oregon Department of Administrative Services State Procurement Office (DAS SPO) will evaluate each brand independently of each other.

DAS SPO intends to award Price Agreements to the two highest ranked responsive and responsible Proposers. ~~with the highest ranked Proposer being the primary contractor.~~ Participant will look to either ~~the primary~~ contractor first to determine who best meets their for vehicle rental needs. ~~If the primary contractor is sold out or not available in the city the Traveler is going to, then the Participant will order from the secondary contractor(s).~~ The State of Oregon reserves the right to award to the third ranked Proposer if the third ranked Proposer's score is

~~within 10% of the highest ranked Proposer’s score. determine the amount of secondary Price Agreements awarded under this RFP. Selection of the number of secondary Price Agreements awarded is dependent upon the number of proposals submitted, and what is in the best interest of the State of Oregon, WSCA, and other Participants.~~

| STATE | ESTIMATED ANNUAL VEHICLE RENTAL SERVICES PURCHASED |
|----------------|--|
| Alaska | \$100,000 |
| Arkansas | \$3,000,000 |
| California | \$13,000,000 |
| Colorado | \$1,550,000 |
| Hawaii | \$50,000 |
| Idaho | \$300,000 |
| <u>Montana</u> | <u>\$250,000</u> |
| Nevada | \$650,000 |
| New Hampshire | \$20,000 |
| Oregon | \$1,750,000 |
| South Dakota | * |
| Utah | \$670,000 |
| Vermont | \$100,000 |
| Washington | \$2,700,000 |

* Data not available from these Participating States at this time.

4.2.2 POINT ALLOCATIONS: Point allocations for each scored criterion are identified in the desirable features described in section 8.3 below. There are 2,655 ~~2,800~~ points available for this RFP, with 1,455 ~~1,600~~ points available for pricing, 45 points for references, and 1,155 available for desirable features.

4.2.3 METHOD OF AWARD: The two highest-scored responsive and responsible Proposers meeting all of the requirements of this Request for Proposal will be awarded Price Agreements. The State reserves the right to award to the third highest ranking proposer provided the third ranking Proposer’s score is within 10% of the highest ranking Proposer’s score. ~~DAS SPO reserves the right to award items separately or by grouping items, or by total lot.~~

8.2.9 Proposer must have branch locations at the 2007 top 50 (“Top 50”) commercial airline airports as shown at

http://www.faa.gov/news/updates/busiest_airports/index.cfm?airportType=Air_Carrier&year=2007

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, Proposer must have a shuttle bus that runs a minimum of 15 minute incremental 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, at least one (1) hour after the last flight of the day has arrived at that airport. Shuttle busses must run when branches are open.

Proposers must provide a list of its branch locations serving the Top 50 airports. Proposers are to identify if they are located on airport, at a consolidated facility or off airport. If off-airport, Proposers are to indicate the distance in miles from the airport. Proposers are to identify the hours of operations. Proposers shall also indicate which these branches are franchise locations. Proposers are to provide this information on the grid located in Attachment G. Additional points will be given as described in Section 8.3.5.

8.2.14 Proposers must provide liability insurance and collision damage waiver at no additional cost within the United States. Proposer shall not charge any loss of use fees to the State, or Participant or Traveler for a rental vehicle operated in compliance with the terms of the Contract. Proposers shall include in Attachment B of the RFP the Proposer's fee for loss of use of a rental vehicle operated in a manner prohibited by this Contract. ~~This insurance shall also cover any optional items added at the time of rental.~~

8.2.15 Proposers must be able to generate monthly reports to view sales and rental history. Proposer shall describe any reporting functions available. These reports must be in Microsoft Excel format and include but not be limited to, the date and location of rental, the Participating State ~~the Participant and Traveler~~ and base and total cost of rental.

8.2.18 Proposer must offer one way rentals of up ~~500~~1,000 miles for no additional mileage or drop fees.

8.2.19 Mandatory Vehicle Classes: Proposer must have the following vehicle models in the following size classes available for rent. The vehicles models must be the same or an approved equivalent of the vehicles, as shown below.

For purposes of size classifications, "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 Charger, Ford Mustang, Nissan Altima, Mazda 6, Saturn Aura, VW Passat.

~~Compact Sedans – Ford Focus, Chevrolet Cavalier,
Dodge Neon or approved equal
Intermediate Sedans – Ford Taurus, Chevrolet Impala,
Pontiac Grand Prix, Oldsmobile Alero,
Dodge Stratus Mazda 626 or approved equal
Full Size Sedans – Mercury Grand Marquis, Ford Crown
Victoria, Buick Century, Dodge Intrepid or
approved equal~~

8.3.17 In addition to required one way rentals as described in Section 8.2.18, it is desired that one way rentals are available nationwide with no mileage restrictions or charges for one way rentals within the 48 contiguous states. Proposer shall describe one way rental availability, any restrictions, any zone information or additional daily differential costs. 29 points are available for this section.

8.3.19: Desirable Vehicle Classes: It is desired to have the following classes of vehicles available for rent under the Price Agreement. Proposers shall indicate which vehicles are available and enter the cost on Attachment B. Points for desirable vehicle classes are outlined in Attachment B.

Premium Size Sedan – Ford Crown Victoria, Kia Amante, Chrysler 300, Toyota Avalon, Mercury Grand Marquis, Nissan Maxima, or approved equal.

Station Wagons - Ford Taurus or approved equal

Small Pick-Up – Ford Ranger, GMC Canyon, Chevrolet Colorado, Dodge Dakota, Nissan Frontier or approved equal.

Large Pickup - Dodge Ram 1500, Ford F150, GMC Sierra 1500, Chevrolet Silverado 1500, Nissan Titan, Toyota Tundra or approved equal.

Cargo Van - Chevrolet 1500 Express Cargo, Ford Econoline, Dodge Ram Van, or approved equal.

~~Station Wagons – Ford Taurus or approved equal~~

~~Small Pick Up – Ford Ranger, Chevrolet Canyon,
Dodge Dakota or approved equal.~~

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

~~_____ or approved equal.~~

~~Cargo Van Chevrolet 2500 Express Cargo, Ford F250
_____ Econoline, Dodge Ram Van 2500 or approved equal~~

~~Box Trucks~~

~~_____ Small 10-15 ft long, minimum 3,000 lb Payload~~

~~_____ Medium 16-20 ft long, minimum 3,500 lb payload~~

~~_____ Large 21-26 ft long, minimum 9,000 lb payload~~

8.4 COST PROPOSAL.

Proposers are to complete and submit Attachment B, Proposer Pricing Page. ~~1455~~ 1600 points are available for pricing. Proposers shall enter base rates. The base rates generally include all charges under Contractor's control with exceptions named in this RFP. The Attachment B prices 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 or state differential fees applicable in certain cities or states, legislative or mandated taxes and fees, bond issues imposed by government bodies and similar charges controlled by third-party(ies). ~~are exclusive of local and state sales and federal excise taxes, airport concession fees, city surcharges or city differential fees applicable in certain cities, and do not include refueling charges, legislative or mandated taxes bond issues imposed by government bodies or any additional optional charges that Traveler may purchase.~~ The Proposal shall also include in the base rate ~~shall include~~ the .05% WSCA Administration fee and the Participating State rebate or VCAF fee, as described in Attachment C. Where the state government entities are not exempt from sales taxes on sales within their state, the Contractor shall add the sales taxes on the billing invoice as a separate entry.

Point allocations are shown in Attachment B.

Proposers are to enter the cost for each vehicle type and length of rental. All vehicle classes under Mandatory Vehicle Classes must be completed. The prices for the Mandatory Vehicle Classes will be totaled by rental time. The lowest total vehicle class will be awarded the highest points available for that vehicle class and rental time. Higher cost proposals will be awarded a percentage of the points.

For vehicles in the Desirable Vehicle class, Proposers may choose to enter prices for vehicle classes as shown in the Desirable Vehicle Class section. If no vehicle class in the Desirables is proposed, then Proposers will earn zero points for that vehicle class. Prices will be totaled and averaged by the number of vehicles in each class and rental time. The lowest average price per each class and rental time will receive the highest amount of points available, high cost proposals will receive a percentage of the points.

ATTACHMENT C

MASTER PRICE AGREEMENT VEHICLE RENTAL SERVICES

This agreement (the "Price Agreement") is entered into as of the Effective Date by the State of Oregon, acting by and through the State Procurement Office of the Department of Administrative Services (the "State") and **INSERT NAME OF CONTRACTOR** ("Contractor"). The State and the Contractor are collectively referred to as the "Parties".

The State issued RFP # 102-1524-09 seeking offers from qualified and responsible vendors to provide nationwide rental of passenger cars, light duty pick-up trucks, sport utility vehicles and 7-passenger mini-vans, 12-passenger and cargo vans, and other vehicles, and related services described in this Price Agreement to Participants.

Contractor submitted an offer in response to the RFP offering to provide the Services described in this Price Agreement in strict accordance with the terms and conditions set forth in this Price Agreement. ~~The State has awarded this Price Agreement to Contractor as~~
_____primary/secondary Contractor.

3.3 ~~EXTENSION TERM PRICE ADJUSTMENTS~~ This Price Agreement is enforceable and Exhibit E prices are firm for the initial ~~term~~ twelve months of the Price Agreement. After this initial twelve (12) month period, Contractor may seek a size classification price increase for Services reflecting increased costs by submitting a written request to DAS SPO, including all appropriate cost/price documentation to substantiate the proposed price increase. The State, acting through DAS SPO, reserves the right in its sole discretion to determine whether the documentation is sufficient, whether to require additional documentation, whether to require independent verification of the documentation submitted, and whether to accept or reject any requested increase or offer some lesser amount.

~~At the time of Price Agreement renewal, the Contractor(s) may seek a rental rate increase for an Extension Term by submitting a written request to DAS, including all appropriate documentation to substantiate the proposed rate increase, within the period specified in the Renewal Notice. The requested increase must not exceed the Producer Price Index Portland/Salem Urban Consumer Price index for the current year. If approved, the price rate increase is effective on the date specified in the approval and shall be firm for a minimum of twelve (12) months from that date, the duration of the Extension Term. Provided, however, no more than one rate increase shall be allowed during any twelve-month period regardless of the number of Extension Terms entered into during that time. Contractor shall not request a price increase more often than every twelve (12) months.~~

3.3.1 In the event DAS SPO rejects the proposed price increase, Contractor may elect to continue providing Services with no price increase, or the parties may agree to terminate the Price Agreement pursuant to Section 6.0. In the event DAS SPO offers some compromise increase less than the request, Contractor may elect to agree to the compromise price increase.

However, Contractor has no right to receive, or claim for failure to receive, such price increase for any term or extension term of the Price Agreement.

3.3.2 The State shall be given the immediate benefit of any price decrease. Contractor shall promptly notify DAS SPO of the amount and effective date of each decrease.

3.3.3. Should such decreased prices again increase during the term of the Contract, including extensions, the State shall honor the increase, but only within the limits of the pricing that was in-effect prior to the price decrease, if acceptable documentation verifying the increase is submitted to DAS SPO. DAS SPO shall determine what constitutes acceptable documentation.

3.3.4. The price change (increase or decrease) applies to Contracts made on or after the effective date of the price change. Invoices must reflect prices in effect on the date the Contract is made.

4.0 PRICING; BILLING OPTIONS, INVOICING AND PAYMENT:

The prices for the Services are listed in Exhibit E. Billing options, and invoicing and payment terms and conditions are set forth in Exhibit B. The Exhibit E prices 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 or state differential fees applicable in certain cities or states, and do not include refueling charges, legislative or mandated taxes and fees, bond issues imposed by government bodies and similar charges controlled by third party(ies). ~~or any additional optional charges that Traveler may purchase.~~ The Exhibit E price includes the .05% WSCA Administration fee and the Participating State rebate or VCAF fee, as described in this Price Agreement. Where the Participant is not exempt from taxes on sales within Participant's.

6.0 TERMINATION OF THE PRICE AGREEMENT: The Parties may terminate the Price Agreement as follows:

6.1 The Price Agreement may be terminated at anytime by mutual written agreement of the Parties.

6.2 The Price Agreement may be terminated by the State at its sole discretion, for its convenience, upon thirty (30) days written notice to the Contractor.

6.3 The State may, at its sole discretion, terminate the Price Agreement upon thirty (30) days written notice to Contractor for the reasons set forth in ORS 279B.140.

6.4 The State may terminate the Price Agreement if Contractor is in default of the Price Agreement or any Contract.

6.5 ~~The Contractor has no unilateral right to~~ may terminate the Price Agreement prior to the expiration or termination of the term of the Price Agreement upon thirty (30) days written notice to the State if the State is in default of the Price Agreement.

7.1.3 Contractor commits any material breach or default of any covenant, warranty, obligation or certification under this Price Agreement and such breach, default or failure is not cured within thirty (30) ~~ten (10)~~ business days after delivery of a notice of default by the State or such longer period as the State may specify in such notice.

8.0 REMEDIES

~~**8.1.4** Exercise of its right of setoff, and withholding of monies otherwise due and owing.~~

10.0 ACCESS TO RECORDS AND AUDIT RIGHTS

10.1 Contractor shall maintain, retain, and keep accessible all records relevant to the Price Agreement and Contracts (the "Records") for a minimum of six (6) years, or such longer period as may be required by applicable law following expiration or termination of the Price Agreement, or until the conclusion of any audit, controversy or litigation arising out of or related to the Price Agreement, whichever date is later ("Record Retention Period"). Contractor shall keep financial Records in accordance with generally-accepted accounting principles. During the Record Retention Period established in this Section 10, the Contractor shall permit the State, and its duly authorized representatives, ~~and the federal government~~ access to the Records at reasonable times and places for purposes of examination and copying.

10.2 During the term of the Price Agreement and the Record Retention Period, the State, at its own expense (except as provided herein) has the right to audit Contractor's Records and other pertinent data, to determine and verify the figures reported in any Volume Sales Reports furnished by Contractor. Such audits shall take place during regular business hours, at Contractor's premises, ~~and~~ upon not less than five (5) business days ~~reasonable~~ notice, and shall be conducted by an authorized representative of the State. In the event that any such audit reveals an underpayment of VCAF or any other applicable fees, Contractor shall immediately pay (i) the amount of deficiency, together with interest thereon at the maximum legal rate in the State of Oregon, and (ii) the reasonable cost of the audit by the State.

17.0 INSURANCE: Contractor shall obtain prior to the Effective Date of the Price Agreement, and maintain during the term of the Price Agreement, the insurance required as provided in Exhibit C either via policies of insurance or as a self insured or a combination of self insurance and commercial excess insurance. With regard to workers' compensation insurance, all employers, including Contractor, that employ subject workers who work under the Price Agreement in the State of Oregon shall comply with ORS 656.017 and provide the required workers' compensation coverage, unless such employers are exempt under ORS 656.126(2). Contractor shall require and ensure that each of its subcontractors, if any, complies with these requirements, or any requirements applicable to any Participating State.

25.1 Contractor shall not assign, sell or transfer any of its rights, or delegate or subcontract obligations under the Price Agreement, whether by merger, consolidation, dissolution, operation of law or any other manner without the prior written approval of the State, which State may not unreasonably withhold. State's consent to any subcontract (or other delegation of duties) does

not relieve Contractor of any of its duties or obligations under this Price Agreement. ~~Any purported assignment of rights or delegation or subcontracting of obligations in violation of this provision is void.~~

28. AMENDMENTS. The State has determined that during the term of the Price Agreement and Contracts, the parties may need to modify selected terms, conditions, price(s) and types of work under circumstances related to the following illustrative, although not exhaustive categories of anticipated amendments: (a) amendments required as result of necessary changes in the State's business process that may restructure DAS SPO; (b) amendments to extend the term of the Price Agreement in accordance with Section 3 and amendments to extend the term of a Contract; (c) amendments to change pricing, but only in accordance with Section 3; ~~and~~ (d) amendments to the Exhibit A Scope of Services, including changes to vehicle classes, types, models or requirements of the vehicles used under this Price Agreement, and (e) amendments to Exhibit C Insurance. All amendments must be in writing and signed by all approving parties before becoming effective. Only DAS SPO has the final authority to execute changes, notices or amendments to the contract pursuant to OAR 125-246-0560.

EXHIBIT A

SCOPE OF SERVICES

1.10 RESERVATIONS: Contractor shall accept reservations made at least 24 hours in advance on local 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 Participant 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 Participant 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, Participant or Traveler be liable for payment of "no shows". Travelers and Participants will cancel reservations in the same manner they were made when possible.

1.12 VEHICLE DEMAND: Contractor shall attempt to meet 100% percent of Participants or Travelers 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 substituted at same or lower price.²²

1.13 VEHICLE PICKUP/RETURN: Contractor will make all reasonable efforts to 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. ~~to meet 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 pickup 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.

1.15 AIRPORT LOCATIONS: Contractor shall have branch locations at the 2007 top 50 commercial airline airports as shown at

http://www.faa.gov/news/updates/busiest_airports/index.cfm?airportType=Air_Carrier&year=2007

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. ~~at least one hour after the last flight of each day has arrived at that airport.~~ Shuttle busses must run when the branches are open.

1.16.1 ROUND TRIP RENTALS

Contractor shall charge only the Exhibit E 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 this 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 Exhibit E 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 state or city differential fees applicable in certain states or cities, Rates in Exhibit E do not include refueling charges, legislative or mandated taxes or fees, bond issues imposed by government bodies and similar charges controlled by third party(ies). ~~or any additional optional charges that Traveler may purchase.~~ Contractor shall itemize those charges as separate line items on the rental agreement and add the charges to the base rate. Where the Participant is not exempt from sales taxes on sales within their state, the Contractor shall add the sales taxes on the billing invoice as a separate entry.

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: 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 ~~1,000~~ miles or less. For one way rentals greater than 500 ~~1000~~ miles, Contractor may charge a higher daily rental differential fee as defined in the price section of the Master Agreement. ~~the lesser of Contractor's established retail drop fee for the one way route or a mileage charge. The mileage charge for the one way rental will be the product of actual miles driven during the rental period times.~~

1.9 LIABILITY FOR RENTAL VEHICLE: Contractor shall hold State, Participant and Traveler harmless from any physical damage, loss, vandalism, fire or theft of the rental vehicle provided rental vehicle was not used by the Participant or Traveler in any manner listed in Section 3.1. The Contractor shall not charge the State, Participant 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, Participant 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 Participant or Traveler in any manner listed in Section 3.1. Notwithstanding above, Travelers shall not smoke in Contractors vehicles, and Contractor may reasonably charge Participant 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 supplemental liability insurance with each vehicle rental transaction at no additional cost to Participant. This supplemental liability insurance shall extend third party liability protection to Participant 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.

2.2 REQUIRED VEHICLES/EQUIPMENT: Contractor shall only provide Participants with rental vehicles with fewer than ~~40,000~~ 34,999 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 -20 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 impede the safe operation of the vehicle.

~~**2.4** In inclement winter weather, upon request, vehicle must be equipped with snow tires or chains as appropriate and furnished with an ice scraper. Contractor may charge the additional fee identified in this Agreement for the rental of tire chains. On request from Traveler, Contractor shall provide instruction to the Traveler on the proper installation of tire chains. The Participants or Travelers are not responsible for chain damage to the vehicle.~~

2.4 Reserved

~~**2.5** On request from and at no additional cost to Traveler or Participant, Contractor shall provide with the rental vehicle: first aid kits, flares and fire extinguishers.~~

2.5 Reserved

1.9.2 PROPERTY IN THE VEHICLE: Contractor is not responsible for loss of or damage to any Participant personal property in or on the vehicle, in any service vehicle, on Contractors premises, or received or handled by Contractor.

~~2.7 Intentionally Blank.~~

2.7 OnStar. Participant acknowledges that the Vehicle may be equipped with the OnStar System, which provides emergency and other services. Participant expressly authorizes OnStar services. Participant 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 neither OnStar nor Contractor is liable for, conditions or services outside their control. Any information (e.g. navigational route support) provided through OnStar is on an "as is" basis. OnStar, its service providers and Contractor are not liable to Participant or Traveler in connection with the use of such information. Participant understands and agrees that OnStar may provide law enforcement with all necessary information to enable law enforcement to locate the vehicle, if Participant fails to return the vehicle when and where required under this agreement.

2.7.1 - Global Positioning Satellite System. At various locations, Contractor may offer for rental a Global Positioning System for Participant use for an additional daily charge not included in the Exhibit E price. Contractor shall not rent a Global Positioning System to Traveler without Participant's express advance consent. This unit is not part of the car and is not included in the loss damage waiver. Participant 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 to, in Contractor's sole opinion, require repair or replacement, Participant 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, Participant 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

~~2.9 Intentionally Blank.~~

2.9 - Repossessing the Car. Contractor can repossess the vehicle anytime it is found illegally parked, being used to violate the law or the terms of this Contract, or appears to be abandoned. Contractor can also repossess anytime it discovers that a misrepresentation was made to obtain the vehicle. Contractor shall notify Traveler 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 ~~classes~~ 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").

Mandatory Vehicle Classes

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.

~~— Compact Sedans — Ford Focus, Chevrolet Cavalier,
Dodge Neon.~~

~~— Intermediate Sedans — Ford Taurus, Chevrolet Impala,
Pontiac Grand Prix, Oldsmobile Alero,
Dodge Stratus Mazda 626.~~

~~— Full Size Sedans — Mercury Grand Marquis, Ford Crown
Victoria, Buick Century, Dodge Intrepid.~~

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

Desirable Vehicle Classes

Station 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.

~~Station Wagons — Ford Taurus.~~

~~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.~~

~~Box Trucks~~

~~Small — 10–15 ft long, minimum 3,000 lb Payload~~

~~Medium — 16–20 ft long, minimum 3,500 lb payload~~

~~Large — 21–26 ft long, minimum 9,000 lb payload~~

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 ~~50~~ MPG.

3.1 PROPER USE OF VEHICLE:

Participant agrees 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 paved, 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, ~~without~~ 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 driver 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 Participant must be able to produce the keys.

3.5 RETURN OF VEHICLE: The Participant shall return the vehicle to the agreed return location as specified on the Standard Rental document.

3.6 FINES, EXPENSES, COSTS AND ADMINISTRATIVE FEES. Participant 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, Participant will provide the Participant account number. At the time of rental, the Traveler will present a method of payment, acceptable to Contractor and a valid driver's license.

4.2 VOLUME SALES REPORTS.

4.2.2 Reports to Oregon. For vehicle rentals to the State, State Agencies, and other Oregon Participants, Contractor shall provide to the DAS SPO Contract Contact Person quarterly reports of all Services sold under the Price Agreement. ("Total Dollar Amount for Quarter") Contractor shall report for each transaction:

- Participant name
- Contractor transaction #
- Location of rental
- Vehicle size classification
- Date of rental
- Length of rental
- Miles driven on vehicle

Unit price (rental rate) and extended total
Contractor shall ~~subtotal the Volume Sales Report by Participant, and~~ compute the Total Dollar Amount for Quarter.

4.2.3 Reports to Participating States. For vehicle rentals to the Participating State other than Oregon and to other Participants in that Participating State, Contractor shall provide to the Contract Administrator named in the Participating Addendum quarterly reports of all Services sold under the Price Agreement and Participating Addendum. (“Total Dollar Amount for Quarter”) Contractor shall report for each transaction:

- Participant name
- Contractor transaction #
- Location of rental
- Vehicle size classification
- Date of rental
- Length of rental
- Miles driven on vehicle
- Unit price and extended total

Contractor shall ~~subtotal the Volume Sales Report by Participant, and~~ compute the Total Dollar Amount for Quarter.

5.1 OREGON STATE AGENCIES AUTHORIZED FOR LONG TERM RENTAL:

a) Except as provided in Section 5.1(b) and (c), Contractor may rent vehicles for a period exceeding 31 days under this Price Agreement only to the following State Agencies:

Department of Agriculture, Oregon Department of Fish & Wildlife, Oregon Department of Forestry, Department of Administrative Services, Department of Corrections, Oregon State Police, Oregon Department of Transportation, Oregon Department of Parks & Recreation.

b) Contractor may rent vehicles for a period exceeding 31 days under this Price Agreement to a State Agency not listed in Section 5.1(a) with approval for that State Agency in writing in advance from DAS, Statewide Fleet Administration, c/o the DAS SPO Contract Contact Person. DAS, Statewide Fleet Administration may issue the written approval via facsimile, email, or hard-copy; the approval may be for a single transaction or for all transactions during a named period of time.

c) Contractor may rent vehicles for 31 or more days to any participating ORCPP member.

6.2 USING STANDARD RENTAL FORM. In lieu of a State purchase order form, Contractor will use a then-Standard Rental Form in the jurisdiction in which the vehicle rental occurs to document transaction details for each vehicle rental. Operative provisions in the Standard Rental Form ~~are limited to~~ will include designation of Participant and its Traveler; Services and products purchased under the terms of the Price Agreement (including invoicing details such as license plate number, delivery date and time, odometer at time of delivery and time of return,

return date and time, reservation number, and invoicing address), and disclosures and other language required in a vehicle rental agreement by the jurisdiction in which the vehicle rental occurs. Participant will execute the Standard Rental Form solely to affirm the transaction details and evidence the making of the Contract for a Vehicle rental. No language in the Standard Rental Form shall vary, amend, modify or add terms or conditions to the Price Agreement or the Contract. Contractor may use the Standard Rental Form to assist in maintaining the inventory of its vehicles. Contractor and SPO acknowledge and agree that ~~all those~~ those pre-printed terms and conditions located in or incorporated by reference into the Standard Rental Form that directly conflict with the terms of the Price Agreement or a Participating Addendum, including, but not limited to, any section regarding choice of law, venue, warranty disclaimer or exclusion, indemnification or limitation of liability are not binding on the parties and have no force or effect and are null and void with regard to vehicles delivered pursuant to the terms of this Price Agreement. The terms of the Price Agreement take precedence over and supersede all other conflicting terms and conditions, express or implied.

EXHIBIT B

INVOICING AND PAYMENT OF ACCOUNT CHARGES

2.1.2 MAJOR CREDIT CARDS Contractor shall accept ~~the five major credit cards, Visa, MasterCard, Discover, and American Express and Diners' Club.~~ Contractor shall not assess any additional fees or charges to Travelers or Participants when accepting these cards for payment. Contractor shall only post charges on the cards at the conclusion of the rental period. Any pre-charging of cards with estimated rental charges or changing the form of payment is strictly prohibited.

EXHIBIT C

SCHEDULE OF INSURANCE

1. General Requirements

During the term of the Contract, Contractor shall maintain in full force and at its own expense each insurance coverage or policy noted below, from insurance companies that are authorized to transact insurance and issue coverage in the State of Oregon and are acceptable to State, evidence of Contractors self insurance program authorized by the State of Oregon Department of Consumer and Business services or a combination of both. Contractor shall maintain the same for each Participating State, as set forth in each respective Participating Addendum. The Contractor shall pay for all deductibles, self-insured retention and self-insurance included thereunder. If the Contractor is self-insured for any of the below required insurance coverage,

the Contractor must provide proof of their organization's self-insurance program in the form and substance requested by DAS SPO.

Exhibit G Standard Contract Terms and Conditions Western States Contracting Alliance

~~**WARRANTY:** Unless otherwise stated, all supplies and equipment shall be new and current model and shall carry full factory warranties. Contractor warrants all goods delivered to be free from defects in labor, material and manufacture and to be in compliance with bid specifications. All implied or expressed warranty provisions of the Uniform Commercial Code are incorporated in this contract.~~

Attachment K. INDIVIDUAL PARTICIPATING STATES TERMS AND CONDITIONS.

MONTANA

Standard Terms and Conditions

ACCESS AND RETENTION OF RECORDS: The contractor agrees to provide the department, Legislative Auditor, or their authorized agents, access to any records necessary to determine contract compliance. (Section 18-1-118, MCA). The contractor agrees to create and retain records supporting the services rendered or supplies delivered for a period of three years after either the completion date of the contract or the conclusion of any claim, litigation, or exception relating to the contract taken by the State of Montana or third party.

ASSIGNMENT, TRANSFER AND SUBCONTRACTING: The contractor shall not assign, transfer or subcontract any portion of the contract without the express written consent of the department. (Section 18-4-141, MCA.)

HOLD HARMLESS/INDEMNIFICATION: The contractor agrees to protect, defend, and save the State, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of the contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of the contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of the State, under this agreement.

PAYMENT TERM: All payment terms will be computed from the date of delivery of supplies or services OR receipt of a properly executed invoice, whichever is later. Unless otherwise noted in the solicitation document, the State is allowed 30 days to pay such invoices. All contractors will be required to provide banking information at the time of contract execution in order to facilitate State electronic funds transfer payments.

TAX EXEMPTION: The State of Montana is exempt from Federal Excise Taxes (#81-0302402).

REDUCTION OF FUNDING: The State must terminate this contract if funds are not appropriated or otherwise made available to support the State's continuation of performance in a subsequent fiscal period. (See section 18-4-313(4), MCA.)

VENUE: This solicitation is governed by the laws of Montana. The parties agree that any litigation concerning this bid, request for proposal, limited solicitation, or subsequent contract, must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees. (Section 18-1-401, MCA.)

Signature: _____ Date: _____

Title: _____

Printed Name: _____

Proposer Name: _____

Addendum to Request for Proposals #102-1524-09
Nationwide Vehicle Rental Services
Addendum No. 2