

RFP 102-1524-09 Nationwide Vehicle Rental Services.

Questions and Answers.

Below are the questions received from proposers and the State's response.

Proposer 1.

Section 1.1 Summary Overview:

1. There could be a substantial amount of financial risk without any guarantee of revenue for a secondary provider. If selected as a secondary provider, may a Contractor make adjustments to the Attachment B (Pricing)?

ANSWER: Pricing is not negotiable. If a proposer is selected as a Secondary proposer, they will be required to honor the pricing offered in their proposal.

2. Given the potential number of States involved and the different needs of those States, may a Contractor negotiate different pricing (Attachment B) with other Participating States?

ANSWER: The purpose of this solicitation is to achieve a uniform pricing. The needs of the States have been addressed in this RFP. The only difference in pricing allowed will be if a State elects to collect an administrative fee within their own state.

3. As a self insured entity, will the State be willing to revise the wording throughout the Agreement to accommodate this circumstance?

ANSWER: Yes. The State will modify the RFP via Addendum No. 1 to accommodate self insurance.

Section 8.2.3.1:

The requirement is for our top 3 accounts. Since we have many different account categories, may we submit any 3 of our top accounts as long as they meet the other criteria in this element?

ANSWER: Yes. This is acceptable.

Section 8.2.6:

If franchise locations add surcharges to the pricing section of the Price Agreement but do adhere to the terms and conditions, will this meet the requirement?

ANSWER: No. Prices are to be uniform per all locations, with the exception of State and local taxes.

Section 8.2.13:

Can the 18 year old requirement be restricted to official business travel only?

ANSWER: All of the cars rented under this contract are to be for official business only. 18 years are already covered under this requirement.

Section 8.2.14:

Will the State and/or Participating States provide Liability and Collision Damage history for the last 3 years?

ANSWER: The State is gathering this information and will post it on ORPIN.

Section 8.2.15:

Since this the Traveler is needed, will the State and/or Participating States sign a Privacy Letter agreeing to notify travelers that they have access to this information and will appropriately safeguard and use any Personally Identifiable Data (PID)?

ANSWER: No. The States or Participants will not agree to sign a privacy letter. The report can be modified to not include any sensitive data.

Section 8.2.18:

Will the State and/or Participating States provide an estimate of the number of one way rentals less than 1000 miles that happened in the past year?

ANSWER: The State is gathering this information and will post it on ORPIN.

Section 8.3.3:

By "all locations" does the requirement mean the top 50 airport locations?

ANSWER: This means what locations are GPS units available, whether they are airport or not.

Master Price Agreement

Section 6.0 Termination of the Price Agreement - Subparagraph 6.5: the Contractor has no unilateral right to terminate the Agreement prior to expiration. Can that be reconsidered?

ANSWER: The state will consider this request. If the State elects to accept it, it will be changed through the addenda process.

Section 8.0 Damages - Subparagraph 8.1.1 – Contractor is responsible for indirect, incidental and consequential damages arising from a default by Contractor. Would the State consider deleting "indirect, incidental and consequential" in this subparagraph?

ANSWER: The state will consider this request. If the State elects to accept it, it will be changed through the addenda process.

Section 17.0 Insurance - Add at the end of the first sentence: "either via policies of insurance or as a self-insured."

ANSWER: Yes. The State will modify the RFP via Addendum No. 1 to accommodate self insurance, however, it may not be the language you propose.

Proposer 2.

1.1, page 4, 8.25, page 21 and 11.2 page 38: "DAS SPO intends to choose primary and secondary contractor(s)." "Proposer must have service available to accommodate 95% of estimated total aggregate volume for the Participating States identified in this RFP. See Section 1.1."

Based on the above, proposer must have service of all participating states available to accommodate 95% of estimated total aggregate volume for the participating states identified in this RFP. Please confirm that the primary will receive 95% of the total state's spend?

ANSWER: The 95% means that the primary contractor can meet 95% of the participants needs. This language is not to be meant as a 95% guarantee of the business.

A.) If not, what reporting will be available for the primary and secondary providers to ensure a market share warranting a primary vs. secondary status?

ANSWER: Based on the response above, there is no percentage guarantee of business to either the primary or secondary.

B.) What are the procedures and remedies in place to ensure use of the primary provider by participating agencies?

ANSWER: The use of the Primary contractor first will be mandatory. Agencies will be instructed to use the primary before using the secondary contractor.

1.1, page 5: "The Price Agreement(s) resulting from this procurement (Master Price Agreements) may be used by WSCA member states and their political subdivisions (such as city and county government, and public and institutions of higher education). WSCA price agreements, including the Master Price Agreement(s) resulting from this RFP, may be used by other non-member states with authorization from the WSCA directors and subject to approval of the individual state procurement director and local statutory provisions."

Would the WSCA/state(s) be able to provide a list of authorized non-state agencies, which are able to use this agreement (Example: ORCPP member list)?

ANSWER: For those states that have co-operative programs in place for political subdivisions, some of these states should have a list of current political subdivisions listed on their websites.

1.2, page 6: Schedule of Events

Please clarify when responses to these Questions/Clarifications/Requests for Approved Equal will be returned prior to the deadline for Protest. Therefore, if there are any clarifications we do not agree with, we have ample time to make a protest.

ANSWER: The deadline for protests and requests for approved equals is July 1, 2009 at 5:00 PM. Anything submitted after that will not be considered. If the State amends the RFP through an addendum, there will be provisions in the addenda to protest the changes in the Addenda.

Section 2 – Solicitation Process

2.3, page 8: “ PRE-PROPOSAL CONFERENCE: Proposer attendance at this conference is: **Mandatory.** The purpose of this conference is to explain the RFP requirements and to answer any questions. Proposers may have. Statements made at the pre-Proposal conference are not binding upon DAS SPO. Proposers are cautioned that the official RFP requirements will change only by written Addenda issued by DAS SPO as provided in subsection 2.7.1. This is a mandatory conference. Proposer must attend this pre-proposal conference to be eligible to submit a Proposal.”

Please confirm that only the participants that were present at the pre-bid meeting are able to participate in this RFP (Hertz, Enterprise/National, Avis/Budget, Budget Truck).

ANSWER: Correct. The only eligible companies to submit a Proposal are Hertz, Enterprise/National, Avis/Budget and Budget truck.

2.5.2 and 2.5.4, page 9 and 8.2.19, page 22 and 8.3.1, page 26: “Any brand name identified in the specifications as "or approved equal" or "or approved equivalent" establishes the minimum requirements for quality, style, workmanship, performance, and other characteristics of the product needed by the State.” And “**DAS SPO** will consider requests for approval of brands as "approved equals" or "approved equivalents" of the product brand specified in the RFP unless the product brand specified is identified in the RFP as the subject of a product brand exemption.’

With respect to car classes, and in accordance with industry standard/best commercial practice (8.1.), we request the following adjustments to car class names and we respectfully submit the corresponding car classes for approval as “approved equals”.

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

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

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

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

Station Wagons - Ford Taurus or approved equal

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

Large Pickup - Dodge Ram BR 2500, Ford F250, GMC Sierra, 2500 HD, Chevrolet Silverado 2500 HD or approved equal.

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

Box Trucks

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

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

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

ANSWER: These changes will be accepted and the RFP will be amended by Addenda No. 1.

4.2.2, page 15: “Point allocations for each scored criterion are identified in the desirable features described in section 8.3 below. There are 2,800 points available for this RFP, with 1,600 points available for pricing, 45 points for references, and 1,155 available for desirable features. When ever it is mentioned that a percentage of points will be calculated, the following formula will be used. The most competitive Proposer for a criterion (price, desirable feature) will receive the highest number of points.”

Will proposers be able to see the scores for all vendors within 24 hours of the Intent to Award so that a protest could be made if need be?

ANSWER: The total points for each category will be posted in the Intent to Award announcement.

4.2.3, page 16: “METHOD OF AWARD: The highest-scored responsive and responsible Proposers meeting all of the requirements of this Request for Proposal will be awarded Price Agreements. DAS SPO reserves the right to award items separately or by grouping items, or by total lot.”

Please clarify DAS' right to award items separately or by grouping items, or by total lot. What items or groupings can be viewed separately? Please confirm that the RFP is awarded to primary inclusive of all car classes that are both mandatory and desirable?

ANSWER: Yes, all car classes will be awarded together with a Primary and secondary contractor(s) being chosen.

6.1.1, page 17: "The Master Price Agreement is the foundations terms and conditions for the acquisition of Contractor's services by Participants. Each Participating State may negotiate its own unique terms and conditions separately in a Participating Addendum. The Price Agreement for a Participating State will be the Master Price Agreement and the negotiated Participating Addendum. Unless a subsection of this RFP has been modified by addendum or DAS SPO has reserved the right to negotiate any contract terms and conditions, DAS SPO WILL NOT negotiate any contract terms or conditions."

With regards to the any individual state's right to use this Price Agreement...

- a) Please describe the process a WSCA State must go through to use this price agreement including the point at which Provider will be notified of both intent and acceptance.

ANSWER: Each WSCA state will contact the contractor to negotiate its own participating addenda against the master price agreement.

- b) Please describe the process a NON WSCA State must go through to use this agreement including the point at which Provider will be notified of both intent and acceptance.

ANSWER: Each non-WSCA state will seek permission from WSCA to participate and upon approval from WSCA the state will then contact the contractor to negotiate its own participating addenda against the master price agreement.

- c) Please describe minimum length of time any state may enter into an agreement to use this price agreement.

ANSWER: That is negotiable between the State and the Contractor. Any participating addenda negotiated cannot exceed the term of the master price agreement.

- d) Please describe the dispute resolution process and any remedies afforded the provider should it be determine that a State is found to be using both the WSCA price agreement and another price agreement at the same time.

ANSWER: The Participating Addendum is between the participating state and the Contractor. Any dispute resolutions would take place between the participating State and the Contractor.

6.1.2, page 17: “NEGOTIABLE ITEMS: The following Price Agreement terms and conditions may be negotiated by the State of Oregon and the apparent Successful Proposer: Term of Price Agreement (Length of Price Agreement), Extensions, Prices or Consideration, Scope of Services.”

Please elaborate upon the items we may be able to negotiate on after bid award. Section 8.2.7 seems to contradict the ability to negotiate Scope of Services.

ANSWER: As described in Section 6.1.2, the State has reserved the right to negotiate these particular items. Proposers must agree to the remainder of the terms and conditions of the Price Agreement. State and Proposer may negotiate additions to the scope of services as offered in Proposers Proposal.

8.2.3.1, page 20: “Must provide a list of its top 3 customers. Use the form in Attachment F. Customers must be of equal or greater size than Oregon’s estimated yearly average purchase of vehicle rental services. Proposer must also complete the process in Attachment I to ask customer references to provide information to State; the customer references may be the top 3 or others to meet the criteria in Attachment I. The State shall contact these customers as part of the evaluation process to verify the information the customers provided.”

Are we able to use Oregon as a reference?

ANSWER: To maintain neutrality in this solicitation, Oregon may not be used as a reference.

8.2.6, page 21 – “All Proposer franchises shall operate under one corporate name. Proposer must assure 100 percent contract adherence at all locations. Proposer must have the capacity to bind all Proposer owned and Proposer’s franchised locations to the terms and conditions of the Proposal and the Price Agreement.”

As it is known within the industry, franchisee compliance may or may not be feasible, let alone enforceable. What is the process WSCA and DAS SPO will take to ensure 100% contracted compliance at franchisee locations?

ANSWER: The State will investigate any complaints where a franchised location didn’t adhere to the contract terms and conditions. If it is found that a franchise location was non compliant, a reminder letter will be sent to the contractor reminding them of the agreement. If the condition persists, a notice of cure letter will then be sent.

8.2.9, page 21: “Proposer must have branch locations at the 2007 top 50 (“Top 50”) commercial airline airports as shown at:

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

Please confirm the top 50 locations are by "Commercial Passenger Deplanement," found below:

Atlanta – ATL, Chicago O'Hare – ORD, Dallas/Ft Worth – DFW, Los Angeles – LAX, Denver - DIA Shown as DEN, Phoenix – PHX, Las Vegas – LAS, John F Kennedy – JFK, Miami – MIA, Orlando – MCO, Houston/ Bush – IAH, Charlotte – CLT, Minneapolis – MSP, Seattle – SEA, Philadelphia – PHL, Newark – EWR, Detroit – DTW, San Francisco – SFO, Memphis – MEM, Baltimore – BWI, Boston/Logan – BOS, LaGuardia – LGA, Chicago Midway – MDW, Ft Lauderdale – FLL, Washington Dulles – IAD, Honolulu – HNL, Metropolitan Oakland Int'l. (OAK), Tampa – TPA, Salt Lake City – SLC, San Diego – SAN, Washington National – DCA, Portland – PDX, Kansas City – MCI, Anchorage – ANC, St Louis/Lambert – STL, Sacramento International (SMF), San Jose – SJC, Houston Hobby – HOU, Indianapolis – IND, San Juan – SJU, San Antonio – SAT, Austin (AUS), Nashville – BNA, Louisville Int'l/Standiford (SDF), Santa Ana/John Wayne (SNA), Dallas Love Field (DAL), Cincinnati – CVG, Ontario – ONT, Pittsburgh – PIT, Raleigh/Durham – RDU

ANSWER: These are commercial air carrier airports determined by the number of annual air carrier operations.

8.2.10, page 21 and 1.10.1, page 46: "Proposer must have on-line booking capabilities. Proposer rates for this Price Agreement must be accessible through all major Global Distribution Systems (GDS)."

Since it is not an industry standard to have commercial trucks available at airports or booked in the GDS, is this a mandatory for the desirable vehicles (example: Box trucks, etc)?

ANSWER: The state will consider removing this mandatory requirement for the desirable vehicle classes. If the State elects to remove it, it will be removed through an addenda process.

8.2.19 please refer to 2.5.2 (above).

8.3.7, page 23 and 8.2.1, page 20: "It is desired that Proposer have city and neighborhood locations throughout cities in the United States. Proposers shall provide a list of city and neighborhood (non-airport) locations and hours of operations."

With over 6500 locations nationwide, is it feasible to provide this information for Oregon and the additional locations noted on page 24 only?

ANSWER: As per the RFP, all of the locations must be listed on Attachment G or H depending upon the type of location the branch is.

8.3.13 and 14 Please confirm these 2 sections were left intentionally blank.

ANSWER: Confirmed. These two sections are left blank.

8.3.19, page 26: “Desirable Vehicle Classes”

Please refer to above for Approved equals and desirables

Attachment A – Contractor Certification Clauses In Response To RFP, page 29

WSCA Certification, page 29: “NON-COLLUSION: By signing this Proposal the Proposer certifies that the Proposal submitted, has been arrived at independently and has been submitted without collusion with, and without any agreement, understanding or planned common course of action with, any other vendor of materials, supplies, equipment or services described in the RFP, designed to limit independent bidding or competition.”

This language requires us to certify that there has been no collusion with any other “vendor.” The term vendor is not defined. Please clarify that each brand is not considered a vendor. For instance, Avis/Budget or Hertz/Advantage or Enterprise/National are one vendor not each individual brand as a vendor.

ANSWER: Proposer must certify that it didn’t collude with anybody to limit competition.

Attachment C – Master Price Agreement Vehicle Rental Services

5.0, page 35 CONTRACTORS REPRESENTATIONS AND WARRANTIES:

“5.1: The warranties set forth in this Section and in the UCC, which is incorporated into the Price Agreement and Contracts by reference, are in addition to, and not in lieu of, any other warranties provided in the Price Agreement and any Contract. All warranties provided are cumulative, and shall be interpreted expansively so as to afford the Participants and the State with the broadest warranty protection available.”

This language incorporates warranties reflected in the Uniform Commercial Code (UCC). Please clarify what warranties in the UCC are incorporated by reference.

The UCC warranties pertain to products, not services. This section will be modified by Addendum No. 1 to correct this issue.

18.0, page 39: “FUNDS AVAILABLE AND AUTHORIZED; PAYMENTS:

Contractor understands and agrees that a Participant’s payment of amounts under this Contract is contingent on the Participant receiving funding, appropriations, limitations, allotments or other expenditure authority at levels sufficient to allow Participant, in the exercise of its reasonable administrative discretion, to make payments under this Contract.”

Please explain: if funding runs out, how that process will work? If that happens, are we able to add language that we have the right to terminate the contract at that point?

ANSWER: If funding runs out, the Participants will stop ordering services. The State is considering the contractors right to terminate the contract and any changes to this language will be posted through an addenda.

Exhibit A- Scope of Services

1.3, page 45: “Rental receipts must clearly detail all surcharges, local taxes, concession fees, fuel charges and other charges that are not included in the Exhibit E rate.”

Please confirm energy recovery, cancellation, rental extension fees, city differentials and any additional mark-ups for refueling or any other additional fees which are at the sole discretion of the rental car vendor (i.e. not local, state or federal levied taxes or other legislated fees) are not permissible and must be included in the base rates for determination of the pricing matrix.

ANSWER: Correct. Any and all fees that the contractor has control over should be built into the overall base rate.

1.18, page 48: “BRANCH LOCATIONS: The branch locations or in-terminal counters will be in a permanent structure, well-lighted, clean, properly maintained and clearly identified as the vehicle rental Contractor with whom the reservation was made.2.10 Please see approved equals above (2.5.2, truck and 8.2.19).”

Please clarify that in order to count as a true location, there has to be a true “brick and mortar” location.

ANSWER: This means that the location is a permanent structure. This permanent location is not limited to brick and mortar locations, it could include a counter inside a hotel, airport or other venue.

2.10 page 49: Please refer to approved equals under 2.52 and 8.2.19

4.1, page 51 “ADMINISTRATIVE AND CONTRACT MANAGEMENT REPORTS: Contractor shall provide administrative and contract management reports at the times and in the manner set forth in this Section 4. “Volume Sales Reports”, “Noncompliance Reports” and “Accident Reports” are defined in subsections 4.2 through 4.4.”

Per the discussion at our pre-bid meeting on June 24, it was mentioned that WSCA will be flexible in working with the vendor providing the format and relay of information. Please confirm this.

ANSWER: WSCA will be flexible in creating the reports just so long as the reports contain the information that WSCA requires.

4.6.1, page 54: “WSCA Administrative Fee. The Contractor shall pay quarterly a WSCA administrative fee of 0.5% (0.005) of ALL sales under this Price Agreement on the schedule and using the method in Exhibit F. The WSCA administration fee is not negotiable. In addition to the WSCA administrative fee, some WSCA and non-WSCA member states may require that an additional fee be paid directly to the Participating State on purchases made by procuring entities within that Participating State. The Oregon administration fee is established in Section 4.6.2 below. For all other such state requests, the fee level, payment method and schedule for such reports and payments shall be as established in Section 4.6.3 or as otherwise incorporated in a Participating Addendum that is made a part of the Price Agreement. Contractor shall remit WSCA administration fee in immediately available funds to the person and address named in Exhibit F.”

Please confirm that the WSCA administration fee is to be included in the base rate. Please also confirm that the WSCA Admin fee is only paid on “Time and Mileage.”

ANSWER: Any sales made under the price agreement using base rates.

4.6.2.1, page 55: “After the end of each quarter during the term of this Price Agreement, Contractor shall pay to State of Oregon, Department of Administrative Services (DAS) State Procurement Office (SPO), a Vendor Collected Administrative Fee (VCAF), in an amount equal to One Percent (1%) of Contractor's total sales made to Oregon Participants (State, State Agencies, ORCPP, other Oregon Participants) using this Price Agreement during the preceding quarter. DAS SPO will invoice Contractor for the VCAF based on the Volume Sales Report generated by the Contractor. Contractor is responsible for timely reporting and payment, regardless of entity that actually reports or makes VCAF payment to DAS SPO. This fee is in addition to the WSCA Administrative Fee.”

Please confirm that the Oregon VCAF (or any other VCAF Administrative fee) is a fee that is above and beyond the base rate. (For instance: If base rate is \$40/day then for just Oregon account rentals, the rate will be \$40+1%). Please also confirm that the Oregon VCAF administrative fee is only due on “time and mileage.”

ANSWER: Correct, as described above the Oregon rate would be 1% above the base rate.

Any sales made under the price agreement using base rates.

EXHIBIT C – Schedule of Insurance

In reference to entire exhibit C, we would like to verify/clarify that self insurance is acceptable for any and all sections.

ANSWER: Yes. The State will modify the RFP via Addendum No. 1 to accommodate self insurance.