



# City of Sacramento City Council

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915 I Street, Sacramento, CA, 95814  
[www.CityofSacramento.org](http://www.CityofSacramento.org)

**Meeting Date:** 3/29/2011

**Report Type:** Consent

**Title: Agreement: Sacramento Car Sharing Program**

**Report ID:** 2011-00158

**Location:** Citywide

**Recommendation:** Adopt a Resolution authorizing: 1) the City Manager to execute an agreement with Zipcar for a new Sacramento car share program; 2) Zipcar to use the City of Sacramento's seal for marketing the car share program in Sacramento.

**Contact:** Azadeh Doherty, Principal Planner, (916)808-3137, Department of Transportation

**Presenter:** None

**Department:** Transportation Department

**Division:** Planning & Policy

**Dept ID:** 15001041

## **Attachments:**

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- 1-Description/Analysis
- 2-Background
- 3-Agreement Cover Sheet
- 4-Resolution
- 5-Exhibit A - Agreement with Zipcar

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### **City Attorney Review**

Approved as to Form  
Jerry Hicks  
3/16/2011 2:50:40 PM

### **City Treasurer Review**

Prior Council Financial Policy Approval or  
Outside City Treasurer Scope  
Russell Fehr  
3/7/2011 4:07:22 PM

### **Approvals/Acknowledgements**

Department Director or Designee: Jerry Way - 3/15/2011 3:51:49 PM

Assistant City Manager: John Dangberg - 3/16/2011 12:23:58 PM



## Description/Analysis

**Issue:** In February 2010, the Department of Transportation (DOT) released a Request for Qualifications (RFQ) to establish a new car share program in Sacramento and solicit a car share provider. Two companies, Zipcar and Connect by Hertz, responded to the RFQ. A team comprised of staff from the DOT and General Services (DGS), and the City's Sustainability Manager, reviewed the proposals and interviewed the two companies. Zipcar was selected to initiate the car share program.

Zipcar will start this pilot car share program with 10 vehicles placed in highly visible locations in downtown and midtown. The on-street parking locations were chosen in coordination with City staff. The initial term of this agreement is for a period of two years however, the program will be monitored regularly.

Under separate arrangements Zipcar is also working with the University of California, Davis Medical Center to provide two cars at their campus and two to four cars at California State University, Sacramento.

In addition, DGS is planning to retire or reassign six City vehicles that are in the downtown area and instead use Zipcars for some of the City's business trips. The annual cost of owning and operating these six vehicles is \$25,000 to \$30,000 annually. DGS has not yet negotiated the contract, but costs will be incurred on a per use basis and are estimated to be significantly less than current operating costs. DGS will evaluate future opportunities to further expand using Zipcars to meet city fleet vehicle needs citywide.

**Policy Considerations:** The following General Plan and the Central City Parking Master Plan policies support car sharing programs:

M 1.5.3- Public-Private Transportation Partnerships - The City shall provide incentives for and cooperate with public private transportation partnerships (such as car sharing companies) to establish pilot programs within the Central City, urban centers, employment centers, and other appropriate areas to reduce single-occupant vehicle use.

8.3.8 - Consider car sharing programs.

### Environmental Considerations:

**California Environmental Quality Act (CEQA):** This activity is not subject to the California Environmental Quality Act (CEQA) as it does not constitute a "project" as defined in section 15378 of the CEQA Guidelines.

**Sustainability Considerations:** Car sharing supports the City's Sustainability Plan.

**Other:** None.

**Committee/Commission Action:** None.

**Rationale for Recommendation:** In March 2009 the City adopted a new General Plan and in February 2010 adopted the Sustainability Implementation Plan. Car sharing supports the City's Sustainability and General Plan Implementation measures. Car sharing is one component of the City's overall effort to promote multimodal transportation options, which will help facilitate mobility throughout the City. The City of Sacramento recognizes that car sharing provides benefits to the City and its residents. Car sharing contributes to reduced air pollution and congestion. It can also increase transit ridership, biking and walking. In order to support car sharing in Sacramento, DOT will provide ten (10) on-street parking spaces for the exclusive use of Zipcar vehicles.

**Financial Considerations:** Zipcar will be responsible for the implementation and operating costs of the car sharing program. The City of Sacramento will provide in-kind support through the provision of ten (10) parking spaces at no cost to Zipcar (approximate value for the in-kind services is based on 10 parking spaces at \$6 per space per weekday or approximately \$18,000 per year). Zipcar will assume and pay all applicable fees to the City of Sacramento.

**Emerging Small Business Development (ESBD):** The actions considered in this report are not subject to the City's ESBD requirements.



## Background

Car sharing is defined as an hourly car rental in which a person makes only occasional use of a vehicle for a short period of time. Zipcar is a car share company and currently has approximately 400,000 members nationwide. Members pay an annual fee and rent cars by the hour. Cars are picked up and returned at various locations in the area served rather than at a central location. Zipcar's membership fee ranges from \$35 to \$75. In addition to the membership fee, the customer pays an hourly or usage fee ranging from \$6.80 to \$9.00 which covers the insurance, gas and maintenance costs of the vehicle.

Car sharing differs from traditional rental car service in the following ways:

- Reservation, pickup, and return is all self-service;
- Vehicles can be rented by the hour;
- Users are pre-approved members (background driving checks have been performed and a payment mechanism has been established);
- Vehicle locations are distributed throughout the service area and often located for easy access to public transit;
- Insurance and fuel costs are included in the rates; and
- Vehicles are not serviced (cleaning and fueling) after each use.

**Economic Benefits:** Car sharing is often promoted as an alternative to owning a car when public transit, walking, and cycling are used most of the time and a car is only necessary for out-of-town trips, moving large items or special occasions. For occasional use, shared vehicle costs are significantly lower than car ownership. This makes automobile use more accessible to low-income households in urban areas. With privately owned automobiles many expenses are sunk costs and not related to the number of miles the car is driven (such as original purchase, insurance, registration and some maintenance).

**Sustainability Benefits:** Car sharing can also be utilized as an alternative to owning multiple cars for households with more than one driver. The internet and social networks have made car sharing much more efficient. Car sharing can help reduce congestion and pollution. Replacing private automobiles with shared ones directly reduces demand for parking spaces and may reduce traffic congestion at peak times.

Successful car sharing development tends to be located in densely populated areas such as downtown or a university campus. Low-density areas are considered more difficult to serve with car sharing because of the lack of alternative modes of transportation and the potentially larger distance that users must travel to reach the cars.

A long-term study of City Carshare members by the University of California, Berkeley, found that 30 percent of households that joined a car share program either sold a car or delayed purchasing one. Furthermore, transit use, bicycling, and walking increased among members. The study also demonstrated that people who utilized car sharing

sold their primary, secondary or another off-hand car after using the service which reduced the monthly cost of transportation by an average of \$135 to \$435 per month.

The five initial locations in Sacramento, with two Zipcars parked at each location, include: I Street in front of Historic City Hall, 10<sup>th</sup> & L Streets, 16<sup>th</sup> & J Streets, 18<sup>th</sup> & L Streets, and 28<sup>th</sup> & J Streets.



## Unexecuted Contract/Agreements

- X** The Unexecuted Contract/Agreement is signed by the other party, is attached as an exhibit to the resolution, and is approved as to form by the City Attorney.
  
- The Unexecuted Contract/Agreement (Public Project) is NOT signed by the other party, is attached as an exhibit to the resolution, and is approved as to form by the City Attorney.
  
- The Unexecuted Contract is included as an exhibit to the Resolution, however, the Agreement(s) is with other another governmental agency and it is not feasible to obtain the other agency's signature prior to Council action (be they denominated Agreements, MOUs, MOAs, etc.); however, the City Attorney approves the forwarding of the report to Council even though the signed agreement is not in hand yet.
  
- The Unexecuted Contract is NOT included as an exhibit to the resolution because, due to special circumstances, and the City Attorney confirms in writing that it is okay to proceed with Council action even though the signed agreement is not in hand yet.

*All unexecuted contracts/agreements which are signed by the other parties are to be in the Office of the City Clerk before agenda publication.*



## RESOLUTION NO.

Adopted by the Sacramento City Council

### AGREEMENT WITH ZIPCAR FOR A CAR SHARE PROGRAM IN SACRAMENTO

#### BACKGROUND

- A. In February 2010, the Department of Transportation released a Request for Qualifications (RFQ) to establish a new car share program in Sacramento and solicit a car share provider.
- B. Two car share companies, Zipcar and Connect by Hertz, responded to the RFQ and Zipcar was selected to initiate the car share program.
- C. Zipcar will start this pilot car share program with ten (10) vehicles that will be located in the downtown and midtown areas of Sacramento. Per the terms of this Agreement, the City will dedicate and reserve ten (10) parking spaces at no charge to Zipcar.
- D. Zipcar will provide the City with Zipcar signs and the City will install the signs at each parking space provided to Zipcar for Zipcar's use. Zipcar will own the signs and will maintain the signs after installation by the City.
- E. The City will charge Zipcar an encroachment fee of \$190 per each sign.
- F. As part of its Marketing Program Zipcar plans to use the City' seal for the following: 1) Printed collateral; 2) Related advertising to support program adoption (online and print), if applicable; 3) Vehicle and location merchandising; 4) Pre and post sales website to support the program (i.e. microsite, reservation system); 5) Social Media efforts (such as Facebook, Twitter, Foursquare and Yelp); 6) Customer list on Zipcar.com, if applicable; 7) Any press release or materials issued/used to support related media efforts.

#### BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager is authorized to execute an Agreement with Zipcar for a car share program in Sacramento.
- Section 2. The City Council deems it to be in the public interest and authorizes Zipcar to use the City of Sacramento's seal for the above mentioned purposes.
- Section 3. Exhibit A is incorporated into and made part of this Resolution.

**Table of Contents:**

Exhibit A – Agreement



zipcar

“Zipcar for Municipalities” Program Agreement

This “Zipcar for Municipalities” Program Agreement, including all schedules attached hereto (hereafter the “Agreement”) is made as of the 29th day of March, 2011 (the “Effective Date”), by and between Zipcar, Inc., a Delaware corporation with principal offices at 25 First Street, Cambridge, MA 02141 ( hereafter "Zipcar"), and the City of Sacramento, a California municipality with principal offices at 915 I Street, Sacramento CA 95814 (hereafter the "City"). For good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

This Agreement consists of this signature page and the following schedules, which are incorporated by reference and made a part of this Agreement:

- Schedule A: Zipcar Services and Fees
- Schedule B: City’s Obligations
- Schedule C: General Terms and Conditions
- Schedule D: City’s License Agreement
- Schedule E: Initial Pricing
- Schedule F: Signage

All notices, requests and demands, and other communications required or permitted under this Agreement will be in writing and sent to: City: City of Sacramento Attn: Director of Transportation, 915 I Street, Room 2000, Sacramento, CA 95814 and Zipcar: to the address set forth above. A notice will be deemed effective: (a) upon delivery, if delivered personally to a party; (b) 1 business day after deposit, if delivered to a nationally recognized courier service offering guaranteed overnight delivery; or (c) 3 business days after having been deposited in the United States mails, certified mail, postage prepaid, return receipt requested.

This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original and which together will constitute one and the same instrument. The signature of any of the parties may be evidenced by a facsimile copy of this Agreement bearing such signature and such signature will be valid and binding as if an original executed copy of the Agreement has been delivered.

In Witness Whereof a duly authorized representative of each party has executed this Agreement as of the Effective Date.

Zipcar, Inc.  
By: [Signature]

City:  
By: \_\_\_\_\_

Name: T.S. RAMESH

Name: \_\_\_\_\_

Title: VP of Controller

Title: \_\_\_\_\_

City: \_\_\_\_\_

City: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Confidential  
Dedicated Vehicle Agreement  
Page 1

[Signature]  
APPROVED AS TO FORM:  
CITY ATTORNEY

**Schedule A**  
**Zipcar Services and Fees**

**1. Term of Agreement; Exclusivity.** The initial term of this Agreement will commence on the Effective Date and, unless terminated earlier in accordance herewith, will continue for a period of two years. This Agreement may be renewed for three (3) successive one year terms upon mutual agreement executed at least thirty (30) days prior to the end of the then current term. During the term of this Agreement, City agrees that Zipcar shall be the only car sharing service promoted and used by City.

**2. Number of Vehicles; Quarterly Fee:** Zipcar will provide dedicated car sharing vehicle[s] (“Zipcar Vehicles”) to City as follows:

No. of Vehicles*	Vehicle Make and Model	Start Date	End Date
10			

\* *The number of Zipcar Vehicles may be increased, by mutual written agreement of the parties. Zipcar will maintain a minimum of 10 vehicles for the initial twelve months of this Agreement. Zipcar may decrease the number of Zipcar Vehicles at any time after the initial twelve months, in its sole discretion, by written notice to City; provided, however, that if Zipcar permanently reduces the number of Zipcar Vehicles below 10, the City may terminate this Agreement upon no less than thirty (30) days written notice to Zipcar. Further, Zipcar, in its sole discretion, by written notice to City, may replace Zipcar Vehicles with similar Zipcar vehicles.*

**3. Zipcar Membership:** Zipcar members in good standing shall be eligible to use Zipcar Vehicles (an “Eligible Person”) at the usage rates set forth in Schedule E and subject to Zipcar’s then current policies and procedures, including without limitation the terms and conditions of Zipcar’s member agreement. To become a Zipcar member, a person shall complete Zipcar’s membership application at [www.zipcar.com](http://www.zipcar.com) and, if approved for membership by Zipcar, shall enter into Zipcar’s member agreement in the form set forth at [www.zipcar.com](http://www.zipcar.com). Zipcar may revise the membership application and member agreement from time to time in its sole discretion. Eligible Persons shall be responsible for paying Zipcar’s annual membership fee, Zipcar Vehicle usage rates, and such additional fees and charges as set forth by Zipcar in the Zipcar member agreement and at [www.zipcar.com](http://www.zipcar.com) and as adjusted from time to time in Zipcar’s sole discretion. Notwithstanding the foregoing, the prices set forth in Schedule E shall not be modified during the initial twelve month period following the Effective Date. The member agreement is by and between Zipcar and its member. It is understood and agreed the City is not a party to the member agreement and is not entitled to the rights or subject to the obligations thereof.

**4. Marketing:** Zipcar will provide the City with a Zipcar Account Manager to act as a liaison between Zipcar and the City. The Zipcar Account Manager will prepare an annual marketing plan and will provide Zipcar’s standard marketing materials and collateral to promote the car sharing program to City’s students and employees. In addition, Zipcar shall provide and *City shall* install and fill, Zipcar’s standard signage and collateral/postcard drop boxes.

**Schedule B**  
**City Obligations**

**1. Parking:** City will provide up to 25 highly visible, dedicated and reserved parking location (s) commensurate with the number of Zipcars provided pursuant to Schedule A at no charge to Zipcar and shall provide additional mutually agreed to parking location(s) for each additional Zipcar Vehicle in excess of 25 provided under Schedule A at a rate to be mutually agreed to by the parties. Zipcar shall post at such location(s) Zipcar signage and Tow Away Notices provided by Zipcar. The reserved parking locations will be accessible 24 hours, 7 days per week. City agrees to maintain the parking location(s), consistent with city-wide practices. The additional terms and conditions set forth in Schedule D shall apply to City's provision of parking spaces to Zipcar.

**2. Administration; Marketing:** City shall designate a coordinator to coordinate the marketing and promotion of the Zipcar service to residents of the City. City shall use Zipcar's standard marketing materials and collateral provided by Zipcar to promote the Zipcar car sharing program. City may create co-branded marketing materials at City's expense upon mutual written agreement of the parties, subject to City's compliance with Zipcar's co-branding guidelines and Zipcar's review and approval prior to dissemination. The City will fill the collateral/postcard boxes.

**3. Use of Zipcar Name.** City may not use Zipcar's name or logo without Zipcar's prior written consent which will not be unreasonably withheld or delayed. Zipcar may release one press release announcing the parties' relationship hereunder with the prior consent of City, which shall not be unreasonably withheld. Zipcar communications specialist will work with City on any public or media communications and City will adhere to mutually agreed upon PR guidelines which shall be provided to City by Zipcar from time to time. City agrees to use best efforts to notify Zipcar at least one week in advance of an written article, television story, or other third party publication being released in which City has discussed its car sharing program and/or Zipcar, shall provide Zipcar with a copy of the publication at least one week before its release, and shall use best efforts to have the publisher make such modifications as Zipcar may reasonably request.

**4. Signs Installation.**

Zipcar will provide the City with the Zipcar signs described in Schedule F attached hereto, and the City will, at no cost to Zipcar, install the signs at each parking space provided to Zipcar for Zipcar's use hereunder. Zipcar will own the signs and will maintain the signs after installation by City.

The City will issue Zipcar a Revocable Encroachment Permit at a cost of \$190 per each sign.

## Schedule C

### General Terms and Conditions

1. **Services; Relationship of the Parties.** Subject to the terms and conditions of this Agreement, Zipcar will provide the services (the "Services") and Zipcar vehicles (the "Zipcar Vehicles") set forth in Schedule A. City will perform the obligations set forth on Schedule B and provide the parking spaces mutually agreed to by the parties pursuant to Schedule D. The relationship of the parties to this Agreement is solely that of independent contractors. Neither party will have any authority to contract with third parties on behalf of the other party or to expressly or impliedly represent that it has any such authority, to any person.
2. **Reserved.**
3. **Reserved.**
4. **Publicity.** Zipcar may release a press release announcing the parties' relationship hereunder with the prior consent of City, which shall not be unreasonably withheld. Unless otherwise expressly permitted in this Agreement, neither party will use the other party's name, logos, trademarks or service marks in any manner without the other party's prior written approval. Upon Council approval, City hereby gives Zipcar the right to use City's name, logos, trademarks and service marks (i) to, as may be mutually agreed by the parties, create marketing and advertising materials for City to use to promote the Service to its employees and (ii) on Zipcar's customer list which will be displayed on Zipcar's website and in other publications. Specifically Zipcar will use the City's name and logos for the following: 1) printed collateral; 2) Related advertising to support program adoption (online and print), if applicable; 3) Vehicle and location merchandising; 4) Pre and post sales website to support the program (i.e. microsite, reservation system); 5) Social Media efforts (Facebook, Twitter, Foursquare, Yelp, etc.); 6) Customer list on Zipcar.com, if applicable; 7) Any press release or materials issued/used to support related media efforts
5. **DISCLAIMER OF WARRANTIES.** EXCEPT AS EXPRESSLY PROVIDED HEREIN, ZIPCAR MAKES NO WARRANTIES WITH RESPECT TO THE SERVICES OR THE SUBJECT MATTER OF THIS AGREEMENT AND HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT. NO WARRANTY IS MADE THAT THE SERVICES WILL MEET CITY'S REQUIREMENTS. THE PROVISIONS OF THIS SECTION SHALL SURVIVE ANY TERMINATION OF THIS AGREEMENT.
6. **LIMITATION OF LIABILITY.** NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS, LOSS OF DATA OR INTERRUPTION OF BUSINESS, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS. THE FOREGOING LIMITATION OF LIABILITY IS NOT INTENDED TO LIMIT EITHER PARTY'S LIABILITY FOR GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. THE PROVISIONS OF THIS SECTION SHALL SURVIVE ANY TERMINATION OF THIS AGREEMENT.
7. **Confidentiality**
  - A. All proprietary and other information received from Zipcar by CITY will be disclosed upon receipt of a request for disclosure, pursuant to the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "confidential" when it is provided to CITY, CITY shall give notice to Zipcar of any request for the disclosure of such information. Zipcar shall then have five (5) days from the date it receives such notice to enter into an agreement with the CITY, satisfactory to the City Attorney, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's attorney fees) incurred by CITY in any legal action to compel the disclosure of such information under the California Public Records Act. Zipcar shall have sole responsibility for defense of the actual "confidential" designation of such information.
  - B. The parties understand and agree that any failure by Zipcar to respond to the notice provided by CITY and/or to enter into an agreement with CITY, in accordance with the provisions above, shall constitute a complete waiver by Zipcar of any rights regarding the information designated "confidential" by Zipcar, and such information shall be disclosed by CITY pursuant to applicable procedures required by the Public Records Act.
8. **Termination.** If either party breaches this Agreement and fails to cure such breach within thirty (30) days after receipt of notice of that breach from the other party then the other party, then the other party may terminate this Agreement effective as of the end of that period. It is recognized that some breaches are not capable of cure, such as a cessation of business. With respect to any such incurable breach by a party, if it remains possible or give notice, then upon such notice by the other party this Agreement will be deemed terminated. If it is not possible then this Agreement will be deemed to terminate automatically upon such breach. No termination for cause will be deemed a waiver of any claim for damages by the terminating party.
9. **Miscellaneous.** Each party represents and warrants to the other that it has the authority to enter into this Agreement and is not under any obligation to any third party that would conflict with this Agreement. This Agreement is the entire agreement between the parties with respect to the subject matter hereof and supersedes all other prior and contemporaneous agreements and understandings, oral and written, between the parties with respect to the subject matter hereof. Additional or different terms in any purchase order or similar document will not modify or add to the terms of this Agreement. This Agreement may be amended only by a written agreement between the parties. If one party fails to enforce any provision of this Agreement, such party will not be precluded from enforcing the same provision at another time. This Agreement and the rights granted under it may not be assigned or transferred by either party without the written consent of the other party; provided, however, either party will have the right to assign this Agreement to its successor in the event of a merger, acquisition or other consolidation, including without limitation the sale of all or substantially all of its assets or stock or business to which this Agreement relates. In the event that any provision of this Agreement is held by a court or other tribunal of competent jurisdiction to be unenforceable, such provision will be deemed modified to the minimum extent necessary to render the provision enforceable in a manner that most closely represents the original intent of the parties and the remaining terms and conditions of this Agreement will remain in full force and effect. This Agreement shall be governed by and construed in accordance with law of the State of California without regard to conflicts of laws provisions thereof. The parties agree that the sole jurisdiction and venue for actions related to the subject matter hereof shall be the state and federal courts located in California. The paragraph headings contained in this Agreement are for convenience only and are not intended to be used nor may they be used in the interpretation of this Agreement. Neither party will be responsible for delays or failures in performance resulting from acts beyond its control. Such acts include but are not limited to acts of God,

labor conflicts, acts of war or civil disruption, governmental regulations imposed after the fact, public utility out failures, industry wide shortages of labor or material, or natural disasters.

**Schedule D**  
**License Agreement**

1. Grant of a Limited License. City grants to Zipcar a license (the "License") to use the parking spaces located at the following locations, which parking spaces shall be mutually agreed to by the parties (the "Licensed Property"). The Licensed Property may be amended from time to time during the term of the Agreement by mutual written agreement of the parties to add or remove locations from the Licensed Property.

Location #1

Sac City Hall I street between 9th and 10th

Notes: on street right in front of city hall

Locations #2

10th & L Street

Notes: Capitol Walkway

Location #3

16th & J Street

Location #4

18th & L Street

Location #5

28th & J Street

2. No Assignment. The rights licensed to Zipcar in the Licensed Property pursuant to this Agreement may not be assigned by Zipcar except as permitted under Schedule C.
3. Revocation on Notice. Either party may revoke this Agreement at any time on thirty (30) days' advance written notice to the other party. The date for termination for the License created herein shall be specified in the applicable written notice.
4. Surrender/Condition. On or before the day specified in any notice of revocation given under Paragraph 3, or at the conclusion of this termed Agreement, Zipcar shall remove all of Zipcar's personal property, and all third party personal property located on the Licensed Property which was placed on the Licensed Property with Zipcar's consent. Zipcar shall return the Licensed Property to City in good order and repair and free from any hazardous substances which arrived on the Licensed Property during the period of this Agreement.

5. Insurance.

During the entire term of this Agreement, Zipcar shall maintain the insurance coverage described in this Section. No compensation will be provided for Zipcar's insurance premiums.

It is understood and agreed by the Zipcar that its liability to the City shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the Licensee in connection with this License.

A. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance, providing coverage at least as broad as ISO CGL Form 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence.
- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, and property damage,

caused by Zipcar's negligence with limits of not less than one million dollars (\$1,000,000) on a combined single limit basis. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of Zipcar.

- (3) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Worker's Compensation policy shall include a waiver of subrogation.

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insured on Zipcar's Commercial General Liability Insurance policy.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Zipcar's insurance coverage shall be primary insurance as respects City, its officials, employees and volunteers. Any insurance or self-insurance maintained by City, its officials, employees or volunteers shall be in excess of Licensee's insurance and shall not contribute with it.
- (2) Coverage shall state that Zipcar's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (3) Zipcar will endeavor to provide City with thirty (30) days written notice of cancellation.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:V. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section must be declared to and approved by the City Risk Management Division in writing prior to execution of this Agreement.

E. Verification of Coverage

- (1) Zipcar shall furnish City with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the City representative.
- (2) The City may withdraw its offer of license or cancel this Agreement if the certificates of insurance and endorsements required have not been provided prior to or promptly after execution of this Agreement by providing Zipcar with written notice within ten (10) days from the Effective Date of this Agreement. The City may cancel this Agreement if the insurance is canceled or Zipcar otherwise ceases to be insured as required herein.

F. Contractors and Subcontractors

Zipcar shall require and verify that all contractors and subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A.

**Schedule E  
Initial Pricing**

The following sets forth Zipcar's pricing for the Zipcar car sharing services as of the Effective Date. This pricing is subject to change from time to time in Zipcar's sole discretion. Notwithstanding the foregoing, the prices set forth in this Schedule E shall not be modified during the first twelve (12) months from the Effective Date.

<b>Member Application Fee</b>	<b>18+/21+ students, faculty and staff at UC Davis</b>	<b>21+ Local Residence</b>	<b>Zipcar for Business and Government</b>
<b>Annual Fee</b>	Waived	\$25	One time \$75 account set-up fee
<b>Credit</b>	\$35	\$50	\$25 for each driver on the account
<b>Weekday Hourly Driving Rates</b>	\$35 to be used first 30 days	\$50 to be used first year	None
<b>Weekend Hourly Driving Rates</b>	\$6.80 to \$8/hr-\$56.1 to \$66/day	\$6.80 to \$8/hr-\$56.1 to \$66/day	\$8/hr to \$66/day
<b>Free Mile allotted per day</b>	\$7.65 to \$9/hr-\$61.2 to \$72/day	\$7.65 to \$9/hr-\$61.2 to \$72/day	\$9/hr to \$72/day
<b>Rate (per mile) for Excessive Mileage</b>	180	180	180
	.45 cents	.45 cents	.45 cents
<b>Extra Value Plans</b>	<b>Tier One- \$50</b>	<b>Tier Two- \$75</b>	<b>Tier Three- \$125</b>
<b>Member Application Fee</b>	\$0	\$0	\$0
<b>Driving Rate Discount</b>	10%	10%	10%
<b>Monthly Fee</b>	\$50 pre-paid driving credit commitment	\$75 pre-paid driving credit commitment	\$125 pre-paid driving credit commitment
<b>Roll Over</b>	\$50- one month roll over	\$75- one month roll over	\$125- two month roll over
<b>Weekday Hourly Driving Rates</b>	10% discount \$7.20/hr- \$59.40/day	10% discount \$7.20/hr- \$59.40/day	10% discount \$7.20/hr- \$59.40/day
<b>Weekend Hourly Driving Rates</b>	10% discount \$8.10/hr- \$64.80/day	10% discount \$8.10/hr- \$64.80/day	10% discount \$8.10/hr- \$64.80/day
<b>Free Mile allotted per day</b>	180	180	180
<b>Rate (per mile) for Excessive Mileage</b>	.45 cents	.45 cents	.45 cents
	<b>Tier Four- \$250</b>		
	\$0		\$0
	15%		15%
	\$250 pre-paid driving credit commitment		\$250 pre-paid driving credit commitment
	15% discount \$6.80/hr- \$56.10/day		15% discount \$6.80/hr- \$56.10/day
	15% discount \$7.65/hr- \$61.20/day		15% discount \$7.65/hr- \$61.20/day

Schedule F  
Signage

[See Attached]