

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSED OF APPROVING ) RESOLUTION NO. 90-1354  
A CONTRACT WITH McCULLAGH )  
LEASING TO LEASE AUTOMOBILES ) Introduced by Presiding  
 ) Officer Tanya Collier

WHEREAS, The Metro Council approved Resolution No. 90-1306A authorizing the Executive Officer to release bid documents for the lease of five (5) vehicles and to execute the contract subject to the following conditions: 1) The amount of the contract does not exceed \$58,500, and 2) The automobiles leased and the terms of the lease shall conform in all material respects to the specifications set out in the Invitation to Bid;

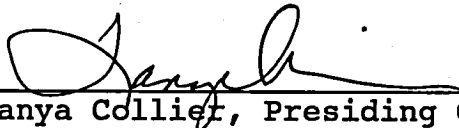
WHEREAS, The bid specifications call. for the lease of five (5) mid-sized cars with certain accessories for a three (3) year period; and

WHEREAS, The Finance and Administration Department is recommending that six (6) vehicles be leased, because of changing circumstances, and the bid received from the most responsive responsible bidder provides that six (6) automobiles can be leased meeting all bid specifications within the budgeted amount (\$58,500); now, therefore,

BE IT RESOLVED

That pursuant to Metro Code Section 2.04.037 the Metro Council authorizes the Executive Officer to execute the lease agreement attached hereto as Exhibit A.

ADOPTED by the Council of the Metropolitan Service District this  
8th day of November, 1990.

  
\_\_\_\_\_  
Tanya Collier, Presiding Officer

ATTEST:

  
\_\_\_\_\_  
Gwen Ware-Barrett  
Clerk of the Council

DEC:aeb  
A:\2006.RES

Contract No. 901545

PUBLIC CONTRACT

THIS Contract is entered into between the METROPOLITAN SERVICE DISTRICT, a municipal corporation, whose address is 2000 S.W. First Avenue, Portland, Oregon 97201-5398, hereinafter referred to as "METRO," and MC CULLAGH LEASING, INC., whose address is 2885 N.E. Sandy Boulevard, Portland, OR 97232, hereinafter referred to as the "CONTRACTOR."

THE PARTIES AGREE AS FOLLOWS:

ARTICLE I

SCOPE OF WORK

CONTRACTOR shall perform the work and/or deliver to METRO the goods described in the Scope of Work attached hereto as Attachment "A." All services and goods shall be of good quality and, otherwise, in accordance with the Scope of Work.

ARTICLE II

TERM OF CONTRACT

The term of this contract shall be for the period commencing January 15, 1991, through and including January 14, 1994.

ARTICLE III

CONTRACT SUM AND TERMS OF PAYMENT

METRO shall compensate the CONTRACTOR for work performed and/or goods supplied as described in Attachment "B." Metro shall not be responsible for payment of any materials, expenses or costs other than those which are specifically included in Attachment "B."

#### ARTICLE IV

##### LIABILITY AND INDEMNITY

CONTRACTOR is an independent contractor and assumes full responsibility for the content of its work and performance of CONTRACTOR's labor, and assumes full responsibility for all liability for bodily injury or physical damage to person or property arising out of or related to this Contract, and shall indemnify and hold harmless METRO, its agents and employees, from any and all claims, demands, damages, actions, losses, and expenses, including attorney's fees, arising out of or in any way connected with its performance of this Contract. CONTRACTOR is solely responsible for paying CONTRACTOR's subcontractors. Nothing in this Contract shall create any contractual relationship between any subcontractor and METRO.

#### ARTICLE V

##### TERMINATION

METRO may terminate this Contract upon giving CONTRACTOR seven (7) days written notice. In the event of termination, CONTRACTOR shall be entitled to payment for work performed to the date of termination. METRO shall not be liable for indirect or consequential damages. Termination by METRO will not waive any claim or remedies it may have against CONTRACTOR.

#### ARTICLE VI

##### INSURANCE

CONTRACTOR shall maintain such insurance as will protect CONTRACTOR from claims under Worker's Compensation Acts and other

employee benefits acts covering all of CONTRACTOR's employees engaged in performing the work under this Contract; and from claims for damages because of bodily injury, including death and damages to property, all with coverage limits satisfactory to METRO. Liability insurance shall have minimum coverage limits of at least the dollar amounts listed in ORS 30.270. Additional coverage may be required in the Scope of Work attached hereto. This insurance must cover CONTRACTOR's operations under this Contract, whether such operations be by CONTRACTOR or by any subcontractor or anyone directly or indirectly employed by either of them. CONTRACTOR shall immediately increase the amounts of liability insurance required to reflect any changes in Oregon Law so that the insurance provided shall cover, at a minimum liability limits under the Oregon Tort Claims Act.

If required in the Scope of Work attached hereto, CONTRACTOR shall provide METRO with a certificate of insurance complying with this article and naming METRO as an insured within fifteen (15) days of execution of this Contract or twenty-four (24) hours before services under this Contract commence, whichever date is earlier.

CONTRACTOR shall not be required to provide the liability insurance described in this Article if an express exclusion relieving CONTRACTOR of this requirement is contained in the Scope of Work.

#### ARTICLE VII

#### PUBLIC CONTRACTS

All applicable provisions of ORS chapters 187 and 279, and all other terms and conditions necessary to be inserted into public

contracts in the State of Oregon, are hereby incorporated as if such provision were a part of this Agreement, including, but not limited to, ORS 279.310 to 279.320. Specifically, it is a condition of this contract that CONTRACTOR and all employers working under this Agreement are subject employers that will comply with ORS 656.017 as required by 1989 Oregon Laws Chapter 684.

#### ARTICLE VIII

##### ATTORNEY'S FEES

In the event of any litigation concerning this Contract, the prevailing party shall be entitled to reasonable attorney's fees and court costs, including fees and costs on appeal to any appellate courts.

#### ARTICLE IX

##### QUALITY OF GOODS AND SERVICES

Unless otherwise specified, all materials shall be new and both workmanship and materials shall be of the highest quality.

All workers and subcontractors shall be skilled in their trades. CONTRACTOR guarantees all work against defects in material or workmanship for a period of one (1) year from the date of acceptance or final payment by METRO, whichever is later. All guarantees and warranties of goods furnished to CONTRACTOR or subcontractors by any manufacturer or supplier shall be deemed to run to the benefit of METRO.

## ARTICLE X

### OWNERSHIP OF DOCUMENTS

All documents of any nature including, but not limited to, reports, drawings, works of art and photographs, produced by CONTRACTOR pursuant to this agreement are the property of METRO and it is agreed by the parties hereto that such documents are works made for hire. CONTRACTOR does hereby convey, transfer and grant to METRO all rights of reproduction and the copyright to all such documents.

## ARTICLE XI

### SUBCONTRACTORS; DISADVANTAGED BUSINESS PROGRAM

CONTRACTOR shall contact METRO prior to negotiating any subcontracts and CONTRACTOR shall obtain approval from METRO before entering into any subcontracts for the performance of any of the services and/or supply of any of the goods covered by this Contract.

METRO reserves the right to reasonably reject any subcontractor or supplier and no increase in the CONTRACTOR's compensation shall result thereby. All subcontracts related to this Contract shall include the terms and conditions of this Agreement. CONTRACTOR shall be fully responsible for all of its subcontractors as provided in Article IV.

If required in the Scope of Work, CONTRACTOR agrees to make a good faith effort, as that term is defined in METRO's Disadvantaged Business Program (Section 2.04.160 of the Metro Code) to reach the goals of subcontracting N/A percent of the contract amount to Disadvantaged Business Enterprise and N/A percent of the contract

amount to Women-Owned Business Enterprise. METRO reserves the right, at all times during the period of this Agreement, to monitor compliance with the terms of this paragraph and METRO's Disadvantaged Business Program.

#### ARTICLE XII

##### RIGHT TO WITHHOLD PAYMENTS

METRO shall have the right to withhold from payments due CONTRACTOR such sums as necessary, in METRO's sole opinion, to protect METRO against any loss, damage or claim which may result from CONTRACTOR's performance or failure to perform under this Agreement or the failure of CONTRACTOR to make proper payment to any suppliers or subcontractors.

If a liquidated damages provision is contained in the Scope of Work and if CONTRACTOR has, in METRO's opinion, violated that provision, METRO shall have the right to withhold from payments due CONTRACTOR such sums as shall satisfy that provision. All sums withheld by METRO under this Article shall become the property of METRO and CONTRACTOR shall have no right to such sums to the extent that CONTRACTOR has breached this Contract.

#### ARTICLE XIII

##### SAFETY

If services of any nature are to be performed pursuant to this Agreement, CONTRACTOR shall take all necessary precautions for the safety of employees and others in the vicinity of the services being performed and shall comply with all applicable provisions of federal,



state and local safety laws and building codes, including the acquisition of any required permits.

ARTICLE XIV

INTEGRATION OF CONTRACT DOCUMENTS

All of the provisions of any bidding documents including, but not limited to, the Advertisement for Bids, General and Special Instructions to Bidders, Proposal, Scope of Work and Specifications which were utilized in conjunction with the bidding of this Contract are hereby expressly incorporated by reference.

Otherwise, this Contract represents the entire and integrated agreement between METRO and CONTRACTOR and supersedes all prior negotiations, representations or agreements, either written or oral. This Contract may be amended only by written instrument signed by both METRO and CONTRACTOR. The law of the state of Oregon shall govern the construction and interpretation of this Contract.

ARTICLE XV

ASSIGNMENT

CONTRACTOR shall not assign any rights or obligations under or arising from this Contract without prior written consent from METRO.

MC CULLAGH LEASING, INC.

METROPOLITAN SERVICE DISTRICT

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

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

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

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

Date: \_\_\_\_\_

Date: \_\_\_\_\_

SRS  
90145

**ATTACHEMENT A  
SCOPE OF WORK**

**AUTOMOBILE LEASE PROGRAM SPECIFICATIONS**

Metro lease of six (6) automobiles to begin January 15, 1991 when automobiles are delivered and accepted by Metro.

**Lease Type:** Closed End Level Pay as described below.

**Lease Term:** Three Years

**Requirements:** Closed End Level Pay

**Number of Vehicles:** Six (6)

1. Compact/mid-sized (not subcompacts), including but not limited to:
  - a. Cavalier
  - b. Sundance
  - c. Tempo
2. 1991 Model Year
3. Four Door
4. Automatic Transmission
5. FM/AM Radio
6. Rear Window Defogger/Defroster
7. Power Steering/Power Brakes
8. 24 Months or 24,000 Mile Warranty (minimum)
9. At Least Two Litre Engine/4 Cylinder
10. At Least Five Passenger
11. At Least 800 lbs. Load Capacity
12. Adjustable Steering Wheel
13. Dual Mirrors-Remote Adjustment
14. Driver Side Air Bag
15. Full Instrumentation, Including Clock
16. Spare Tire-limited service
17. Carpeting
18. Front and Rear Rubber Floor Mats
19. Fabric Facing on Seats
20. Air Conditioning

**Insurance:** Metro will provide insurance coverage as follows:

1. Comprehensive, \$100.00 Deductible
2. Collision, \$500.00 Deductible
3. Liability, \$0.00 Deductible

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**ATTACHMENT B**

**CONTRACT SUM AND TERMS OF PAYMENT**

Metro shall provide monthly lease payments of \$255.00 per automobile for thirty-six months (36) to Contractor within 30 days upon receipt of invoice. Payments will begin after specified cars are delivered and accepted by Metro. The total contract amount shall not exceed FIFTY-FIVE THOUSAND EIGHTY AND NO/100THS (\$55,080.00) DOLLARS.

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METROPOLITAN SERVICE DISTRICT  
BID SCHEDULE FOR VEHICLE LEASE

COMPANY/FIRM NAME:

McCullagh Leasing, Inc.

LOCAL OR REGIONAL ADDRESS:

2885 N.E. Sandy Blvd Portland, OR 97232

AUTHORIZED REPRESENTATIVE SIGNATURE:

*Marty Davis*

NAME (please print or type):

Marty Davis

TITLE:

Senior Account Executive

TELEPHONE NUMBER:

503/231-6580

Vehicle (car) Description (make, model, type and model year, etc.):

1991 Dodge Shadow 1 Door

Highline Liftback - see attached

Item 1

Vehicle Lease Payments

Monthly Payment x 36 Months: \$ 9180.00 per car x 5 cars = \$ 45,900.00  
\$255 per unit per month

Item 2

Excess Mileage Charge - 3 Years

Assume 12,000/miles/year/vehicle:\* \$ -0- for 1,000 miles x 5 cars = \$ -0-

Excess mileage charge to be based on 1,000 miles over allowed mileage per car at end of the lease term. McCullagh's rate is based on 40,000 total miles over a 36 month period.

Mileage in excess of 40,000 miles will be charged .05 per mile.

Item 3

Up Front/Delivery/Deposit/Licensing/etc. Costs: \$ 41.00 per car x 5 cars = \$ 205.00

Item 4

billed after delivery

Rental Car Costs per month for Vehicles . .

4 @ \$210.00 per month  
1 @ \$400.00 per month for \$248.00 monthly average

Known To Be Unavailable by Stipulated Date:\*

1,000 miles per month free \$ 248.00 (rental) per car x 5 cars = \$ 1240.00  
\$ N/A (mileage) per car x 5 cars = \$ N/A

\* Rental car to be comparable to specified lease cars. Rental cost to include all rental fees.  
Rental cost to be based on ten (10) weeks rent and 2,000 miles per car.

Item 5 \*

Residual at lease ends: \$ 3650.00 per car x 5 cars = \$ 18,250.00 \*

AMOUNT OF BID FOR LEASE AND RENT OF FIVE FLEET CARS (Add Total Items 1-5):

\$ 47,345.00

Total reflects items 1-4 only

OPTION "A": Driver's Side Air Bag:

\$ Standard Equipment per car x 5 cars = \$ included

Bid Amount for Total Cost of Items 1-5 and Option "A" \$ Total for 5 = \$47,345.00  
Items 1-4 only

Delivery Location Metro/Other:

Delivered directly to Metro

Delivery Date From Date of Order:

10-12 weeks

Mileage Allowance Total Lease Term:

40,000 per unit per 36 month period

EPA Mileage Estimate - city/hwy:

23 city / 31 hwy

Addenda

Bidder hereby acknowledges that he/she received Addenda Numbers Not received  
(Bidder insert no. of each addendum received to these specifications.)

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 90-1354 FOR THE  
PURPOSE OF APPROVING AN AUTOMOBILE LEASE PROGRAM  
WITH McCULLAGH LEASING

Date: November 8, 1990

Presented by: Don Carlson

FACTUAL BACKGROUND

The Metro Council adopted Resolution No. 90-1306A on October 11, 1990, which authorized the Executive Officer to release bid documents for the lease of five (5) vehicles and to execute the contract to the following conditions 1) the amount of the contract does not exceed \$58,500, and 2) The automobiles leased and terms of the lease shall conform in all material respects to the specifications set out in the Invitation to Bid.

Following the adoption of the resolution the invitation to bid for the automobile lease program was advertised and bids opened in accordance with Metro Code.

McCullagh Leasing, submitted a bid which met the material specifications of the bid document. McCullagh has proposed a contract for the lease of five (5) automobiles on a three year closed end lease for \$45,900.00

A sixth automobile is proposed to be added to the proposed McCullagh/Metro fleet contract. The sixth vehicle will increase the automobile lease contract to \$55,080.00 which is less than the budgeted amount. The sixth vehicle will be needed by the Government Relations Manager to travel between Salem and Metro Center during the Oregon legislative session which begins in January 1991. The sixth vehicle will become part of the regular Metro automobile fleet following the end of the legislative session.

It is a practice to encourage Metro Center staff to utilize the mass transit system to attend local meetings. Nevertheless, an average of three requests per day for Metro fleet cars are turned away because of the high incidence of Metro fleet car use.

Executive Officer's Recommendation

The Executive Officer recommends adoption of Resolution Number 90-1354