



City of Sacramento City Council

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915 I Street, Sacramento, CA, 95814
www.CityofSacramento.org

Meeting Date: 11/15/2011

Report Type: Consent

Title: Cooperative Purchase Agreements: Rental Car Services and E85 Fuel for Fleet Vehicles and Equipment

Report ID: 2011-00915

Location: Citywide

Recommendation: Adopt a Resolution: 1) approving the use of the State of California cooperative purchase agreement with Enterprise Rent-A-Car (Contract No. 5-11-99-01) for the purchase of rental car services in an amount not to exceed \$1 million through December 31, 2016 or until the contract is no longer available for use; 2) approving the use of the State of California cooperative purchase agreement with Hunt & Sons, Inc. (Contract No. 1-10-91-02-A) for the purchase of E85 fuel in amount not to exceed \$500,000 through December 23, 2013 or until the contract is no longer available for use; and 3) authorizing the City Manager or the City Manager's designee to execute purchases in the amounts specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).

Contact: Keith Leech, Fleet Manager, (916) 808-5869, General Services Department

Presenter: None

Department: General Services Dept

Division: Fleet Management Admin

Dept ID: 13001311

Attachments:

- 1-Description/Analysis
- 2-Resolution
- 3-Exhibit A Enterprise Contract
- 4-Exhibit B Hunt Contract

City Attorney Review

Approved as to Form
Kourtney Burdick
11/3/2011 2:13:48 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
10/27/2011 1:33:12 PM

Approvals/Acknowledgements

Department Director or Designee: Reina Schwartz - 11/2/2011 4:53:53 PM

Eileen Teichert, City Attorney

Shirley Concolino, City Clerk
John F. Shirey, City Manager

Russell Fehr, City Treasurer

Description/Analysis

Issue: The Department of General Services, Fleet Management Division has ongoing requirements to purchase rental car services and E85 fuel for City vehicles and equipment. Using existing cooperative purchase agreements for these purchases is advantageous to the City as the agreements meet the City's fleet specifications and result in cost and time savings.

Policy Considerations: In accordance with City Code 3.56.240, the City Manager may, by cooperative purchase agreements approved by City Council, purchase supplies or nonprofessional services through contracts of other governmental jurisdictions without separate competitive bidding, where it is advantageous to the City.

The recommendations in this report are consistent with Resolution No. 2010-346, prohibiting the City from entering into any contract to purchase goods or services from any business or entity headquartered in Arizona.

Environmental Considerations:

California Environmental Quality Act (CEQA): The recommendations in this report involve the purchase of rental car services and E85 fuel for City vehicles and equipment and do not have the potential for causing a significant effect on the environment. Therefore, as determined by the City's Environmental Services Planning Manager, the recommendations have been determined to be exempt from the requirements of CEQA under Section 15061(b)(3), and no environmental review is necessary.

Sustainability: The recommended E85 fuel purchases are consistent with the Fleet Sustainability Policy adopted by City Council on February 16, 2010 (Resolution No. 2010-083) by supporting emissions reductions through the use of alternative fuels.

Commission/Committee Action: None

Rationale for Recommendation: The Department of General Services, Fleet Management Division has ongoing requirements to purchase rental car services and E85 fuel for City vehicles and equipment.

It is anticipated that the City will spend between \$150,000 and \$200,000 in rental car services for each of the five years of the cooperative purchase agreement with Enterprise Rent-A-Car. Historically, the City has spent between \$100,000 to \$150,000 with Enterprise to supplement the city-owned motor pool with specialty vehicles and/or for peak demand. An increase in rental car services purchase contract authority is recommended to provide the City the opportunity to further "right size" the city owned motor pool to achieve improved cost effectiveness for city employee transportation. The City is also establishing alternative sourcing of car share/car rental services with Zip Car to service City Hall Employees.

In an ongoing effort to maximize cost savings and staff resources, many government agencies share contracting efforts through cooperative purchasing. This procurement method increases pricing competitiveness and lowers operating costs through volume buying. When comparing the administrative costs of procurement, staff considers product research, source selection, specifications, advertising, staff reports, awarding, protest, and administration of the contract. It is often more cost-effective to eliminate the cost and time spent on these administrative processes and purchase items and services through a cooperative purchasing program.

The City has used both regional and national cooperative purchase agreements to complement its own contracting initiatives. Cooperative purchasing enables City departments and Procurement Services to evaluate a broader range of contracting opportunities and to share resources with other jurisdictions. Cooperative purchasing also leverages internal and external resources to maximize cost savings opportunities for the City.

The recommendations in this report to use two existing cooperative purchase agreements between 1) the State of California and Enterprise-Rent-A-Car; and 2) the State of California and Hunt & Sons, Inc. will result in cost and time savings.

Financial Considerations: Purchases for rental car services and E85 fuel using the recommended cooperative purchase agreements will be made from the Department of General Services FY2011/12 operating budget and charged to the operating budgets and funds of the user departments. Sufficient funds are available in the Department of General Services FY2011/12 operating budget (Fleet Fund, Fund 6501) to make the recommended purchases through June 30, 2012. Purchases made after June 30, 2012 and through the duration of the contracts are subject to funding availability in the adopted budget of the applicable fiscal years. In determining the recommended spending authorities, Fleet Management staff reviewed the expenditure history with each vendor and for each commodity, and also considered future needs. The table below provides the annual estimates for each vendor and commodity.

Estimated Annual Expenditures

State of California Cooperative Purchase Agreements								
Vendor	Contract No.	Commodity	Estimated Expenditures (thousands)					Total
			Year 1	Year 2	Year 3	Year 4	Year 5	
Enterprise	5-11-99-01	Rental cars	\$200	\$200	\$200	\$200	\$200	\$1,000
Hunt & Sons	1-10-91-02-A	E85 fuel	\$250	\$250	n/a	n/a	n/a	\$500

Emerging Small Business Development (ESBD): Cooperative purchase agreements are created, evaluated and awarded by other government agencies that may or may not have similar emerging and small business programs. However, the Department of General Services, Fleet Management Division and the Procurement Services Division shall consider other alternatives if it is determined that using cooperative purchase agreements has a negative impact on small businesses.



RESOLUTION NO. 2011-XXXX

Adopted by the Sacramento City Council

November 15, 2011

APPROVING THE USE OF COOPERATIVE PURCHASE AGREEMENTS FOR THE PURCHASE OF RENTAL CAR SERVICES AND E85 FUEL

BACKGROUND

- A. The Department of General Services, Fleet Management Division has ongoing requirements to purchase rental car services and E85 fuel for City vehicles and equipment.
- B. In accordance with City Code 3.56.240, the City Manager may, by cooperative purchase agreements approved by City Council, purchase supplies or nonprofessional services through contracts of other governmental jurisdictions without separate competitive bidding, where it is advantageous to the City.
- C. Using the recommended cooperative purchase agreements between 1) the State of California and Enterprise-Rent-A-Car (Contract No. 5-11-99-01); and 2) the State of California and Hunt & Sons, Inc. (Contract No. 1-10-91-02-A) is in the best interest of the City as the agreements meet the City's specifications and will result in cost and time savings.

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

- Section 1. The use of the State of California cooperative purchase agreement with Enterprise Rent-A-Car (Contract No. 5-11-99-01) (attached as Exhibit A) is approved for the purchase of rental car services in a total amount not to exceed \$1 million through December 31, 2016 or until the contract is no longer available for use.
- Section 2. The use of the State of California cooperative purchase agreement with Hunt & Sons, Inc. (Contract No. 1-10-91-02-A) (attached as Exhibit B) is approved for the purchase of E85 fuel in a total amount not to exceed \$500,000 through December 23, 2013 or until the contract is no longer available for use.
- Section 3. The City Manager or the City Manager's designee is authorized to execute the purchases specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).

Section 4. Exhibits A and B are part of this resolution.

Table of Contents:

Exhibit A	Agreement with Enterprise Rent-A-Car
Exhibit B	Agreement with Hunt & Sons, Inc.



AGREEMENT NUMBER 5-11-99-01
REGISTRATION NUMBER

- This Agreement is entered into between the State Agency and the Contractor named below:
 STATE AGENCY'S NAME
Department of General Services
 CONTRACTOR'S NAME
The Affiliates of Enterprise Holdings, INC, "D/B/A ENTERPRISE RENT-A-CAR, NATIONAL, AND ALAMO
- The term of this Agreement is: January 1, 2011 through December 31, 2013
 Or upon DGS signature of approval, with three one-year options to extend
- The maximum amount of this Agreement is: \$ -0-
- This contract is to provide Commercial Car Rental services to State and local government agencies per RFP DGS OFAM CCR 2011 and contractor's response which are incorporated and made a part of this agreement by reference.

The parties agree to comply with the terms and conditions of the following which are by this reference made a part of the Agreement.

This Award is:

- Exhibit A, Scope of Work (3 pages)
- Exhibit B, Rates and Payment Provisions (2 pages)
- Exhibit C, General Terms & Conditions GTC-610 (6/9/2010 - 7 Pg) <http://www.documents.dgs.ca.gov/ols/GTC-610.doc>
- Exhibit D, Contractors Certification Clause CCC-307 (3/28/07- 4Pg) www.ols.dgs.ca.gov/Standard+Language/default.htm
- Exhibit E, Short Term CCR Cost Tables (1 page)
- Exhibit F, Long Term CCR Cost Tables (1 page)

RFP DGS OFAM CCR 2011 and the Contractor's response are incorporated and made a part of this agreement by reference. <http://www.pd.dgs.ca.gov/masters/RFPList.htm>

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR		California Department of General Services Use Only	
CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.) <i>The Affiliates of Enterprise Holdings, INC.</i>		<div style="border: 2px solid black; padding: 10px; text-align: center;"> APPROVED <div style="border: 1px solid black; padding: 5px; display: inline-block;">MAY 20 2011</div> DEPT OF GENERAL SERVICES </div>	
BY (Authorized Signature) <i>[Signature]</i>	DATE SIGNED (Do not type) <i>4/15/11</i>		
PRINTED NAME AND TITLE OF PERSON SIGNING <i>Mark I. Litow, Authorized Officer</i>			
ADDRESS <i>600 Corporate Park Dr., St. Louis, MO 63105</i>		<input type="checkbox"/> Exempt <i>[Signature]</i>	
STATE OF CALIFORNIA			
AGENCY NAME Department of General Services			
BY (Authorized Signature) <i>[Signature]</i>	DATE SIGNED (Do not type) <i>5/20/11</i>		
PRINTED NAME AND TITLE OF PERSON SIGNING Jim Butler, Deputy Director			
ADDRESS 707 Third Street, 2 nd Floor West Sacramento, CA 95605--2811			

STATE OF CALIFORNIA
STANDARD AGREEMENT
STD 213 (Rev 08/03)

AGREEMENT NUMBER

5-11-99-01

REGISTRATION NUMBER

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STATE AGENCY'S NAME

Department of General Services

CONTRACTOR'S NAME

The Affiliates of Enterprise Holdings, INC, "D/B/A ENTERPRISE RENT-A-CAR, NATIONAL, AND ALAMO

2 The term of this Agreement is: January 1, 2011 through December 31, 2013
Or upon DGS signature of approval, with three one-year options to extend

3. The maximum amount of this Agreement is: \$ -0-

4. This contract is to provide Commercial Car Rental services to State and local government agencies per RFP DGS OFAM CCR 2011 and contractor's response which are incorporated and made a part of this agreement by reference.

The parties agree to comply with the terms and conditions of the following which are by this reference made a part of the Agreement.

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CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

The Affiliates of Enterprise Holdings, INC.

BY (Authorized Signature)

DATE SIGNED (Do not type)

[Signature]

4/15/11

PRINTED NAME AND TITLE OF PERSON SIGNING

Mark I. Litow, Authorized Officer

ADDRESS

600 Corporate Park Dr., St. Louis, MO 63105

STATE OF CALIFORNIA

AGENCY NAME

Department of General Services

BY (Authorized Signature)

DATE SIGNED (Do not type)

[Signature]

5/13/11

PRINTED NAME AND TITLE OF PERSON SIGNING

Jim Butler, Deputy Director

ADDRESS

707 Third Street, 2nd Floor
West Sacramento, CA 95605-2811

California Department of General Services
Use Only

EXEMPT

SCOPE OF WORK**EXHIBIT A**

The DGS PD, on behalf of the OFAM STP is procuring services for rental vehicles used by employees of the State and all optional users who travel on official State business, in a continued effort to provide consistency, accountability and transparency with State travel expenditures.

The State and The Entities of Enterprise Holdings, Inc, listed on attached schedule 1 (hereinafter referred to as the "Contractor"), hereby agree that the Contractor will provide the State with rental car services in accordance with the terms and conditions of this agreement.

The Contractor agrees that the terms and conditions set forth herein take precedence over any contrary policies and provisions of any Contractor rental document that the State of California employee signs when renting a vehicle. Representations by, and obligations of, the Contractor, hereunder are also representations by, and obligations of, Contractor's participation franchisees and subcontractors

1. AGREEMENT

- A. The Contractor agrees to provide the State employees short term/long term vehicle CCR and services for official State business.
- B. Participating Locations, hours of operation and by-pass availability are identified in Attachment 3. The minimum hours of operation within the scope of this contract shall be consistent with airport hours at those locations and consistent with business hours at all other locations.
- C. This Agreement cannot be considered binding on either party until approved by DGS/PD.
- D. The rates specified in Exhibit F and Exhibit G will stay in effect for the initial 2 year contract term; however, contractor may request a price increase for contract extensions in accordance with the following procedure:

The State may authorize price increases should the State decide to extend the contracts. The price increase shall in no case exceed the Consumer Price Index (CPI) for the previous calendar year. A written request for the cost increases must be submitted to the DGS/PD Administration at least ninety (90) days prior to the effective date. The Contractor shall include in the written request full justification for the price increase. The CPI will be calculated according to the Consumer Annual Average for California which Contractor may find via the State of California, Department of Finance, Economic Research Section, Sacramento, California, telephone number (916) 322-2263.

2. TERMS

- A. The initial term agreement will be for two (2) years January 1, 2011 through December 31, 2012. The State reserves the right to extend the contract term for three (3) one-year terms at the base rates including CPI adjustment if applicable. The State shall endeavor to give notice of its intention to extend the contract term at least one hundred and twenty (120) days before expiration of the current term.

3. PERFORMANCE

- A. Performance shall start not later than five (5) business days, or on the express date set by the DGS and the Contractor, after all approvals have been obtained and the agreement is fully executed. Should the Contractor fail to commence work at the agreed upon time, the DGS, upon five (5) days written notice to the Contractor, reserves the right to terminate the agreement. In addition, the Contractor shall be liable to the State for the difference between its contracted bid price and the actual cost of performing the work by another contractor.

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- B. Contractor will identify the name, business address and portion of work to be completed of each subcontractor who performs work to this contract.
- C. All performance under the agreement shall be completed on or before the termination date of the agreement.
- D. The contractor will provide a 100% of the vehicle requests and perform per contractual agreement. In no case should a government employee utilizing this contract be turned away. The State will periodically review reports to determine if the vendor is in compliance. The STP Administrator and Statewide Travel Manager will direct matters of serious concern to the Contractor's appropriate headquarters personnel.
- E. Full compliance with the terms of this Agreement is required of the Contractor and its participating locations. Any material deviation from standard rental car practices, or from the terms of this Agreement, may constitute good cause for an individual rental location to be placed in an immediate nonuse status until such time as the State of California determines that proper remedial measures have been taken (or implemented if that's preferred). Serious violations on a system-wide basis may justify disqualification of the Contractor from further State of California business. If the Contractor is disqualified, this Agreement will be immediately terminated.
- F. In the event that the Contractor is determined to be non-compliant by the State, the State will have the option to add or change vendors without a bid process and award based on the bids submitted through the RFP.

4. SERVICE

- A. The Contractor will provide all necessary automotive and required services under this contract.
- B. At the completion of each service, the Contractor will provide Receipt of services that will contain all charges listed, identifying the base rate, fuel and/or any excess charges in addition to the charges for the vehicle. The receipt should also contain the renter's name and information provided prior to the rental. Should a credit be issued, the Contractor will provide receipt reflecting correction.
- C. The State does not guarantee the amount of work or services that may be requested from the Contractor.

RATE AND PAYMENT PROVISIONS

- A. RATES** – Rates will include unlimited mileage provided the car is returned to the renting location or other drop point authorized by the Contractor at the time of pick up. Rates quoted will not be subject to blackout dates, and do not require advance reservations or a minimum rental period. If the Contractor provides a vehicle not included in Exhibit F and G the terms and conditions of this Agreement will nevertheless apply.

Short Term Rates

1. The daily, weekly, and maximum cap rates, (as applicable), set forth in Exhibit F.
2. The renter must return the vehicle with the same level of fuel that the vehicle had when it was picked up, or the company may charge market fuel prices, for vehicle refueling without requiring pre-payment.
3. Maximum Cap Rates (MCR) offered includes the base rate, all fee's, all charges, in addition to airport access fees, vehicle license fees and, State, City and County or local surcharges that apply to the CCR industry as a whole and identified by airport. Sales tax and refueling charges will not be included in the rate. MCR should be provided at the top 14 airports stated in Section A.3.a., based on the volume data provided in this RFP and will be evaluated based on availability provided by the contractor.

MCR – includes the base rate and all fees listed below:

- Vehicle Licensing Recovery Fee
- Concession Recoup Fee
- Tourism Fee
- Transportation Fee
- Other Fees where applicable*

* Other fees that are applicable are to be noted and attached to the bid sheet. (See Exhibit F & G)

* Other fees and surcharges are to be included in the MCR provided. (See Exhibit F & G)

Long Term Rates

1. For the Long-term (thirty days or more) daily, weekly and monthly base rates shall apply so long as the rental period is at least 30 days, and after the initial 30 days, the rental vehicle will incur charges based on the daily, weekly, or monthly rates provided on Exhibit G. After which, the vehicle may be returned without penalty.
2. Long Term rentals, the renter must return the vehicle with the same level of fuel that the vehicle had when it was picked up, or the company may charge market fuel prices, for vehicle refueling without requiring pre-payment.

Global Distribution System

Submitted rates will be entered into the Global Distribution System (GDS) by the Contractor and be designated as the **CALIFORNIA STATE CONTRACT RATE**. The State of California will publish rates described in Exhibits F and G (to the extent possible) changes thereto in a Travel Bulletin or comparable document. **THE APPLICABLE BASE RATE SHALL BE QUOTED TO THE STATE TRAVELER AT THE TIME OF RESERVATION.**

All car rental rates must be accessible in the Global Distribution System (GDS) and/or through a Department intranet site. Contractor will not charge the State more than the contract rates set forth in Exhibits F and G.

Note: Rates quoted in Exhibit F and Exhibit G must be available at all California, Domestic and International locations. Bidders shall provide a separate Attachment 3 listing for each California, Domestic and International participating locations.

B. PAYMENT

Payment by the State employee may be made with the **American Express Government Charge Card**, or the **American Express Car Rental Business Travel Account (CRBTA)**. Acceptance of an **American Express Government Charge Card** or the **CRBTA** is mandatory. Cash, personal checks and personal credit cards are not authorized forms of payment for the State of California contract CCR rates.

AMERICAN EXPRESS CAR RENTAL BUSINESS TRAVEL ACCOUNT (CRBTA) CHARGES AND BILLING: The CRBTA is controlled by the Contractor. The reservation will be made through the current state travel agency, Cal-Travel Store utilizing an identification number issued by the car rental contractor for each department, or optional user. This may include but will not be limited to, billing numbers that identify the traveler, the department, the cost center, the State rate, and the proper insurance coverage. There are no actual cards. Upon completion of the reservation, the Car Rental Contractor will submit the transaction to American Express for payment. The State department will receive a consolidated billing statement from American Express reflecting charges through the 25th of the month. Detailed billing will come directly from the car rental company, in an excel spreadsheet or another optional useful format, providing the detail, including cost center information, charges, and specific needs requested by the department. The department will pay American Express directly.

Pre-charging credit cards with the estimated amount of the rental and/or making changes to the method of payment) when the car is returned is prohibited.

Should the travel payment vendor change before the end of this CCR contract cycle, the STP will contact each Contractor to provide further processing directions. The Contractor will ensure that all locations are notified of the changes.

BILLING TO INDIVIDUAL DEPARTMENTS: THE CONTRACTOR WILL NOT BILL THE DGS, OFAM FOR VEHICLES RENTED BY EMPLOYEES OF OTHER OFFICES AND DEPARTMENTS. The contractor must send invoices to the employee's department or office address. Do not send invoices to the OFAM address located at 1700 National Drive. The Contractor shall provide the State a single address for the remittance of all payments from this contract.

OTHER FORMS OF PAYMENT: NO OTHER FORM OF PAYMENT WILL BE AUTHORIZED FOR THESE STATE CONTRACTED RATES FOR STATE EMPLOYEES. If the Contractor provides contracted rates under another form of payment for optional users (see Section A.5.b. "optional users" - definition), the Contractor will be required to include this data in all reports requested, for the term of the contract, and include this volume in the revenue share provided to STP.

GENERAL TERMS AND CONDITIONS

The State does not accept alternate contract language from a Bidder. A bid with such language will be considered a counter proposal and will be rejected. The State's General Terms and Conditions (GTC 610) are not negotiable. The GTC 610 may be viewed at Internet site:
<http://www.documents.dgs.ca.gov/ols/GTC-610.doc>

ADDITIONAL TERMS AND CONDITIONS**1. STANDARD CONDITIONS OF SERVICE**

- A. The Contractor shall have the charge, care, and sole responsibility of the work and shall bear the risk of injury or damage to any part thereof by the action of the elements or any other cause whether arising from execution or non-execution of the work.
- B. The Contractor shall bear all expenses to restore damages occasioned by any of the above or actions resulting from the injuries or damage sustained or arising in the construction of this work or the consequences thereof. The State of California may retain as much of the money due the Contractor as shall be considered necessary until final disposition has been made of such suits or claims for damages.
- C. The Contractor shall give his/her personal supervision to the work, or employ a competent representative satisfactory to the State of California who shall at all times be present at the site of the work while work is in progress, with authority to act for him/her. Whenever the Contractor is not present on any part of the work where it may be desired to give directions or orders, they will be given by an authorized employee of the State of California. Such orders shall be received and obeyed by the Contractor's representative who may have charge of the particular work in reference to which the orders are given.
- D. The Contractor shall so conduct his/her operations as to offer the least possible obstruction and inconvenience to the public, and he/she shall have under construction no greater amount of work that he/she can prosecute properly with due regard to the rights of the public. Any person the State may deem incompetent or disorderly shall be promptly dismissed and not reinstated.
- F. It is unlawful for a contractor to assist, promote, or deter union organizing by employees who are performing work on a service contract for the State or a State agency. This action is subject to fines in accordance with Government Code GC§16645.

2. SEVERABILITY

If any provision of this agreement is held to be invalid or unenforceable for any reason, the remaining provisions will continue in full force without being impaired or invalidated in any way. The parties agree to replace any invalid provision with a valid provision, which most closely approximates the intent and economic effect of the invalid provision. Headings are used for convenience of reference only and in no way define, limit, construe or describe the scope or extent of any section, or in any way affect this Agreement.

3. RIGHT TO TERMINATE

The State reserves the right to terminate this agreement subject to 30 days written notice to the Contractor. The agreement can be immediately terminated for cause. The term "for cause" shall mean that the

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- 4) The contract term will be a **two (2) year contract upon signature and approval or from January 1, 2011 through December 31, 2012 for each contract awarded. The State will have the option to extend the contract term, for three (3), additional one (1) year terms.**
- 5) The following definitions will be used for this RFP:
- a) **STATE EMPLOYEE** - a State employee is an officer or employee of the Executive Branch of California State Government.
 - b) **OPTIONAL USERS** - Rates will be made available to users traveling on authorized State business when a vehicle is reserved directly with the Contractor(s) or through an authorized travel agent. In addition to the officers and employees of the Executive Branch, the following may, but are not required to, obtain services under these contracts providing they are on authorized State business and/or authorized pursuant to local laws.
 1. **Non-Salaried:** Persons who are on official State business and whose travel expenses are paid by the State (this includes volunteers, members of official task forces, consultants and members of some commissions and boards).
 2. **Elected Constitutional Officers:** Governor, Lieutenant Governor, State Controller, Attorney General, Secretary of State, Superintendent of Public Instruction, State Treasurer, Insurance Commissioner, members of the Board of Equalization, and members of the staff of the above constitutional officers.
 3. **State Legislative Branch:** Members of the State Senate, Members of the State Assembly, and Legislative staff members.
 4. **State Judicial Branch:** Justices, officers, and employees of the Supreme Court of California, the Courts of Appeal, the Judicial Council of California and the State BAR of California.
 5. **Executive Protection:** Persons providing executive protection to anyone authorized to use these contracted rates.
 6. **Local Agencies:** Elected officials and other personnel of local agencies within California, to the extent that the travel is undertaken in accordance with the laws governing those agencies; persons employed by or affiliated with the California League of Cities (CLC), the California State Association of Counties (CSAC), the California State Districts Association (CSDA) or affiliated organizations. Whenever the term "State business" is used in this agreement, it shall be read to include travel undertaken to perform the official business of local agencies, CLC, CSAC, CSDA or the affiliated organizations referred to herein.
 7. **Kindergarten through Grade Twelve (K-12) Public School Districts:** Persons on official business for K-12 educational institutions that are supported with public funds and are authorized by action of and operated under the oversight of a publicly constituted Local or State educational agency.
 8. **Employees of the California State University System (CSU), University of California System (UC), and California Community Colleges.**
 - c) **DAILY RATE** - the charge per day (24 hours) for the lease of a vehicle.

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- d) WEEKLY RATE - the weekly rate should be for seven continuous days with charges every 24 hours. Therefore, a seven (7) day lease is actually six (6) days of daily rate charges.
- e) MONTHLY RATE - the charge for the lease of a vehicle for thirty (30) continuous days.
- f) OVERAGE CHARGES - if overtime charges apply the contractor will charge one-third (1/3) of the daily rate per hour until the maximum daily rate is reached for vehicles leased on a daily basis.
- g) COUNTER BYPASS - allows government employees to bypass the general public line, and proceed directly to the vendor's express service for a vehicle. This will not be applicable for long term rentals. Counter bypass is required at the 14 locations named in Section A.3.a.
- h) UPGRADE VEHICLE – any vehicle that is rented at a rate higher than the contracted intermediate size (i.e. full size, luxury, specialty, 4WD vehicle, jeep/sport utility, mini-van, cargo van, and 15 passenger van or box truck).
- i) ON-AIRPORT LOCATION - office located within the airport terminal, or an area within the airport property so designated specifically for car rental services. Vehicles may be located in a satellite location. Hours of operation for an on-airport location or office shall be consistent with airport operating hours. Hours of operation may not always be 24 hours a day but rather the hours the business is open to the general public.
- j) OFF-AIRPORT LOCATION – office located outside the airport terminal property or an area so designated specifically for car rental services for the airport. Shuttle services are provided for these locations. Hours of operation for an off-airport location or office shall be consistent with normal business hours (M-F, 8 a.m. - 5 p.m.).
- k) CITY AND SUBURBAN LOCATIONS – any location that does not meet the definition of on-airport or off-airport shall be referred to as a city or suburban location. These locations participating in the State of California program will comply with the provisions of this RFP with the exception of providing pick up and delivery services to and from airports.
- l) NORTHERN LOCATIONS – are Map Areas 1, 2, 3 and 4, see web link below for Area location identification.
- m) CENTRAL LOCATIONS – are Map Areas 5, 6, 9 and 10, see web link below for Area location identification.
- n) SOUTHERN LOCATIONS – are Map Areas 7, 8, 11 and 12, see web link below for Area location identification.

See the following web link to view the State of California map that identifies Areas one (1) through twelve (12) within the Northern, Central and Southern Area locations identified above:

- o <http://www.documents.dgs.ca.gov/pd/poliproc/ZoneMapforRentalCar.doc>

- o) HOLDING COMPANY - A type of parent company that exists primarily to exercise control over other firms. The control is exercised through ownership of a majority of the controlled firm's shares. Earnings of the holding company are derived from earnings of the controlled firms, which pay dividends on the shares.

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p) **SUBSIDIARY** - A company controlled or owned by another company. For example, the ABCD Car Rentals is a wholly owned subsidiary of AB Car Rental Corporation. If a subsidiary is wholly owned, all its stock is held by the parent company.

6) Description of Services:

a) **RENTAL OFFICES:** Contractor will provide rental offices and/or on-airport counters that are in a permanent structure, well-lighted, clean, properly maintained and clearly defined as the Contractor's area for business. Contractor's personnel shall be professional and courteous at all times. Contractor's personnel receiving telephone requests will quote current rates, verify participating locations and its hours of operation, and advise renters of the location of offices where employees are to pick up and return vehicles. Reservations may be made by using Cliqbook, the State's online booking tool through the current State travel agency, Cal Travel store. Repeated Contractor failure to honor reservations will be grounds for placing individual locations in nonuse status until satisfactory remedial measures are completed. If the size/class car reserved is not available, the Contractor will substitute an upgraded vehicle at the same price or, with renter's consent, a smaller car at the reduced rate. Credit card numbers will not be required to make reservations. A confirmation number and, if requested, the local rental location telephone number will be provided at the time a reservation is made.

The State of New York is exempt from the base rate.

b) **RENTAL AGREEMENT PROCEDURES:** Contractor will provide a rental vehicle for 100% of vehicle requests from State employees and optional users as identified above. In no case should a government employee be turned away. Contractor will validate authorized users as those persons authorized to operate vehicles rented under this agreement, and if properly licensed, include the renter, and without additional charge, the renter's fellow employees, while acting within the scope of their employment duties. Employees or agents of the State who are 21 or older, if otherwise eligible, may rent and operate vehicles under this Agreement when on official State business. Authorization and indication of an employee's official State status will be recognized with reservations made through the online booking tool, cliqbook and through central billing set up for each department.

The vehicle to be rented will be ready for dispatch, to the extent possible, when the renter arrives at the rental location. The renter will be furnished a copy of the Contractor's rental agreement and will not be bound by any stipulation therein which is inconsistent with this RFP.

The Contractor will provide market fuel prices at its published prepaid fuel rate, (listing locations with/without capability, as listed on Attachment 3), for any vehicle returned with less than a full tank of gas, as required. Market fuel will be charged on a gallon by gallon basis, not as a full tank if applicable. (i.e. - 3 gallons used will equal 3 gallon fueled). This rate will not exceed the U.S. and Energy Administration weekly average rate as published at <http://www.eia.doe.gov/oog/info/gdu/gasdiesel.asp>. Prepayment is not required.

The contractor will provide a toll free number for state employees to call, in the event of an accident and/or a repair becomes necessary and a replacement vehicle is required. The Contractor shall be available to provide instructions for this disposition of the disabled vehicle.

The Contractor will not charge additional fees for all one-way domestic rentals.

All fees must be incorporated in to the base rate provided. There will be no late, no show, energy recouping and/or cancellation fees charged to the State of California.

This CCR Contract is intended for official State travel only.

RFP DGS OFAM CCR 2011

The Contractor will provide a dedicated representative for the State of California.

At the completion of each service, the Contractor will provide receipt of services that will contain all charges listed, identifying the base rate, fuel and/or any excess charges in addition to the charges for the vehicle. The receipt should also contain the renters name and information provided prior to the rental. Should a credit be issued, the Contractor will provide receipt reflecting correction.

DAMAGE LIABILITY: State employees will not be subject to any fee for loss or collision damage waiver, and in the event of an accident, will not be responsible for loss or damage to the vehicle except as stated in this RFP.

- c) **VEHICLE REQUIREMENTS:** Rental vehicles will be properly licensed, clean and maintained in a safe operating condition, be no more than two years old, and have no more than 40,000 miles on the odometer. Vehicles should have reasonable accommodation in compliance with the American with Disabilities Act (ADA). Pickup Trucks and 4WD pickup trucks should be at least ½ ton, full – size, two door regular cab with a 6' bed. Minivans must contain at least seven seatbelts to accommodate a driver and six passengers. The Contractor shall provide specialized vehicles with no advance notice with the exception of ADA vehicles.
- d) **ULTRA LOW EMISSION VEHICLES:** The Contractor shall provide California certified Ultra Low Emission Vehicle (ULEV) or Super Ultra Low Emission Vehicle (SULEV) in one of the following sizes: compact, mid-size or intermediate, at the contract rate. The California Air Resources Board (CARB) 2009 list of certified vehicles may be viewed at: <http://www.arb.ca.gov/msprog/onroad/cert/cert.php>. Additionally, most vehicle designated certifications can be found in the user's manual or on the Vehicle Emission Control Information Label, located in the engine compartment. Should the Contractor be unable to locate a certain vehicle from the CARB 2009 list, the vehicle manufacturer may be contacted to determine if the vehicle is certified ULEV or SULEV.
- e) **MAINTENANCE AND REPAIR:** All maintenance and repair of the rented vehicles will be the responsibility of the Contractor and must be provided at no additional cost to the State. For long term rentals, the Contractor must provide renters with routine vehicle maintenance schedules and specific instructions for obtaining any required maintenance and repair. Any required maintenance and repair must be performed at or within the general vicinity of the rental location. The time spent while waiting for the replacement or for repairs due to any mechanical failure of the vehicle shall be deducted from the total amount of rental time.
- f) **LOSS OF OR DAMAGE TO VEHICLE:** Notwithstanding the provisions of any Contractor vehicle rental agreement the Contractor hereby assumes and shall bear the entire risk of loss of, or damage to, the rented vehicles (including costs of towing, administrative costs, loss of use, and replacement), from any and every cause whatsoever, obtaining the vehicle through fraud or misrepresentation, including without limitation, casualty, collision, fire, upset, malicious mischief, vandalism, falling objects, overhead damage, glass disappearance, except where the loss or damage is caused by one or more of the following:
1. Willful or wanton misconduct on the part of a driver. Willful or wanton misconduct is conduct which is committed with an intentional or reckless disregard for the safety of others or with an intentional disregard of a duty necessary to the safety of another's property.
 2. Operation of the vehicle by a driver who contributed to the vehicle damage while such person was (and has been adjudged by the courts to have been) under the influence of alcohol (in excess of the legal limits) or any illegal non-prescription drug.

RFP DGS OFAM CCR 2011

3. Full compliance with the terms of this Agreement is required of the Contractor and its participating locations. Any material deviation from standard rental car practices, or from the terms of this Agreement, may constitute good cause for an individual rental location to be placed in an immediate nonuse status until such time as the State determines that proper remedial measures have been affected. Serious violations on a system-wide basis may justify disqualification of the Contractor from further State business. If the Contractor is disqualified, this Agreement will be immediately terminated. Use of the vehicle for any intentionally illegal purpose.
 4. Use or permitting the vehicle to carry unauthorized passengers.
 5. Operation of the vehicle in a test race or contest.
 6. Operation of the vehicle by a person other than an authorized driver.
 7. Operation of the vehicle outside the continental United States except where such use is specifically authorized by the rental agreement. Operation across international boundaries unless specifically authorized at the time of rental. (State of California policy requires that the appropriate State agency approve the out-of-country travel, that the Contractor is notified regarding the trip and that the DGS, Office of Risk and Insurance Management (ORIM) approved insurance is obtained for the trip.)
 8. Operation of any vehicle that was not properly designed for that intended use; except for when the Contractor beforehand has agreed to, in writing, that the vehicle was properly designed for such use.
- g) **BILLING FOR DAMAGES:** When loss or damage is due to an exception stated above, the Contractor will submit its bills directly to the State employee's agency. If the agency denies liability on the basis that the State employee was not operating the vehicle within the scope of employment at the time of the loss, the Contractor may handle the matter directly with the State employee. Claims for damage to a vehicle will not include amounts for loss of use.
- h) **AMERICAN WITH DISABILITIES ACT :** Contractor will comply with the ADA of 1990, as required by Titles II and III of the ADA (42 U.S.C. 1201 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA, including but not limited to:
- 1) Hand controls (left or right) available at all contract locations with twenty-four hours notice.
 - 2) Two door vehicles with bench seats, unless unavailable from the sponsoring vehicle manufacturer used by the contractor.
 - 3) All Contractor facilities will provide a lower counter for use by mobility impaired individuals as required by ADA regulations.
 - 4) Accessible transportation to rental location, i.e., accessible vans from airport to rental location or vehicle delivery.
- i) **REPORTING REQUIREMENTS:** Reporting Requirements will be different for short term and long term rentals, as listed below. The Contractor will submit data utilizing the sample format provided below or in another format provided by the Contractor. The reports provided to each department, will include the same format and information as provided to the DGS STP.

Contractor fails to meet the terms, conditions, and/or responsibilities of the contract. In this instance, the contract termination shall be effective as of the date indicated on the State's notification to the Contractor.

4. INSURANCE

A. THIRD PARTY LIABILITY INSURANCE COVERAGE AND INDEMNIFICATION: Notwithstanding the provisions of any Contractor rental vehicle agreement executed by the State employee, the Contractor will maintain in force, at its sole cost, insurance coverage which will indemnify, defend and otherwise protect the State of California and State employees against liability for personal injury, death, and property damage arising from the use of the vehicle, EXCEPT when the loss or damage is caused by one or more of the following:

- 1) Operation of the vehicle by a driver who contributed to the accident while (and has been adjudged by the courts to have been) under the influence of alcohol (in excess of the legal limits) or any illegal non-prescription drug.
- 2) Operation or use of the vehicle for any intentionally illegal purposes.

The limit of such liability shall be \$250,000 (depending on bid submission scenario), per occurrence for bodily injury and property damage combined. The conditions, restrictions and exclusions of the applicable insurance for any rental shall not be less favorable to the State of California and State employees than the coverage afforded under standard automobile liability policies. When more favorable insurance terms are required under applicable state or foreign country law, such terms will apply to the rental. Standard coverage will include mandatory no-fault benefits where required by law. The Contractor warrants that, to the extent permitted by law, the liability and property damage coverage provided are primary in all respects to other sources of compensation, including claims statutes or insurance available to the State of California, renter, or additional authorized driver. Proof of such insurance shall be provided to the State of California. Failure to maintain this required insurance will be grounds for termination of this agreement by the State.

B. CERTIFICATE OF INSURANCE: The Contractor shall provide a Certificate of Insurance (COI) in the amount of not less than \$250,000 per occurrence for bodily injury and property damage combined, Insurance carrier must be licensed to issue policies in California. The COI shall be named Attachment 5 and shall be submitted within Envelope No. 1, of the bidder's proposal package.

The COI must include the following provisions in their entirety:

- 1) This insurance will not be cancelled, non-renewed, or reduced in limits without thirty (30) days prior written notice to the State; and
- 2) The State of California, its officers, agents, employees and servants are included as additional insured, but only insofar as the operations under this contract are concerned.
- 3) The Certificate Holder shall be:
 - State of California
 - Department of General Services, OFAM
 - 1700 National Drive
 - Sacramento, CA 95834

The Contractor shall be responsible for the timely submission of its COI; in addition, such documentation is needed to establish to the State's satisfaction that Contractor's insurance fully covers the operation of all participating franchisees and subcontractors.

In the event said insurance coverage expires at any time or times during the term of this contract, the Contractor agrees to provide at least thirty (30) days prior to said expiration date, a new COI evidencing insurance coverage as provided for herein for not less than the remainder of the term of the contract, or for a period of not less than one (1) year.

In the event the Contractor fails to keep insurance coverage in effect at all times as herein provided, the State may, in addition to any other remedies it may have, terminate this contract upon the occurrence of such event.

ONLY COMMERCIAL INSURANCE WILL SATISFY THESE PROVISIONS REGARDING AUTOMOBILE LIABILITY. NO SELF INSURANCE WILL BE ACCEPTED.

C. Workers' Compensation

Contractor certifies: "I am aware of the provision of Section 3700 of the Labor Code which requires every employer to be insured against liability for workers' compensation benefits or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performing of the work of this contract."

Contractor will carry statutorily required benefits and will include \$1,000,000 limit of liability on employer's liability. Said policy shall contain a waiver of subrogation in favor of the State, which shall be provide together with a certificate of insurance.

The Contractor will be required to secure the payment of compensation to his/her employees in accordance with the provisions of Labor Code Section 3700.

5. ALTERNATIVE DISPUTE RESOLUTION

In the event a dispute arises with respect to the interpretation of, performance of, or the relationship created by, all or any part of this Agreement, the parties shall attempt in good faith to resolve the dispute. If such efforts prove unsuccessful, each party agrees to consider the use of mediation, mini-trial, arbitration or other alternative dispute resolution techniques prior to resorting to litigation. If the parties utilize mediation, mini-trial, arbitration or other alternative dispute resolution techniques, each party agrees that no award or decision resulting there from shall include punitive damages.

6. RESOLUTION OF CONTRACT DISPUTES

In the event of a dispute, Contractor will attempt resolution with the State's Contract Administrator and Contract Analyst with a written explanation of the situation. If no resolution is found, Contractor shall file a "Notice of Dispute" with the DGS, OFAM Office Chief within 10 days of the failed resolution at the following addresses:

Department of General Services, OFAM
1700 National Drive
Sacramento, CA 95834
Attn: Office Chief

Within ten (10) days, the Office Chief shall meet with the Contractor and Project Manager for purposes of resolving the dispute. The decision of the Office Chief shall be final.

In the event of a dispute, the language contained within this Agreement shall prevail over any other language including that of the bid proposal.

7. AGENCY LIABILITY

The Contractor warrants by execution of this Agreement, that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the State shall, in addition to other remedies provided by law, have the right to annul this Agreement without liability, paying only for the value of the work actually performed, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

8. CONFLICT OF INTEREST

- A. A firm will not be awarded a contract if the financial interests are held by a current officer or employee of the State. Additionally, a contract will not be awarded to an officer or employee of the State as an independent contractor to provide goods and service. Likewise, the contracting agency officials and employees shall also avoid actions resulting in or creating an appearance of:
1. Using an official position for private gain;
 2. Giving preferential treatment to any particular person;
 3. Losing independence or impartiality;
 4. Making a decision outside official channels; and,
 5. Affecting adversely the confidence of the public or local officials in the integrity of the program.
- B. Former State employees will not be awarded a contract for two (2) years from the date of separation if that employee had any part of the decision making process relevant to the contract, or for one (1) year from the date of separation if that employee was in a policy making position in the same general subject area as the proposed contract within the 12-month period prior to his or her separation from State service.

9. POTENTIAL SUBCONTRACTORS

Nothing contained in this Agreement or otherwise, shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of his responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any monies to any subcontractor.

10. ANTITRUST

The following provisions of Government Code Section 4552, 4553 and 4554 shall be applicable to the Contractor.

- 1.) Contractor agrees to assign to the purchasing body all rights, title and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.c. Sec. 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. See Government Code Section 4552.

- 2.) If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. See Government Code Section 4553.
- 3.) Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured, thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

11. PROMPT PAYMENT ACT

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927, Prompt Payment Act.

This contract is subject to any additional restrictions, limitations or conditions enacted by the Legislature that may affect the provisions and terms of this contract in any manner.

GTC 610

EXHIBIT C

GENERAL TERMS AND CONDITIONS

1. APPROVAL: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.
2. AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.
3. ASSIGNMENT: This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.
4. AUDIT: Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit, for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).
5. INDEMNIFICATION: Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.
6. DISPUTES: Contractor shall continue with the responsibilities under this Agreement during any dispute.
7. TERMINATION FOR CAUSE: The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination, the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

8. INDEPENDENT CONTRACTOR: Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

9. RECYCLING CERTIFICATION: The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

10. NON-DISCRIMINATION CLAUSE: During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

11. CERTIFICATION CLAUSES: The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 307 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12. TIMELINESS: Time is of the essence in this Agreement.

13. COMPENSATION: The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

14. GOVERNING LAW: This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

15. ANTITRUST CLAIMS: The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.

a. The Government Code Chapter on Antitrust claims contains the following definitions:

- 1) "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.
- 2) "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.

d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

16. CHILD SUPPORT COMPLIANCE ACT: For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

b. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

17. UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

18. PRIORITY HIRING CONSIDERATIONS: If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

19. SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS:

a. If for this Contract Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)

b. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

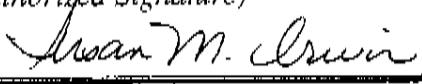
20. LOSS LEADER:

If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

CCC-307

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Contractor/Bidder Firm Name (Printed)</i>		<i>Federal ID Number</i>
The Entities of Enterprise Holdings, Inc. listed on attached schedule 1		95-3475810
<i>By (Authorized Signature)</i>		
		
<i>Printed Name and Title of Person Signing</i>		
Susan Irwin Vice President/General Manger		
<i>Date Executed</i>	<i>Executed in the County of</i>	
12-3-2010	Placer	

CONTRACTOR CERTIFICATION CLAUSES

1. **STATEMENT OF COMPLIANCE:** Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)

2. **DRUG-FREE WORKPLACE REQUIREMENTS:** Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about:
 - 1) the dangers of drug abuse in the workplace;
 - 2) the person's or organization's policy of maintaining a drug-free workplace;
 - 3) any available counseling, rehabilitation and employee assistance programs; and,
 - 4) penalties that may be imposed upon employees for drug abuse violations.
- c. Every employee who works on the proposed Agreement will:
 - 1) receive a copy of the company's drug-free workplace policy statement; and,
 - 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the

certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lesser of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations,

or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts over \$100,000 executed or amended after January 1, 2007, the contractor certifies that contractor is in compliance with Public Contract Code section 10295.3.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

- 1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

- 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

RFP DGS OFAM CCR 2011

BASE RATE WITH \$250,000 INSURANCE FOR SHORT TERM RENTALS
EXHIBIT E

Bidder shall provide the required information and submit Exhibit F, within Envelope No.2 of their proposal package. The bidder shall complete the table below with its offered rates and at a minimum name two (2) makes and models of vehicles provided at the 14 locations stated in Section A.3.a **The State of New York is exempt from the base rate.**

1) <u>VEHICLE CLASS TYPE</u>	<u>DAILY</u>	<u>WEEKLY</u>	<u>MAXIMUM CAP DAILY</u>
Compact **: Nissan Versa, Toyota Yaris	30.00	120.00	46.00
Mid-Size/Intermediate **: Toyota Corolla, Nissan Sentra	30.00	120.00	46.00
Full-Size **: Chevy Impala, Nissan Altima	33.00	132.00	49.00
Alternative Fuel Vehicle **: Chevy HHR, Chevy Impala	33.00	132.00	49.00
FWD/Sport Utility Vehicle **: Ford Escape, Jeep Liberty	50.00	225.00	75.00
Mini Van **: Chrysler Town and Country, Dodge Grand Caravan	50.00	225.00	75.00
Pick Up Trucks **: Chevy Silverado, Ford F150	65.00	300.00	90.00

Bidder to Specify ** Make and Model for each listed vehicle.

- 2) The bidder is required to provide the standard two (2) percent revenue share without receiving extra points. The bidder may receive additional points for offering a higher revenue share other than the required 2% and with out increasing its base rate bid. Points will be scored based on 2.1% and higher for the revenue share increase amount specified. There are 170 revenue share points possible and 5 points will be assigned per percentage point (i.e. 2.1 = 50 points, 2.2 = 55 points, etc)

Revenue Share 2% is the standard amount	Points Available	Bidder shall initial the appropriate increase box
2.1-2.5%	50-70	
2.6-3.0%	100-120	
3.1-3.5%	150-170	3.5% <i>SMF</i>

Enterprise Holdings
 Name of Bidder

Susan M. Orsini
 Signature of Authorized Bidder



**CORPORATE SERVICE AGREEMENT
SCHEDULE 1
Affiliates of National Car Rental and Enterprise Rent-A-Car**

Enterprise Leasing Company of STL LLC
 Enterprise Leasing Company of Georgia, LLC
 Enterprise Leasing Company of Florida, LLC
 Enterprise Leasing Company of KS LLC
 EAN Holdings, LLC
 Enterprise Leasing Company of Orlando, LLC
 Enterprise Leasing Company of Indianapolis, LLC
 Enterprise Rent-A-Car Company of Boston, LLC
 Enterprise Leasing Company of Denver, LLC
 Enterprise Leasing Company of Chicago, LLC
 Enterprise RAC Company of Maryland, LLC
 Enterprise Leasing Company of Philadelphia, LLC
 Enterprise RAC Company of Baltimore, LLC
 Enterprise Leasing Company of Minnesota, LLC
 Enterprise Leasing Company of Detroit, LLC
 Enterprise Leasing Co of Norfolk/ Richmond, LLC
 Enterprise Rent-A-Car Co of San Francisco, LLC
 ELRAC, LLC
 SNORAC, LLC
 Enterprise Rent-A-Car Company of Sacramento, LLC
 Enterprise Rent-A-Car Company of Los Angeles, LLC
 Enterprise RAC Company of Cincinnati, LLC
 CLERAC, LLC
 Enterprise Rent-A-Car Company of Pittsburgh, LLC
 Enterprise Rent-A-Car Company of Wisconsin, LLC
 Enterprise Rent-A-Car Company of UT, LLC
 CAMRAC, LLC
 Enterprise Rent-A-Car Company of Rhode Island, LLC
 Enterprise Leasing Company of Phoenix, LLC
 Enterprise Leasing Company- Southeast, LLC
 Enterprise Leasing Company- West, LLC
 Enterprise Leasing Company- South Central, LLC
 Enterprise Rent-A-Car Company of Tennessee, LLC
 PENRAC, LLC
 Enterprise Rent-A-Car Company of KY, LLC
 Enterprise Rent-A-Car Company - Midwest, LLC
 Enterprise RAC Company of Montana/Wyoming, LLC
 Vanguard Car Rental USA, LLC
 PRERAC, Inc.
 Enterprise Rent-A-Car Canada Limited d/b/a National and Enterprise



Department of General Services
 Procurement Division
 707 Third Street, 2nd Floor
 West Sacramento, CA 95605-2811

State of California
CONTRACT USER INSTRUCTIONS
 ****MANDATORY****

CONTRACT NUMBER:	1-10-91-02-A
DESCRIPTION:	Bulk Gasoline, Diesel # 2, Diesel Red dye, and Ethanol E-85
CONTRACTOR(S):	Hunt & Sons Inc. Super District A & B
CONTRACT TERM:	12/24/2010 through 12/23/2013
STATE CONTRACT ADMINISTRATOR:	Brian A. Sims (916) 375-4452 Brian.sims@dgs.ca.gov

The contract user instructions, products, and pricing are included herein. All purchase documents issued under this contract incorporate the contract terms and applicable California General Provisions.

Original Signed by,

12/20/2010

Date: _____

Brian A. Sims, Contract Administrator

Contract Mandatory 1-10-91-02-A
Contract User Instructions

1. SCOPE

The State's contract with Hunt & Sons Inc. (contractor) provides Bulk Gasoline, Diesel #2, Diesel Red dye and Ethanol E-85 at contracted pricing to the State of California and local governmental agencies in accordance with the requirements of Contract # 1-10-91-02-A. The contractor shall supply the entire portfolio of products as identified in the contract and will be the primary point of contact for data collection, reporting, and distribution of the above listed fuels for delivery to Super Districts A & B, (SD/AB)

The contract term is for three (3) years with an option to extend the contract for two (2) additional one (1) period or portion thereof. The terms, conditions, and prices for the contract extension option shall be by mutual agreement between the contractor and the State. If a mutual agreement cannot be met the contract may be terminated at the end of the current contract term.

2. CONTRACT USAGE/RULES

A. State Departments

- The use of this contract is mandatory for all State of California departments.
- Ordering departments must adhere to all applicable State laws, regulations, policies, best practices, and purchasing authority requirements, e.g. California Codes, Code of Regulations, State Administrative Manual, Management Memos, and State Contracting Manual Volume 2 and 3, as applicable.
- Prior to placing orders against this contract, departments must have been granted non-IT purchasing authority by the Department of General Services, Procurement Division (DGS/PD) for the use of this statewide contract. The department's current purchasing authority number must be entered in the appropriate location on each purchase document. Departments that have not been granted purchasing authority by DGS/PD for the use of the State's statewide contracts may access the Purchasing Authority Application at <http://www.dgs.ca.gov/pd/Resources/publications/SCM2.aspx> or may contact DGS/PD's Purchasing Authority Management Section by e-mail at pams@dgs.ca.gov.
- Departments must have a Department of General Services (DGS) agency billing code prior to placing orders against this contract. Ordering departments may contact their Purchasing Authority contact or their department's fiscal office to obtain this information.

B. Local Governmental Agencies

- Local governmental agency use of this contract is optional.
- Local government agencies are defined as "any city, county, city and county, district or other governmental body or corporation, including the California State Universities (CSU) and University of California (UC) systems, K-12 schools and community colleges", empowered to expend public funds for the acquisition of products, per Public Contract Code Chapter 2, Paragraph 10298 (a) (b). While the State makes this contract available to local governmental agencies, each local governmental agency should determine whether this contract is consistent with its procurement policies and regulations.
- Local governmental agencies shall have the same rights and privileges as the State under the terms of this contract. Any agencies desiring to participate shall be required to adhere to the same responsibilities as do State agencies and have no authority to amend, modify or change any condition of the contract.

**Contract Mandatory 1-10-91-02-A
Contract User Instructions**

- Local governmental agencies must have a DGS agency billing code prior to placing orders against this contract. DGS agency billing codes may be obtained by emailing the DGS billing code contact with the following information:
 - Local governmental agency
 - Contact name
 - Telephone number
 - Mailing address
 - Facsimile number and e-mail address

DGS Billing Code Contacts: Marilyn.ebert@dgs.ca.gov or Wilson.lee@dgs.ca.gov

- C. Unless otherwise specified within this document, the term “ordering agencies” will refer to all State departments and/or local governmental agencies eligible to utilize this contract. Ordering and/or usage instructions exclusive to State departments or local governmental agencies shall be identified within each article.

3. DGS ADMINISTRATIVE FEES

A. State Departments

The DGS will bill each State department an administrative fee for use of this statewide contract. The administrative fee should NOT be included in the order total, nor remitted before an invoice is received from DGS.

Current fees are available online in the Procurement Division Price Book located at: <http://www.dgs.ca.gov/ofs/Resources/Pricebook.aspx>. (Click on “Purchasing” under Procurement Division.)

B. Local Governmental Agencies

For all local government agency transactions issued against the contract the Contractor is required to remit the DGS/PD an Incentive Fee of an amount equal to 1% of the total purchase order amount excluding taxes and freight. This Incentive Fee shall not be included in the agency’s purchase price, nor invoiced or charged to the purchasing entity. All prices quoted to local governmental agency customers shall reflect State contract pricing, including any and all applicable discounts, and shall include no other add-on fees.

4. CONTRACT ADMINISTRATION

Both the State and the contractor(s) have assigned contract administrators as the single points of contact for problem resolution and related contract issues.

Administrator Information	Hunt & Sons Inc. (Contractor)	DGS/PD (State Contract Administrator)
Contact Name:	Josh Hunt	Brian A. Sims
Telephone:	(916) 383-4868	(916) 375-4452
Facsimile:	(916) 383-1005	(916) 375-4613
Email:	jhunt@huntnsnson.com	Brian.sims@dgs.ca.gov
Address:	Hunt & Sons Inc. P O Box 277670 Sacramento, CA 95827	DGS/Procurement Division Attn: Brian A. Sims 707 Third Street, 2 nd Floor, MS 201 West Sacramento, CA 95605

Contract Mandatory 1-10-91-02-A
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5. PROBLEM RESOLUTION/SUPPLIER PERFORMANCE

Ordering agencies and/or contractors shall inform the State Contract Administrator of any technical or contractual difficulties encountered during contract performance in a timely manner. This includes and is not limited to informal disputes, supplier performance, outstanding deliveries, etc.

For contractor performance issues, ordering agencies must submit a completed Supplier Performance Report via email or facsimile to the State Contract Administrator identified in Article 4 (Contract Administration). The ordering agency should include all relevant information and/or documentation (i.e. Purchase documents).

6. CONTRACT ITEMS

All available line items and associated pricing is listed on Attachment A (SD/AB), Contract Pricing and Additional / Special Charges information.

The State will use the Oil Price Information Service (OPIS) to determine Region Base Market Cost (RBMC). There are a total of six (6) Super Districts represented by the RBMC. The Super Districts are identified by the State delivery areas derived by combination of the typical twelve (12) Caltrans Districts. The RBMC for each Super District will be calculated by the following Super Districts, Region Base Market Cost, OPIS identified as Eureka, Sacramento, Fresno, Los Angeles, Barstow, and San Diego. Super District A & B (SD/AB), contractor, Market Base OPIS and Counties are defined as follow:

Super District	Contractor	Caltrans District Combined	Market Base E-85	Market Base OPIS	Counties
A	Hunt & Sons Inc.	1 and 2	West Coast	Humboldt	Del Norte, Humboldt, Lake, Mendocino, Lassen, Modoc, Plumas, Shasta, Siskiyou, Tehama, Trinity
B	Hunt & Sons Inc.	3 and 4	West Coast	Sacramento	Butte, Colusa, El Dorado, Glenn, Nevada, Placer, Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, Sonoma, Sacramento, Sutter, Yolo, Yuba, Sierra

A. Contract Cost Structure:

GASOLINE & DIESEL #2 FUELS: The contract cost will be based on two factors: Region Base Market Cost (RBMC) and the Differential Cost. The following formula outlines the contract price to be paid by the ordering agency:

$$\begin{array}{l} \text{REGION BASE MARKET COST} + \text{DIFFERENTIAL} = \text{COMPOSITE COST} \\ \text{(Calculated daily by the Contract Administrator using OPIS data)} \quad \text{(Provided by the Supplier)} \end{array}$$

Note: For the base cost of the Gasoline the State will use the daily "Time of Delivery" "Rack Average" price quoted in the OPIS for product description OPIS GROSS CARFG ETHANOL (10.0%). For the base cost of

Contract Mandatory 1-10-91-02-A
Contract User Instructions

the Diesel #2 Ultra Low Sulfur the State will use the OPIS Closing Benchmark File ** OPIS GROSS CARB ULTRA LOW SULFUR DISTILLATE PRICES ** RACK AVE.

B. Contract Cost Structure:

DIESEL #2 Red Dye: The contract cost is based on three (3) factors: Region Base Market Cost (RBMC) the Differential Cost and (\$0.01) per gallon for Red Dye. The following formula outlines the contract price to be paid by the ordering agency:

REGION BASE MARKET COST + DIFFERENTIAL + .01 per gallon = COMPOSITE COST
(Calculated daily using RBMP for (Provided by the Supplier) (Red Dye)
Diesel #2 RD plus .01/gal for RD)

Note: For the base cost of the Diesel #2 Red Dye, Ultra Low Sulfur the State will use the OPIS Closing Benchmark File ** OPIS GROSS CARB ULTRA LOW SULFUR DISTILLATE PRICES** Rack AVE plus (.01/gal).

C. Contract Cost Structure:

Ethanol (E-85) The contract costs will be based on two factors: Region Base Market Cost (RBMC) and the Differential Cost. The following formula outlines the contract price to be paid by the ordering agency:

REGION BASE MARKET COST + DIFFERENTIAL = COMPOSITE COST
(Calculated weekly by the Contract Administrator using OPIS data) (Provided by the Supplier)

For the base cost of E-85 Fuel the State will use the weekly price quoted in the OPIS Ethanol & Biodiesel Information Services Publication under the Key Renewable Fuels Regional Averages section for product description E-85 West.

If the OPIS publication is modified, the State reserves the right to re-establish the base price calculation method or cancel all or part of the contract without prejudice against any party to the contract.

7. **PUBLICATION POSTING:**

The Department of General Services, Procurement Division tracks and monitors fuel changes. Procurement Division will prepare fuel charge documents and e-mail to the contractors, daily of REGION BASE MARKET COST for all fuels.

Procurement Division shall additionally email all end users of the contract the consolidated weekly base prices each Monday or the first working day of the week. The weekly email shall include the daily price changes. The contractor shall forward a copy of the Procurement Division weekly posting to all delivery locations that have been invoiced for payment to substantiate the accuracy of the base pricing on the invoice. To request the weekly base posting information, complete Attachment B, Request for Fuel Rate Information and return/send email:

Brian.sims@dgs.ca.gov or Wilson.lee@dgs.c.gov

8. **SPECIFICATIONS**

All products offered must conform to the attached State of California Bid Specifications entitled: Gasoline #9102-1058, dated 12/30/09; Diesel #2 and Diesel #2 RD, Type- 2D # 9102-1059 dated 01/06/10 and E-85 #9102-1060 dated 01/11/10.

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9. PURCHASE EXECUTION

A. State Departments

1) Purchase Documents

State departments must use the Purchasing Authority Purchase Order (Std. 65) for purchase execution. An electronic version of the Std. 65 is available at the Office of State Publishing web site: <http://www.dgs.ca.gov/pd/Forms.aspx> (select Standard Forms).

All Purchasing Authority Purchase Orders (Std. 65) must contain the following:

- Agency Order Number (Purchase Order Number)
- Ordering Agency Name
- Agency Billing Code
- Purchasing Authority Number
- Leveraged Procurement Number (Contract Number)
- Supplier Information (Contact Name, Address, Phone Number, Fax Number, E-mail)
- Line Item number
- Quantity
- Unit of Measure
- Commodity Code Number
- Product Description
- Unit Price
- Extension Price

2) Blanket Orders

The use of blanket orders against this statewide contract is not allowed.

3) American Recovery and Reinvestment Act (ARRA) - Supplemental Terms and Conditions

Ordering departments executing purchases using ARRA funding must attach the ARRA Supplemental Terms and Conditions document to their individual purchase documents. Departments are reminded that these terms and conditions supplement, but do not replace, standard State terms and conditions associated with this leveraged procurement agreement.

- ARRA Supplemental Terms and Conditions

Note: Additional information regarding ARRA is available by clicking here to access the email broadcast dated 08/10/09, titled Supplemental Terms and Conditions for Contracts Funded by the American Recovery and Reinvestment Act.

B. Local Governmental Agencies

Local governmental agencies may use their own purchase document for purchase execution. The purchase documents must include the same data elements as listed above (Exception: Purchasing Authority Number is used by State departments only).

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C. Documentation

All ordering agencies will submit a copy of executed purchase documents to:

DGS - Procurement Division (IMS# Z-1)
Attn: Data Entry Unit
707 Third Street, 2nd Floor, MS 2-212
West Sacramento, CA 95605-2811

10. **ORDERING PROCEDURE**

A. Ordering Methods:

Ordering agencies are to submit appropriate purchase documents directly to the contractor(s) via one of the following ordering methods:

- U.S. Mail
- Facsimile
- Email

The contractor's Order Placement Information is as follows:

ORDER PLACEMENT INFORMATION		
U.S. Mail	Facsimile	Email
Hunt & Sons Inc. P O Box 277670 Sacramento, CA 95827	(916) 383-1005	ihunt@huntnsions.com

Note: When using any of the ordering methods specified above, all State departments must conform to proper State procedures.

11. **MINIMUM ORDER**

Minimum delivery quantity shall be 60% percent of tank capacity. Request for delivery shall state which tank(s) are to be filled at each location. Deliveries for less than the minimum order quantity shall be considered non-contract requirements or, by mutual agreement between the contractor and the ordering location may be delivered at the contract price plus a 'PREMIUM' of not more than ten (10) cents per gallon.

Deliveries for less than the minimum order quantity required for TANK TESTING will be considered non-contract and will not be purchased against any contract resulting from this bid.

12. **ORDER RECEIPT CONFIRMATION**

The Contractor will provide ordering agencies with an order receipt confirmation, via e-mail or facsimile, within 48 hours of receipt of purchase document. The Order Receipt Confirmation shall include the following information:

- Ordering Agency Name

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- Agency Order Number (Purchase Order Number)
- Purchase Order Total Cost
- Anticipated Delivery Date

13. DELIVERY SCHEDULES

a. Locations

Delivery shall be made to the specified locations listed in Attachment C (SD/AB). All deliveries made in a tank wagon must be metered.

Deliveries are to be made to the location specified on the individual purchase order, which may include, but not limited to inside buildings, high-rise office buildings, and receiving docks.

To add/delete/change delivery location(s):

To add/delete/change delivery location(s) please submit an Attachment D, "Delivery Location Addition Request Form" and submit it directly to the State's Contract Administrator.

b. Schedule

Delivery of ordered product shall be completed in full within three (3) working days after receipt of an order (ARO). Since receiving hours for each ordering agency will vary by facility, it will be the Contractor's responsibility to check with each facility for their specific delivery hours before delivery occurs. The Contractor must notify the ordering agency within 12 hours of scheduled delivery time, if delivery cannot be made within the time frame specified on the Order Receipt Confirmation.

Contractor is requested to make deliveries in Los Angeles County, Orange County, San Bernardino Metropolitan Area, and San Diego Metropolitan Area during off-peak hours. Off-peak hours are Monday through Friday, 10:00 AM to 4:00 PM.

c. Security Requirements

Deliveries may be made to locations inside secure institutional grounds (such as the California State Prisons) that require prior clearances to be made for delivery drivers. Since security clearance procedures for each facility may vary, it will be the Contractor's responsibility for contacting the secure location for security clearance procedures, hours of operation for deliveries and service, dress code, and other rules of delivery.

14. EMERGENCY/EXPEDITED ORDERS/ADDITIONAL CHARGES:

a. Urgent Delivery

Contractor shall make urgent deliveries during regular working hours for minimum delivery requirements within one (1) working day ARO at NO ADDITIONAL COST to the State or local agencies. Urgent deliveries are not anticipated to occur often and should be kept to a minimum by the Ordering

b. Emergency Deliveries

Deliveries requested outside the regular working hours of 8:00 a.m. to 5:00 p.m. and State observed holiday's days shall be considered an emergency. Orders may be placed by telephone, followed by a purchase order (Std. 65) sent to the contractor by facsimile or US mail. Emergency delivery invoice

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must accompany the fuel invoice for payment of the emergency delivery fee. The emergency delivery charge shall not exceed \$120.00 per delivery.

c. Demurrage Charge

During normal delivery hours of 8:00 a.m. to 5:00 p.m. the Contractor's truck upon arrival shall be admitted to the delivery site without delay. If the Contractor attempts to deliver fuel to a delivery site and the Contractor's truck is detained at the delivery site for reasons such as locked gates, unavailable receiving personnel, etc. caused by the ordering agency the Contractor shall be entitled to Demurrage fee. Demurrage time shall be invoiced separately and supported by appropriate documentation (delivery logs, contact names, etc.). Demurrage time invoice must accompany the fuel invoice for payment of the demurrage fee. The demurrage fee shall not exceed \$2.50 per minute and not to exceed \$150.00 per delivery.

d. Trip Charge

During normal delivery hours of 8:00 a.m. to 5:00 p.m. the Contractor's truck upon arrival shall be admitted to the delivery site without delay. If the Contractor attempts to deliver fuel to a delivery site and is not admitted to the delivery site for reasons beyond the Contractor's control caused by the ordering agency the Contractor shall be paid a trip charge fee. Trip charge time shall be invoiced separately and supported by appropriate documentation (delivery logs, contact names, etc.). A trip charge fee invoice must accompany the fuel invoice for payment of trip charge fee. The trip charge shall not exceed \$250.00 per delivery.

e. Standing Time

The State shall be entitled to standing time for the purposes of unloading of not more than one hour at no charge. A charge of \$1.00 per minute shall be assessed for standing time in which the carrier's equipment is detained through no fault of the carrier, in excess of the one no charge hour. Charged time shall be supported with the appropriate documents. For payment to be processed the standing time billing must accompany, on a separate invoice, the fuel billing. Start time shall begin when the carrier is ready to hook-up to the fuel tank. Each time shall conclude when carrier disconnects or is finished loading fuel into the tank.

f. Premium for Less Than Minimum Delivery

Minimum delivery quantity shall be seventy percent (70%) of tank capacity for below ground tanks and sixty percent (60 %) of tank capacity for above ground tanks. Deliveries for less than the minimum order quantity shall be delivered at the contract price plus a "PREMIUM" of not more than ten cents (\$0.10) per gallon. Deliveries for less than the minimum order quantity required for "TANK TESTING" will not be purchased against any contract resulting from this solicitation.

g. Late Delivery

The parties to this agreement acknowledge that the ordering agency shall incur actual damages should the supplier fail to deliver the Bulk Gasoline Diesel #2, Diesel #2 RD and E-85 Fuel as specified in the contract delivery requirements. Late Delivery charges must be supported by appropriate documentation (delivery logs, contact names, est.). It is agreed that the supplier will pay the Ordering Agency twenty-five (\$0.25) cents per gallon per order for late delivery of Bulk Gasoline, Diesel #2, and Diesel #2 RD and E-85 Fuel and the Ordering Agency will make an adjustment to be reflected on the invoice. Normal delivery working hours are 8:00 a.m. to 5:00 p.m. Monday through Friday, except State observed holidays.

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h. Winterization

Winterization shall be available for purchase from the contractor during the winter months starting October 1, 2010, throughout April 30, 2013. The purchase is available for life of the contract, including any contract extensions. The purchase of winterization shall be added to Diesel #2 and Diesel #2 RD authorized only by State of California Departments and participating local agencies, at a cost of five cents (\$0.05) per gallon.

15. FREE ON BOARD (F.O.B.) DESTINATION

All prices are F.O.B. destination; freight prepaid by the contractor, to the ordering organization's receiving point. Responsibility and liability for loss or damage for all orders will remain with the contractor until final inspection and acceptance, when all responsibility will pass to the ordering organization, except the responsibility for latent defects, fraud, and the warranty obligations.

16. SHIPPED ORDERS

All shipments must comply with General Provisions (rev 06/08/2010); Paragraph 12 entitled "Packing and Shipment". The General Provisions are available at:
<http://www.documents.dgs.ca.gov/pd/modellang/GPnonIT060810.pdf>.

17. INVOICING

Ordering agencies may require separate invoicing, as specified by each ordering organization. Invoices will contain the following information:

- Contractor's name, address and telephone number
- Leveraged Procurement Number (Contract Number)
- Agency Order Number (Purchase Order Number)
- Item and commodity code number
- Quantity purchased
- Contract price and extension
- State sales and/or use tax
- Prompt payment discounts/cash discounts, if applicable
- Totals for each order

- County of purchase

These taxes shall be listed separately on invoices and shall not be a component of the differential price. Any and all Charges, Levies and or Fees not listed above shall be listed a component of the differential price.

All Differential prices quoted shall be: Exempt from:

Federal Excise Tax. State of California will furnish applicable exemption certificate upon request from supplier.

Exclusive of:

State Sales Tax, Local Sales Tax,
California Motor Vehicle Fuel Tax,
Leaking Underground Storage Tank
Tax, Oil Spill Liability Trust Fund Tax.

18. PAYMENT

Terms

Contract Mandatory 1-10-91-02-A
Contract User Instructions

Payment terms for this contract are net forty-five (45) days. Payment will be made in accordance with the provisions of the California Prompt Payment Act, Government Code Section 927, et seq. Unless expressly exempted by statute, the Act requires State departments to pay properly submitted, undisputed invoices not more than forty- five (45) days after the date of acceptance of goods, performance of services, or receipt of an undisputed invoice, whichever is later. Contractor offers ½% Cash Discount for payment within 20 days. See requirement date of the General Provisions Paragraph 30.

Payee Data Record

Each State accounting office must have a copy of the Payee Data Record (Std. 204) in order to process payments. State departments should forward a copy of the Std. 204 to their accounting office(s). Without the Std. 204, payment may be unnecessarily delayed. State departments should contact the contractor for copies of the Payee Data Record.

19. CALIFORNIA SELLER'S PERMIT

The California seller permit number for the contractor is listed below. State departments can verify that permits are currently valid at the following website: www.boe.ca.gov. State departments must adhere to the file documentation required identified in the State Contracting Manual Volume 2 and Volume 3, as applicable.

Contractor Name	Seller Permit #
Hunt & Sons Inc.	SRYKH28662196

20. RECYCLED CONTENT

There is no recycled content for this contract.

21. SMALL BUSINESS/DISABLED VETERAN BUSINESS ENTERPRISE PARTICIPATION

There is no small business (SB) or disabled veteran business enterprise (DVBE) participation for this contract.

22. ATTACHMENTS

- Attachment A – Contract Pricing and Additional/Special Charges (SD/AB)
- Attachment B – Request for Fuel Rate Posting Information
- Attachment C – Delivery Location Information (SD/AB)
- Attachment D – Delivery Addition Location Request Form
- Attachment - Bid Specifications



Department of General Services
Procurement Division
707 Third Street, 2nd Floor
West Sacramento, CA 95605-2811

State of California
CONTRACT USER INSTRUCTIONS
MANDATORY
Supplement 1

CONTRACT NUMBER:	1-10-91-02-A
DESCRIPTION:	Bulk Gasoline, Diesel #2, Diesel Red dye and Ethanol E-85
CONTRACTOR(S):	Hunt & Sons Inc.
CONTRACT TERM:	12/24/2010 through 12/23/2013
STATE CONTRACT ADMINISTRATOR:	Brian A. Sims (916) 375-4452 Brian.sims@dgs.ca.gov

The contract user instructions, products, and pricing are included herein. All purchase documents issued under this contract incorporate the contract terms and applicable California General Provisions.

Original Signed by,

Brian A. Sims, Contract Administrator

12/29/2010

Date: _____

Contract Mandatory 1-10-91-02-A
Contract User Instructions

December 30, 2010

Supplement 1

Contract number 1-10-91-02-A, for Bulk Gasoline, Diesel #2, Diesel Red dye and Ethanol E-85 are hereby modified to reflect the following changes:

A. Attachment A, Contract Pricing and Additional Special Charges, for Super District B:

1. Delete in its entirety and replace with the attached, Attachment A, for Super District B, Rev 12/29/2010.

All other terms and conditions remain the same.

Contract Mandatory 1-10-91-02-A
Contract User Instructions

Attachment A Rev 12/29/2010

**Contract Pricing and
Additional/Special Charges**

Super District - B Counties Include:

Butte, Colusa, El Dorado, Glenn, Nevada, Placer, Alameda Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, Sonoma, Sacramento, Sutter, Yolo, Yuba, Sierra.

Contract Line Item Number (CLIN)	Description	Unit of Measure	Differential
B101	Ethanol E85	per gallon	\$ 0.1025
B102	Diesel #2	per gallon	\$ 0.1125
B103	Diesel #2 (Red Dyed)	per gallon	\$ 0.1125
B104	Gasoline, Unleaded (87 Octane)	per gallon	\$ 0.1025

ADDITIONAL/SPECIAL CHARGES

Contract Line Item Number (CLIN)	Description	Unit of Measure	Contract Unit Price
B005	Urgent Delivery	per delivery	No Charge
B006	Emergency Delivery	per delivery	\$120.00
B007	Demurrage charge (not to exceed \$150 per delivery)	per minute	\$2.50
B008	Trip Charge	per delivery	\$250.00
B009	Standing Time (charge begins after 1 free hour)	per minute	\$1.00
B010	Premium for Less Than Minimum Delivery	per gallon,	\$0.10
B011	Late Delivery Fees (Charged to Contractor)	per gallon,	\$0.25
B012	Winterization	per gallon	\$0.05



Department of General Services
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707 Third Street, 2nd Floor
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State of California
CONTRACT USER INSTRUCTIONS

****MANDATORY****

Supplement # 2

CONTRACT NUMBER:	1-10-91-02-A
DESCRIPTION:	Bulk Gasoline, Diesel #2, Diesel Red dye and Ethanol E-85
CONTRACTOR(S):	Hunt & Sons Inc.
CONTRACT TERM:	12/24/2010 through 12/23/2013
STATE CONTRACT ADMINISTRATOR:	Brian A. Sims (916) 375-4452 Brian.sims@dgs.ca.gov

The contract user instructions, products, and pricing are included herein. All purchase documents issued under this contract incorporate the contract terms and applicable California General Provisions.

Original Signed by,

Brian A. Sims, Contract Administrator

04/20/2011

Date: _____

Mandatory Contract Number 1-10-91-02-A
Contract User Instructions

April 20, 2011

Supplement 2

Contract number 1-10-91-02-A, for Bulk Gasoline, Diesel #2, Diesel Red dye and Ethanol E-85, are hereby modified to reflect the following changes:

- A. The addition of the California Oil Spill Prevention Fee of .00119 is to be included on this contract.
- B. The California Oil Spill Prevention Fee shall be all inclusive with the following taxes:
 - Federal Leaking Underground storage Tank Tax, (LUST) .00100
 - Federal Oil Spill Liability Tax (SUPERFUND) .00120
 - The above listed taxes are retroactive to the start of this contract 12/24/2010.

All other terms and conditions remain the same.



Department of General Services
Procurement Division
707 Third Street, 2nd Floor
West Sacramento, CA 95605-2811

State of California
CONTRACT USER INSTRUCTIONS

****MANDATORY****

Supplement #3

CONTRACT NUMBER:	1-10-91-02-A
DESCRIPTION:	Bulk Gasoline, Diesel #2, Diesel Red Dye and Ethanol E-85
CONTRACTOR(S):	Hunt & Sons Inc,
CONTRACT TERM:	12/24/2010 through 12/23/2013
STATE CONTRACT ADMINISTRATOR:	Brian A. Sims (916) 375-4452 Brian.sims@dgs.ca.gov

The contract user instructions, products, and pricing are included herein. All purchase documents issued under this contract incorporate the contract terms and applicable California General Provisions.

Original Signed by,
Brian A. Sims, Contract Administrator

Date: July 7, 2011

Contract Mandatory Contact number 1-10-91-02-A
Contract User Instructions

July 7, 2011

Supplement #3

Contract No. 1-10-91-02-A, for Bulk Gasoline, Diesel #2, Diesel Red Dye and Ethanol E-85, with Hunt & Sons Inc., is hereby modified to reflect the following changes:

- A. For Auditing Purposes. The California Oil Spill Prevention Fee increase does not affect previously paid invoices.

Effective 12/24/2010; the California Oil Spill Prevention Fee shall include the following taxes:

- The Federal Oil Spill Liability Tax (SUPERFUND) is increased from \$0.0012/gallon to: \$0.0019/gallon
- Federal Leaking Underground Storage Tank Tax, (LUST) is \$0.00100/gallon

- B. Effective July 1, 2011 the following changes in taxes will become active:

- State excise tax on diesel will decrease from \$0.18 to \$0.13.
- Base sales tax rate will decrease from 8.25% to 7.25%
- Clear Diesel fuel will now have a tax rate of 9.12% plus applicable district tax.
- Red Dyed Diesel is at a tax rate of 7.25% plus applicable district tax.
- State excise tax on gasoline will increase from \$0.353 to \$0.357.

- C. On September 27, 2006, the Global Warming Solutions act of 2006 was signed into law. Assembly Bill 32 (AB 32) Cost of Implementation Fee Regulation (CIFR) was finalized and became effective on July 17, 2010. The first CIFR for 2008 was invoiced in April 2011. The second invoiced CIFR for 2009 is expected to be thirty (30) days after the budget is passed and then annually. Effective June 2011, the additional CIFR that will be added to purchases of Gasoline and Diesel fuels is as follows:

- Gasoline 0.146205 cents / gallon
- Diesel 0.170316 cents / gallon

All other terms and conditions remain the same