

Staff Summary Report



Council Meeting Date: 08/14/08

Agenda Item Number: _____

SUBJECT: Request to award a seven (7) month, sole source contract to Veolia Transit Services, Inc. for transit bus services.

DOCUMENT NAME: 20080814fslg23 **PURCHASES (1004-01)**

SUPPORTING DOCS: Yes

COMMENTS: (Purchase Agreement #T09-011-01) Total cost for this sole source contract shall not exceed \$19,550,168.

PREPARED BY: Lisa Goodman, CPPB, Procurement Officer, 480-350-8533
Greg Jordan, Transit Administrator, 480-858-2094

REVIEWED BY: Michael Greene, CPM, Central Services Administrator, 480-350-8516
Glenn Kephart, Public Works Manager, 480-350-8527
Carlos de Leon, Deputy Public Works Manager, 350-8205

LEGAL REVIEW BY: Teresa Voss, Assistant City Attorney, 480-350-8814

FISCAL NOTE: Staff estimates between \$3-3.5 million in passenger fare revenue will be collected during this period. Sufficient funding for the net contract expense is provided in cost center 3914/ account codes 6619, 6620, 6624, and 6626.

RECOMMENDATION: Award the contract.

ADDITIONAL INFO: The contract will be in effect from September 1, 2008 through March 31, 2009, during which, Veolia Transportation will operate an estimated 4,099,763 miles of Local, Express, Flash, and Orbit bus services. The sole source contract is required to allow additional time for the implementation, evaluation, and approval process associated with the upcoming competitive procurement of the city's transit and Orbit neighborhood circulator services. Due to the scope and complexity of providing public transit services, there is only one reasonable and practicable source for the required service during the applicable time period.

As part of the competitive procurement, a Request for Proposal (RFP) will be released in August 2008 and staff expects a new five (5) year contract – with two additional option periods of two (2) years each - will be in place on April 1, 2009.

The not-to-exceed amount of \$19,550,168 is based on an estimated 4,099,763 miles of scheduled transit services and includes sufficient funds that allow for incremental adjustments to bus routes (192K), bus service in support of Tempe events (100K), and bus service in support of light rail system interruptions and other emergencies (30K). Scheduled transit services is based on approval of all proposed December 2008 bus service changes pending the outcome of an ongoing public participation process.

Veolia Transportation has agreed to a rate per mile of \$4.69 which includes a \$.03 reduction due to the transfer of security functions at the East Valley Bus Operations and Maintenance Facility to a City contract managed by the Police Department. Otherwise, the rate per mile remains equal to that incurred in fiscal year 2007/2008.

Memorandum

TO: Michael Greene, CPPB - Central Services Administrator

FM: Glenn Kephart - Public Works Manager
Public Works Department

DATE: July 28, 2008

SUB: Limited Source Determination

As Head of the City Department for which the needed professional service will be contracted, I have made a determination that only one (1) reasonable and practicable professional services provider exists. As such, I am authorizing the City Procurement Office to work with my Department to negotiate an acceptable contract with:

_____ *Veolia Transportation* _____
Name of Professional Services Provider

Description of Professional Service to be provided:

Veolia Transportation will provide transit services and city bus fleet maintenance for the City of Tempe from September 1, 2008 through March 31, 2009.

See attached memo for more information.

Refer to Requisition No. _____, dated _____ which has been transmitted to the City Procurement Office to initiate this Limited Source purchase.

My (customer) department contact for this procurement is Greg Jordan at Ext. 2094.

My Limited Source determination is based upon extensive research conducted by my department as to possible providers and a written justification is attached for City Procurement Office records.

As related to this contract, there are no conflicts of interest, legal, ethical or preference issues which would compromise my (customer) department or the resulting contract.

Department Head's Signature



Date *July 28, 2008*

City Procurement Ordinance 97.55 Sec. 26A-9 identifies the basis for a Limited Source procurement as follows:

“If the director of the using department determines in writing that the nature of the service presents such limited competition that a competitive process cannot reasonably be used or, if used, will result in a substantially higher cost to the city, will otherwise impair the city’s financial interests or will substantially impede the city’s administrative functions or the delivery of services to the public; or if only one provider has the experience and capability to successfully perform the contract; or if the need was not known in sufficient time to allow for competitive procurement and time is of the essence. The director of the using department shall be responsible for making a limited source determination, prepare and sign a written limited source justification for not seeking competition and transmit the justification to the procurement office with a requisition for the procurement.”

Unless the director of the using department makes a limited source determination, the procurement office shall issue competitive solicitations for the professional services.

Professional service contracts shall be reviewed by the city risk manager and city attorney before signing; and contracts with a dollar value expected to exceed the dollar value requiring council approval shall be submitted for such review and approval.

Memorandum

Public Works Department



July 28, 2008

To: Glenn Kephart – Public Works Manager
Thru: Carlos de Leon – Deputy Public Works Manager
Fr: Greg Jordan – Transit Administrator
Re: Veolia Transportation – Sole Source Determination

ACTION REQUIRED

City Council approval on August 14, 2008 of a seven (7) month sole source contract for the supply of city transit services and bus fleet maintenance for an amount not to exceed \$19,550,168. The contract will be in effect from September 1, 2008 through March 31, 2009. During the seven (7) month contract period, Veolia Transportation will operate an estimated 4,099,763 miles of Local, Express, Flash, and Orbit bus services.

JUSTIFICATION

This sole source contract is required to allow additional time for the implementation, evaluation, and approval process associated with the upcoming competitive procurement of the city's transit and Orbit neighborhood circulator services. The continuity of public transit services is essential to Tempe and valley residents. Due to the scope and complexity of providing public transit services, there is only one reasonable and practicable source for the required service during the applicable time period. In addition, by maintaining the present contractor in place through March 2009, city staff can better ensure the stable and effective implementation of the large-scale bus service and operational changes associated with the implementation of the Light Rail System in December 2008.

As part of the competitive procurement, a request for proposals (RFP) will be released in August 2008 and staff expect a new five (5) year contract – with two additional option periods of two (2) years each - will be in place on April 1, 2009.

FISCAL IMPACT

The not-to-exceed amount of \$19,550,168 is based on an estimated 4,099,763 miles of scheduled transit services and includes sufficient funds that allow for incremental adjustments to bus routes (192K), bus service in support of Tempe events (100K), and bus service in support of light rail system interruptions and other emergencies (30K). Scheduled transit services is based on approval of all proposed December 2008 bus service changes. These proposed changes are the subject of an ongoing public participation process which will culminate in recommendations to the Transportation Commission and City Council in September 2008. The amount also includes sufficient funds to provide bus services to major events, emergencies, and light rail support.

Veolia Transportation has agreed to rate per mile of \$4.69 which includes a \$.03 reduction due to the transfer of security functions at the East Valley Bus Operations and

Maintenance Facility to a city contract managed by the Police Department. Otherwise, the rate per mile remains equal to that incurred in fiscal year 2007/2008. Between \$3-3.5 million in passenger fare revenue will be collected during this period.

Purchase Agreement #T09-011-01

This Agreement is attached to the Contract Award Notice and made a part thereof and is entered into by the City (the "City") and Veolia Transportation ("Contractor").

The parties agree as follows:

1. Scope of Work

Contractor shall provide the following services in a professional manner to the City as identified below and incorporated by reference:

The Contractor will develop and maintain a service that reflects the schedule of service as identified to citizens in the Bus Book or other passenger publications. All the Contractor's employees shall at all times provide a level of service that promotes and exhibits safe, secure and professional operations. The Contractor and its employees will provide an atmosphere within the bus and an appearance outside of the bus that instills pride in workmanship and appearance. The Contractor will provide the systematic approach necessary to provide reliable service, including maintenance, operations and administration. All employees shall respond to passenger inquiries and requests in a positive, proactive, and professional manner.

The City regards the fundamental nature of this agreement to be based on relationship and performance. The City's core value as it implements this agreement is that it is not only paying for transit service, but a specified standard of transit service. It is the responsibility of the Contractor and the City to ensure that its planning, operations, practices, and personnel conduct are managed in such a way so as to assure that the City's standards for transit service in this community are met, and if possible, exceeded, in accordance with all applicable local, state and federal laws. Understanding that the City is not in a position to manage operations directly, nor is it effective to direct and monitor the entire Contractor's practices, operations, and personnel while implementing the City's transit service; the City plans to work closely with the Contractor in order to achieve the specified performance standards. Each performance criterion will be discussed in detail in Section iv. The method by which each criterion is measured will be subject to discussion between the City and the Contractor in order to ensure mutual faith in the measurement system. The types of criteria, number, scope, and quantitative definitions associated with the performance matrix may be subject to adjustment at the discretion of the City. The Contractor may request adjustments to one or more of the agreement's performance standards based on evidence demonstrating that said standards significantly depart from industry accepted standards.

A. SCOPE OF BUS SERVICE

Under this agreement, the Contractor will provide an estimated 4,099,763 scheduled revenue miles of bus service, bus service in support of Tempe events, and bus service in support of light rail system interruptions and other emergencies. Scheduled transit services is based on approval of all proposed December 2008 bus service changes. These proposed changes are the subject of an ongoing public participation process which will culminate in recommendations to the Transportation Commission and City Council in September 2008.

i) FLEET

The City will provide all buses for this agreement. Service and/or vehicle changes may occur at the City's discretion. The City has exclusive use of the buses for the term of this agreement.

ii) TYPE OF BUS SERVICE

The City provides fixed route bus service along major arterial streets inside and outside of Tempe's city limits. The City also partners with Arizona State University to provide a downtown/campus circulator service that provides appropriate transportation to the university community and downtown Tempe employees, residents and visitors. Finally, the City provides a neighborhood circulator that operates within the residential areas to the east and west of downtown Tempe.

iii) BUS STOPS

The Contractor will follow the following policies for the boarding/deboarding of passengers

- a) Designated stops: Passengers are allowed to board and deboard at all designated bus stops. Designated bus stops are indicated by a standard bus stop sign, information post, and/or shelter. Pertains to all routes and along all arterial streets, various collector streets, and some residential streets.
- b) Courtesy stops: On all streets, passengers may exit at the near side of a signaled intersection, under a red light only, at curbside. This policy pertains to all routes at locations that meet the stated criteria. The majority of route 62 operates along Hardy Dr., which is a collector level street. The City has maintained a policy of allowing courtesy and flag stops at any location along Hardy Dr. provided it is safe to do. Currently, Hardy Dr. is the only collector street where courtesy stops are allowed at all points along the roadway. Discretion for making a safe courtesy stop is placed on the operator.
- c) Flag stops: On designated routes and along residential streets only, passengers may signal the bus to stop anywhere along the route. This applies to boarding and alighting. The operator will use his/her discretion as to the exact location in order to maintain a safe boarding/exiting environment. Flag stops are not permitted along major arterial streets, collector streets or along downtown streets where designated bus stops are in place. Currently only the Neighborhood Flash route meets these criteria.

iv) PERFORMANCE STANDARDS

The Contractor shall comply with the minimum performance standards described below:

- a) MAINTENANCE – Roadcalls: Perform vehicle maintenance so as to exceed a base average of 6,501 miles between road calls. Agreement compliance will be assessed based on performance relative to this standard and seasonally adjusted to reflect the realities of the Arizona environment and the impact on bus reliability. A road call is defined as any instance when a mechanic or other personnel must be sent to repair and/or tow in a disabled bus. Wheelchair ramp failures are to be included in this definition. In cases where no problem is found, then the road call must still be reported, but its occurrence will be waived.
- b) SAFETY – Accidents: To be contractually compliant, the Contractor must perform operator training and safety so as not to exceed more than 2.0 accidents per 100,000 vehicle miles. Accidents include vehicle collisions that occur on the Contractor's property. An accident is defined as any contact between the bus and another object except the road.
- c) CUSTOMER SERVICE – Complaints: To be contractually compliant, the Contractor must perform operations, maintenance, and customer service so as not to exceed 15 complaints per 100,000 boardings. Complaints exclude service requests, compliments, information requests, bus stop repair requests, and anonymous complaints that cannot be reasonably substantiated. The Contractor will be required to submit a "Customer Service Plan" that describes its philosophy and methods for exceeding this standard. The plan is due within 60 days following the approval of the agreement and will be annually reviewed by City/Contractor staff and updated as needed
- d) OPERATIONS – On Time Performance: To be contractually compliant, the Contractor must perform operations so as to maintain a minimum standard of "on-time bus trips" of ninety (90) percent on a monthly basis. On-time performance shall be calculated using the data retrieved from the Vehicle Management System. On-time performance shall be defined as departing a scheduled time point between zero (0) minutes and five (5) minutes late. No trips shall leave stops ahead of schedule.

- e) OPERATIONS – Staffing: The Contractor will staff the following positions at all times: General Manager, Operations Manager, Maintenance Manager, Safety and Training Manager, Human Resources Manager, Quality Assurance Manager. The City reserves the right to approve candidates for all positions previously noted. For the following staff classifications, staffing levels shall not fall below the stated minimums:

Operators – 95%
Transit Operations Supervisors – 95%
Vehicle Management System Controllers – 100%
A Mechanics – 95%
B Mechanics – 95%
C Mechanics – 95%
Fleet Care Technicians – 90%

- f) MAINTENANCE & OPERATIONS – Fuel Efficiency: The City will supply LNG fuel to the Contractor. Consequently, the City must ensure that this resource is used efficiently. The Contractor shall ensure fuel efficiency of no less than 1.6 miles per gallon. Fuel efficiency standards will be seasonally adjusted to reflect the realities of the Arizona environment at such time that the city has sufficient data to establish a firm relationship between temperature and fuel usage.
- g) MAINTENANCE - Fleet Inspections: Fleet inspections will be conducted monthly by the Regional Public Transportation Authority's (RPTA) fleet inspector or third party as designated by the City. The inspector will inspect four-ten buses per month to be selected randomly among buses that have recently gone through a PM Inspection. The City will select the buses to be inspected. The inspector will assess the condition of each bus based on the following categories: Mechanical, Safety, and Cosmetic. Agreement compliance will be assessed by the City based on inspection results.
- h) CUSTOMER SERVICE - Complaint Follow-Up: The Contractor shall ensure that all complaints are resolved in a timely manner and to the citizen's reasonable satisfaction. To measure this performance standard, a random selection of complainants will be contacted each quarter and asked to answer several questions designed to measure the Contractor's management of the complaint resolution process. The survey design will be subject to agreement between the City and the Contractor. The Contractor must score a minimum of 80 in order to be in agreement compliance.

The Contractor is encouraged to make every effort to see that legitimate complaint issues are incorporated into a training format (Classes, memos, meetings, etc.) that will allow the organization to learn from mistakes and to reinforce positive standards of conduct and operations.

- i) OPERATIONS – Missed Service: In order to remain in compliance with this agreement, the Contractor shall not exceed a missed miles threshold of .15% of scheduled miles in two (2) consecutive months, or three (3) months within a twelve (12) month period. Exceeding these thresholds may be grounds for agreement termination.

v) OPERATIONAL STANDARDS

No Missed Trip Policy: Valley Metro and the City have a no missed trip policy, requiring the Contractor to implement policies and procedures to monitor service delays in excess of ten (10) minutes, and if necessary, replace or insert a bus to fill in for a portion of a trip to ensure timely completion of that trip. Buses that cannot meet scheduled service, are involved in accidents, or are otherwise incapable of continuing service for any reason must be replaced immediately. A trip will be considered missed if it meets any one of the following criteria:

- Trip does not operate at all

- Trip begins more than fifteen (15) minutes late
 - Bus fails to complete at least 50% of the trip and replacement is not dispatched
 - If the bus operates late by more than half the published headway for at least two (2) time-points AND arrives late to the last time point by more than half of the published headway.
- a) Staged Bus Requirement: In order to meet its “NO MISSED TRIP” policy, the Contractor is required to strategically stage buses, with operators, for the purpose of trip insertion to mitigate service interruptions. At a minimum, two (2) staged buses shall be placed daily during peak service hours (6am-9am and 2:30pm-6:30pm) in strategic geographic locations to support service and minimize interruptions.
 - b) Extraboard Requirement: In order meet its “NO MISSED TRIP” policy, the Contractor shall maintain sufficient extraboard staff on a daily basis. Sufficient extraboard shall be determined by assessing historical data on employee absences and operational circumstances that required the use of extraboard staff. The Contractor will supply data on employee absences and estimates of extraboard use for the previous calendar year.
 - c) Backup Accessibility Plan: The Contractor shall ensure that the ADA mandated backup accessibility plan is fully implemented. The plan mandates that passengers using wheelchairs be provided with alternative transportation on any route with headways greater than thirty (30) minutes when the present accessible vehicle cannot board the passenger due to mechanical failure.

In any case where a passenger using a wheelchair cannot be boarded, whether due to mechanical failure, fully occupied wheelchair positions, or for any other reason, the bus operator shall contact radio control and advise them of the situation. The bus operator SHALL NOT leave the passenger until he/she has advised them of the instructions received from radio control.

The Contractor must have a system of regular and frequent maintenance checks for wheelchair ramps/lifts on all equipped vehicles that is sufficient to ensure that the ramps/lifts are operative. Bus operators must report immediately any failure of a lift to operate in service. When wheelchair ramp/lift failure is experienced on an in-service vehicle, the Contractor must meet several requirements. If ramp/lift failure occurs on a route where the headway is greater than thirty (30) minutes, the grantee is required to provide alternative service promptly. The vehicle must be removed from service before the beginning of the next service day if the lift is not repaired. The lift must be repaired before the vehicle is returned to service. In the event that there is no spare vehicle available and the grantee would be required to reduce service to repair the lift, the grantee can keep the vehicle with the inoperable lift in service for no more than three (3) days.

- d) Fare Recovery and Farebox Maintenance: The Contractor is required to appropriately train all operators on the fare policy and farebox operations. Operators are required to enforce the fare policy with appropriate judgment. Inoperable fareboxes are not to be placed in service and the Contractor shall be required to immediately repair or remove from service any vehicle with an inoperable farebox. A vehicle with an inoperable farebox may be kept in service only if there are no spare vehicles available for replacement. However, the Contractor will reimburse the City for the forgone revenue which shall be calculated from historical data.
- e) Reporting: The Contractor shall be required to submit a daily service provision report by 5:00pm the following day. The report shall, at a minimum, indicate all service interruptions, incidents, accidents, missed miles, and time lost. At all times the service provision reports must accurately reflect any observations made by City staff.
- f) National Transit Database (NTD) Safety & Security Data: Must be reported to the City no later than fifteen (15) days following the close of each quarter (Jan 15, Apr 15, Jul 15, and Oct 15). The Contractor is responsible for remaining up to date on the Federal Transit Administration’s NTD Safety and Security manual for each calendar year.

- g) Accidents: Accident reports must be delivered or transmitted to the City within 24 hours. In the event of accidents/incidents that involve fatalities, serious injuries, felonies, or media attention, city staff must be contacted immediately.
- h) Monthly E-Reports: The E-Reports are to be completed and transmitted to City staff no later than the 20th of the following month.

City staff will issue a quarterly performance report to the City Council and the Transportation Commission updating the members on the Contractor's performance. The same quarterly performance report will be forwarded to the Contractor for the purpose of distribution to all employees. All the Contractor's employees must be able to see their performance and progress and understand how their individual performance affects collective performance and ultimately the ability to achieve higher monetary rewards.

vi) ROUTE IMPROVEMENTS

Route/schedule improvements or expansions or reductions in service may be made as deemed necessary by the City.

vii) BACK-UP SYSTEMS

The Contractor shall provide a contingency plan in the event of a strike by employees and/or of lack of operators, supervisors, or maintenance personnel in order to maintain and provide on-time bus service and acceptable performance standards to the City. This plan is due to the City no later than ninety (90) days from the execution of this agreement.

The Contractor will inform the City regarding any route problems, delays, detours, or vehicle breakdowns. Incidents/accidents that cause a major service interruption, severe injuries, or media attention must be reported to the City immediately. All service interruptions or detours as well **WHEN** normal routing or service is resumed must be reported to Valley Metro Customer Service (602-253-5000).

viii) EMERGENCY ACTION PLAN

In consultation with City staff, the Contractor will develop and submit an emergency action plan designed to be implemented in the event of a city or regional emergency requiring buses for evacuation or other purposes. The plan should address emergency bus needs at incrementally increasing stages, so that for each stage, buses are pulled from regular service in a manner that only minimally impacts service. For example, if twenty-five (25) buses were needed to assist with an evacuation in north Tempe, the plan should generally address which buses would be pulled from service and in what manner with the goal of only minimally affecting regular service. Since the severity and location of an emergency will determine from where buses are pulled, it will be impossible to make specific plans. However, the plan should outline general guidelines for the Contractor's staff to implement so that there is immediate and decisive action and minimal confusion in the event of a city or regional emergency. The Contractor should consult with the City for guidelines and scenarios based on existing City emergency action plans. A final document is due to the City no later than four (4) months from the execution of this agreement.

ix) SAFETY AND SECURITY PLAN

The Contractor will comply with all relevant requirements stipulated by the Federal Transit Administration in the Safety and Security section of the Grants Management Workshop. Furthermore, the Contractor will, in coordination with city transit staff, police and fire department personnel, and regional staff and consultants on local and regional safety and security plans.

x) FUEL

The City will supply the Contractor with Liquefied Natural Gas (LNG) and unleaded gasoline to be used exclusively for the City-owned bus fleet as well as approved contractor support and service vehicles dedicated to this contract.

xi) ADJUSTMENTS TO BUS SERVICE

Service levels and associated mileages may be adjusted at any time as determined by the City. Modifications may include, but not be limited to, adding or deleting bus stops, extending, deleting, or adding routes, or parts of routes, and expanding or decreasing revenue miles operated by the Contractor by up to five (5) percent without renegotiating the revenue service miles rate.

xii) PAYMENT FOR SERVICE

The annual cost of the agreement will be generated on a "revenue mile" basis. "Revenue miles" is defined as the operation of a bus from the first designated passenger pick-up point to the last designated passenger delivery point as designed for the trip by the City. Deadheading, (moving a transit vehicle to and from a garage or to and from one route to another) is classified as non-revenue miles. Deadheading and storage do not constitute revenue miles, or a "trip." Deadheading or "loop miles" will not be paid by the City as a separate expense or under a special rate. Deadheading and "loop miles" as with all other overhead expenses must be incorporated into the revenue mile rate. Once the rate per mile has been established and agreed upon by the City and the Contractor, the rate will then be multiplied by each month's revenue miles to arrive at an aggregate monthly cost. Payment for services provided by the Contractor shall be made monthly and based on the following categories: Fixed costs and variable costs. Invoices shall be submitted monthly and will be due to the City by the 15th day of the following month. The City will make every effort to process all invoices within thirty (30) days from the date of invoice.

The City understands that the Contractor will miss a small percentage of service due to situations that occur which are out of its control. To account for these occurrences and minimally protect the Contractor from associated impacts on revenue, the City will waive non-payment for missed miles up to .1% of scheduled miles. All missed miles must be tracked and indicated on all invoices and reports. Any missed miles over .1% of scheduled service shall be deducted from billing regardless of cause and without exception. In order to remain in compliance with this agreement, the Contractor shall not exceed a missed miles threshold of .1% of scheduled miles in two consecutive months, or three months within a 12 month period. Exceeding these thresholds may be grounds for agreement termination.

xiii) AGREEMENT CANCELLATION TERMS FOR NON-PERFORMANCE

If at anytime and in any category the Contractor's performance falls below the minimum's stated above, the Contractor will be deemed to be out of compliance with the Agreement and will receive notification of said status. Such a condition may grounds for agreement termination for non-performance. In the event of two consecutive months (Or three nonconsecutive months within a 12 month period) of sub-standard performance in one or more categories, then the City may pursue agreement cancellation in accordance with the terms stated in Sections 4 and 5 of the "Special Terms and Conditions".

xiv) CONTRACTOR MANAGEMENT

The Contractor is responsible for the overall management, effectiveness, and responsiveness of operations, maintenance, administration, and related transit service activities. In addition, Contractor's management is responsible for gathering, compiling, and analyzing data and trends monthly (or more frequently if needed). Management must be able and willing to respond to the City's requests and ensure a safe, effective and efficient system responsive to the needs and desires of the citizens as represented by the City. The Contractor's senior management team must reside in the Phoenix metropolitan area and have no other local transit agreement responsibilities but Tempe's Transit Service. Senior management is defined as the following positions: General Manager, Operations Manager (or Assistant General Manager), Training & Safety Manager, Quality Assurance/Customer Service Manager, Maintenance Manager, and Human Resources Manager. The City reserves the right to approve candidates for these positions.

xv) PERSONNEL QUALIFICATIONS AND RESPONSIBILITY

The Contractor shall be responsible for providing all personnel necessary to attain the services specified under this agreement. Maintenance personnel should have achieved levels of proficiency that are appropriate to their duties. The City reserves the right to approve all senior level personnel including, but not limited to, the General Manager, Operations Manager, Training Manager, Quality Assurance/Customer Service Manager, Maintenance Manager or any position that the City deems to be critical in terms of its leadership role and/or position to establish and/or reinforce the City's values regarding quality transit service.

Employees shall at all times be and remain the sole employees of the Contractor, and the Contractor shall be solely responsible for payment of all employees' wages and benefits. The Contractor shall faithfully comply with the requirements of all applicable State and Federal laws with respect to employer's liability, worker's compensation, unemployment insurance, FICA, and federal and state income taxes.

The Contractor will fully cooperate with the City, the RPTA, and the City of Phoenix in meeting the legal requirements of the labor protective provisions of Section 13(c) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1609) and the Section 13(c) Agreements and side letters currently in force and certified by the United States Department of Labor. Changes, including changes in service and any other changes which may adversely affect transit employees, shall be made only after due consideration of the impact of such changes on Section 13(c) protections granted to employees. The Contractor shall defend and indemnify the City, the RPTA, and the City of Phoenix from any and all claims and losses due to the 13(c) consequences of changes not requested by the City, the RPTA, and the City of Phoenix which result in Section 13(c) grievances, claims and/or liability.

Prior to hiring, background checks will be conducted on all personnel performing duties involving access to revenue (e.g., vault puller, cashier, operations/transportation manager, general manager, and farebox repair person).

The Contractor shall provide additional staff at a level necessary to meet all requirements of the agreement. The Contractor's proposal shall clearly identify, by job classification, the number and levels of each class of employee that will be provided.

xvi) OPERATOR LICENSING AND TRAINING

The Contractor shall furnish Operators who are at all times legally licensed (Class B – Commercial Drivers License) to operate a bus in the State of Arizona. The City reserves the right to demand proof of license and/or training at any time during the agreement period. On a semi-annual basis, the Contractor will solicit information from the Motor Vehicle Department to assess the validity and status of all employees' CDL licenses. The results of this analysis will be submitted to the City at least twice a year.

The Contractor shall provide professional training services for transit Operators and staff. Operator training must include a minimum of 120 hours, of which a minimum of 60 hours shall be *individual* behind-the-wheel training and 60 hours will be in a classroom format. Minimum training topic requirements include:

- a) Bus controls, handling and maneuvering.
- b) Schedule and map reading
- c) Training on all routes
- d) Customer service training
- e) Farebox administration (Regional curriculum*)
- f) Radio procedures (Regional curriculum*)
- g) Destination signs (Regional curriculum*)

- h) Local operating procedures (Regional curriculum*)
- i) Lost and found procedures
- j) Accidents and emergency procedures
- k) Applicable National/state/local laws and regulations
- l) Defensive driving
- m) Passenger assistance techniques (Regional curriculum*)
- n) Passenger sensitivity training (Regional curriculum*)
- o) ADA Training (In Accordance with Regional Policy)
- p) Pre-trip/Post-trip procedures
- q) Complete training on all Tempe operated bus routes

Supplemental and corrective training shall be at the Contractor's discretion.

A complete written program description of the Contractor provided classroom and behind-the-wheel training, retraining, monthly, annual, and individual evaluation programs shall be provided to the City and approved prior to inception. Annual reviews of revisions to the training program may be required.

Regional curriculum, as noted above, is intended to provide Contractor and employees with system level information about service operations that can be incorporated in the Contractor training program. The provided training components are not intended to provide a comprehensive training program, which remains the responsibility of the Contractor, those provided components shall provide employees with the background and direction for many system-specific components. Sensitivity and Passenger Assistance Techniques training have inter-active components and require coordination with local support groups for completion. The Contractor is also required to send new drivers within ninety (90) days of employment to customer service training classes sponsored by the City. It is estimated that these classes will take five (3) hours.

The Contractor will fully comply with all policies, procedures and guidelines outlined in Valley Metro's Fixed Route Bus Policies for Persons with Disabilities.

xvii) UNIFORMS

The Contractor shall be required to purchase and provide uniforms of sufficient quantity for driving personnel, supervisors, and dispatchers involved in operating transit service. The uniform will be high quality cotton magenta or teal polo shirt with dark blue pants or shorts. The operators' uniforms shall be clean, professional, presentable and visible at all times. Uniforms must be worn at all times by operators and operator trainees whenever they are operating a city bus outside of the Contractor's facility. Each operator must wear a badge of some sort that identifies his/her name or employee number. The Contractor will also provide jackets for winter use that are similar in color scheme to the uniform. The jacket will contain the logo for Valley Metro and the City.

xviii) MECHANIC RATIOS AND TRAINING

The Contractor will provide a bus-to-mechanic ratio at a minimum of 4 to 1, not including those who provide fuel/lot service, cleaning, parts manager(s), or the maintenance manager.

At least 30% of the maintenance staff shall be ASE Master Certified for medium and heavy-duty vehicles or equivalent continuing education from an accredited vocational school, not including the maintenance manager.

All mechanics employed by the Contractor shall have, at a minimum, two (2) years experience on heavy-duty transit vehicles or have completed at least forty (40) hours of Contractor provided training within first thirty (30) days of employment. In addition, all mechanics shall receive a minimum of sixteen (16) hours of technical/refresher training annually. All training shall be documented and maintained in the employee personnel file. The Contractor shall be responsible for training mechanics in repair and maintenance of alternative fueled vehicles.

xix) EMPLOYEE WAGES, SALARIES AND BENEFIT

The Contractor, at a minimum, shall make available to employees providing service to the City as described in this agreement, the following level of employee benefits:

- a) Wages and Salaries: The Contractor shall provide wages and salaries commensurate with the responsibilities of the positions offered, and in concert with current market labor rates in order to ensure a qualified available workforce. No full time employee shall earn less than \$12.00 per hour.
- b) Health Insurance - HMO type. Employer to contribute 100% of the cost for employee premiums. Medical benefits to include: Office visits, hospital room and board, emergency room, specialist visits, outpatient surgery, x-ray and lab, preventive care, alcohol and drug dependency, mental and nervous disorder. Reasonable co-payments for medical services are permitted, but are not to exceed \$20.00 per occurrence. Family coverage must be available to the employees.
- c) Life Insurance - Minimum equal to an estimate of the employee's annual salary
- d) Paid Time off – Minimum five (5) days per year after one full year of full-time employment and ten (10) days per year after two full years of full-time employment.
- e) Paid Holidays – Minimum six (6) holidays per year as determined by the Contractor.

xx) ANTI-DRUG AND ALCOHOL MISUSE PROGRAM

On February 15, 1994, the Federal Transit Administration (FTA) published final rules in the Federal Register requiring FTA grant recipients to establish anti-drug and alcohol misuse programs (49CFR Parts 653, 654, and 40). The Contractor will be required to conduct an effective anti-drug and alcohol misuse program that complies with all the requirements of the above-referenced programs. The Contractor will submit an annual report (Calendar Year) to the City and FTA certifying compliance with the drug and alcohol rules and detailing the year's activity in terms of training, testing, test results and official audits.

xxi) DISPATCH

The Contractor shall provide dispatch services that are designed to ensure all base performance standards are consistently met. The Contractor shall develop and provide to the City a written policies and procedures manual designed expressly for dispatch personnel.

The Contractor shall have and be prepared to implement an accessibility backup plan that conforms to regional policy and federal requirements. The backup plan is designed to ensure that passengers with disabilities are provided transportation should any lift malfunction or vehicle problem result in a passenger with a disability being left behind. The operator shall follow appropriate procedures, and dispatch shall ensure that the passenger is transported according to regional policy.

xxii) ROAD SUPERVISION

The Contractor shall provide road supervision services that are designed to ensure all base performance standards are consistently met. The Contractor shall develop and provide to the City a written policies and procedures manual designed expressly for road supervisor personnel. At a minimum, the Contractor shall provide road supervision during all days and service hours. Road supervisors shall be prepared to meet customer and operator needs, have demonstrated knowledge of the service area, equipment, routes, and if necessary, be qualified and prepared to act in place of operator. Each supervisor shall utilize Contractor provided support vehicles.

xxiii) TRAVEL REDUCTION PROGRAM

The Contractor will develop a Travel Reduction Program (TRP) in accordance with Arizona State Statute: 49-581 to - 593. In addition to statutory requirements regarding proper submittal, the TRP must also be submitted to the City within ninety (90) days of the execution of this agreement.

xxiv) FACILITY

- a) The **East Valley Bus Operations and Maintenance Facility (EVBOMF)** is located at 2050 West Rio Salado Parkway, Tempe, Arizona. The City is proposing to the National Green Building Council that the administration facility be certified as a gold level green building with rest of the project proposed at the silver level. The design and construction of this facility was specifically concerned with ensuring that it be as sustainable as possible and that it serve as a model for sustainable development and operating practices.
- b) The site encompasses 24 acres. The facility was designed and sized for the maintenance and operation of a fleet of 250 buses, plus support vehicles.
- c) **Automobile Parking Facilities** - There are two (2) parking lots, on the north and south sides of the Administration/Operations Building that is to be used for employee parking. There are a total of 250 automobile parking spaces.
- d) **Bus Parking** - This area is sized for 250 bus spaces dedicated for each specific vehicle. No deadhead parking area is provided. Approximately one half (1/2) of the bus parking spaces have shade canopies. Support vehicle parking is also provided in various areas around the site.
- e) **Maintenance Facility** - This maintenance building comprises 74,400 square feet of maintenance space and is equipped with thirteen (13) maintenance bays, component shops, maintenance administration, parts storage, mechanic locker rooms and personnel spaces.
- f) **Operations & Administration Facility** - The operations and administration building comprises 19,650 square feet and includes space for bus operator locker room, personnel spaces, dispatch, training, supervisor offices, break areas, and restrooms, Contractor management and administrative offices, telecommunications/IT server rooms, lobby, and City offices.
- g) **Servicing and Fueling Facilities** - ~~Totalling~~ 12,985 square feet, this area is comprised of a fueling building, fueling and cleaning bus lanes, and fuel storage. The fueling building includes space for fueling personnel, bus cleaning and servicing supplies and equipment, and fare collection. The fueling area is comprised of four (4) fueling, cleaning, and servicing lanes. Each lane is equipped with a liquefied natural gas dispenser, a bus vacuum station; consumable fluids service reels, and fluid management system controller. One (1) island is also equipped with a compressed natural gas dispenser. The fuel storage area is comprised of two (2) above ground liquefied natural gas storage tanks, and related pumps, piping and controls equipment. There is an adjacent fuel facility which dispenses ultra low sulfur diesel, biodiesel, and unleaded fuels using a card lock system.
- h) **Washing and Inspection Facilities** - The bus wash facility is equipped with two (2) automatic bus washers and related equipment including a water recycling system. There is also a workshop dedicated to facilities management which the Contractor does not have access to.
- i) **Building Access & Security** - The City shall establish and maintain control over the access control system of the facility. Employees of Contractor and City will have access to the facility. All Contractor employees will be issued identification badges, which will be used for both identification and access to various building areas. The City shall be responsible for the keying system and keys for all doors at the facility. All identification badges and keys will be inventoried and managed by the City. Contractor shall adhere to all City rules and regulations for the use and management of identification badges and keys. The facility is equipped with identification card access system, CCTV surveillance system, and intrusion

detection system. At the northern entrance to the bus lot there is a security gate/kiosk. This entrance is restricted to official vehicle traffic only. Access is granted through this entrance via positive identification by the contracted municipal security guard stationed at the kiosk or via identification card access. The City shall provide contracted security staff. Two (2) contracted security staff members will operate the front office/reception and periodically inspect the facility and grounds. The security gate/kiosk will be staffed twenty-four (24) hours per day, seven (7) days per week.

- j) **Space Allocation** - Contractor will be able to allocate office and work space to its employees as it determines necessary. The City shall provide space at its discretion to the Contractor, but generally the space provided will encompass the areas not specifically designated as City space. The Contractor shall provide leadership to its employees regarding the proper care and respect of the entire facility. Additionally, the City shall retain its right to make use of all shared space facilities including conference rooms, training rooms, parking facilities, and other common areas. The City and the Contractor will develop a method for reserving conference room space on a shared calendar system. At any time during the course of this Agreement, the City may require additional space that is presently planned for Contractor use. In such instances, the City will collaborate with the Contractor to develop mutually beneficial arrangements.
- k) **Furniture** - City will provide a basic furniture package in all work spaces including employee lounges. Contractor may supplement with additional furniture only after obtaining prior approval from the City so as to ensure aesthetic continuity and LEED certification within the facility.
- l) **Electric, Voice and Data** - The facility is furnished with Voice over Internet Protocol (VOIP) phones. All office spaces are occupancy ready with VOIP phones and network outlets. The facility is also wireless capable. The selected Contractor will be responsible for ordering their own circuit (Qwest T-1, MPLS) for connectivity between the facility and home office to provide internet access, email and database access. A Cisco 2801 Router will be supplied and will be the responsibility of the Contractor to configure and provide connectivity to the local network. There are four Cisco 3560 10/100 switches provided and Cisco Wireless Access points in the repair bay. Two of the Cisco switches are physically connected to the router in the administration building, and two are connected through a fiber network to the maintenance building. It is the responsibility of the Contractor to configure and maintain all switches, wireless access points; City provided servers, and 25 personal computers. Contractor is responsible for provision of all additional computer equipment deemed necessary for the operation. The City provides telephones and telephone system. Contractor will have access to the facility telecommunications rooms around the facility for installation and maintenance of computer equipment.
- m) **Equipment and Facility Repair** - The City will provide certain capital equipment required to maintain vehicles. The complete equipment plans and specifications for this capital equipment are provided as defined in Appendix A: East Valley Bus Operations and Maintenance Facility Equipment List. Contractor will operate the equipment provided by City according to the OEM and safety specifications. Contractor will replace any equipment in-kind that becomes damaged or inoperable due to Contractor excessive or inappropriate use, misuse (accidents, improper operation, poor maintenance, theft, etc.). Contractor will also be financially responsible for any damage repairs throughout the facility caused by Contractor excessive or inappropriate use or misuse (accidents, improper operation, theft, etc.) of the facility. In such cases, the City will complete the repair either internally or by sub-contract, the cost of which will be submitted to the Contractor for reimbursement. The Contractor will have thirty (30) days from the date of invoice to remit payment.
- n) In order to provide the required quantity and quality of services in this agreement, Contractor will provide for any equipment or infrastructure needs not explicitly discussed above or included in the provided appendices. The facility has been designed and constructed for the installation of additional equipment for use in maintenance of buses and operation of facility. In many areas, physical space, drain lines, water supply, and electric supply have been programmed for this additional facility equipment.

- o) **Facility Utilities Cost** - The City shall be responsible for all utility costs at the facility, including electricity, water, sewer, natural gas, telephone, and cable. The City may, at its discretion, develop facility operating and utility standards and/or thresholds in order to ensure efficient use of resources.
- p) **Environmental Management** – With respect to the all services specified in the agreement and activities undertaken at the EVBOMF, the Contractor shall maintain compliance with all federal, state, county, and local regulations pertaining to environmental protection and management and hazardous materials management.

xxv) **VEHICULAR/EMPLOYEE ACCIDENT AND INJURY INVESTIGATION**

It is the responsibility of the Contractor to respond, investigate and report any and all accidents reported by operators, Police or passengers. This includes the following:

- Investigation of accidents and injuries.
- Interview supervisors and employee relative to accident/injury.
- Assist employee in filing proper reports in a timely manner.
- Process claims to appropriate local/state agency.
- Submit appropriate accident/incident, monthly, quarterly, and annual reports and work as liaison with the Police Department.
- Inform affected parties as to the progress of investigations and claims.

The Contractor must supply the City with a complete summation of any and all accidents that occur with vehicles that are either owned, or indirectly paid for, by the City. Accidents that occur on the Contractor's property are not exempt from this requirement. A full report that provides the following information is due to the City within 24 hours of the accident. Additionally, a summation of all accidents occurring during the month will be required as part of the standard monthly reporting documents and must include the following information:

- Date and time
- Bus/Vehicle number
- Route and direction of travel
- Location
- Operator name
- Description of accident
- Whether or not there were any injuries
- Preventable or non-preventable
- Estimate or actual property damage (In dollars)

The City may require additional information as needed.

The Contractor is required to report all accidents regardless of severity whether or not a police report was filed. An accident is defined as any contact with any other object, vehicle, or person with the exception of the roadway. The Contractor shall immediately contact a designated City representative in the event of an accident or incident that would require the management support of City staff, or is of such severity that media attention may be possible. In either event, it is at the discretion of the Contractor to make this assessment.

xxvi) **EQUIPMENT**

The Contractor will provide a fleet maintenance program, staff, inventory and all other equipment and supplies necessary for the responsible maintenance of vehicles. All mechanical, electrical, and hydraulic systems, whether attached to or part of the bus, shall be maintained in proper working condition at all times. The Contractor shall be fully responsible for the safe and efficient maintenance of all vehicles and associated equipment. The Contractor's duty and responsibility to maintain all vehicles and equipment is not delegable to any other person, firm or corporation without prior written approval by the City.

In general, the Contractor shall ensure that all buses will conform to applicable safety standards as established by the U.S. Department of Transportation, Federal Motor Carriers Safety Administration and the Arizona Department of Public Safety.

xxvii) FLEET MAINTENANCE PROGRAM

Documentation of, an adherence to an appropriate fleet maintenance program is a FTA requirement. While neither the FTA nor the City will dictate the content of the program, both organizations require that an appropriate program be followed, readily available for review, and up to date. At a minimum, the program must be updated annually, submitted to, and approved by the City prior to July 1 of each fiscal year under this agreement. The program must be appropriate for the type of vehicles used, age of vehicles, miles on the vehicle, and recommendations by the manufacturer and the type of fuel used in operating the vehicle.

Vehicles will be maintained to the City's satisfaction. At the conclusion of this agreement, the Contractor will ensure that each vehicle is returned to the City in the condition in which it was received, with consideration given to vehicle age. At that time, any inappropriate deficiencies in vehicle(s) condition as revealed by city inspection must be corrected by the Contractor at the Contractor's expense.

Both preventive maintenance (PM) and corrective maintenance (CM) programs are required. The Contractor shall follow the regional maintenance program designed in accordance with terms and conditions based upon a maximum 6,000 mile/45 day preventive maintenance inspection (PMI) interval as outlined below. In addition, the Contractor shall comply with the original equipment manufacturer's (OEM) specifications, warranties, and recommendations.

The City's prescribed maintenance program, based in part on the regional maintenance program, includes the following inspection schedule (Appendix E contains the associated inspections forms):

A	6,000
B	12,000
C	24,000
T	24,000
U	36,000
E	72,000

All preventive maintenance shall be completed within five (5) days or within 10% of the designated miles of the PMI interval, whichever comes first.

Corrective maintenance shall be deferred for a period not to exceed thirty (30) days following the defect's discovery by maintenance personnel, through a preventative maintenance inspection, or by the city's designated third party inspector.

xxviii) PARTS AND SUPPLIES

Contractor shall procure stock and furnish all parts, tires and supplies required to maintain, repair, clean, rebuild, provide road service, and tow all vehicles and equipment provided under this agreement. Any Contractor-installed parts and fluids shall meet OEM specifications. Contractor shall be proactive in minimizing replacement costs of major parts (engines, transmissions, A/C compressors, and differentials) to reduce the cost to City and to protect the City from losses.

Table 8.2.1 details all items provided to the Contractor by the City:

Table 8.2.1 - City of Tempe Assets at ATC-Tempe

Asset	Vendor	Serial #	Quantity	Date Received
Locking Mechanism	GFI	L7618	1	8/31/01
Key to Locking Mechanism	GFI	L7618	1	8/31/01
External Floppy Disk Drive Unit	Panasonic	0979389 and 1056314	2	8/10/01
Panasonic Laptop Computer	Panasonic	1DKYA01007 and 1DKYA01008	2	8/10/01
Super Drive	CF-VFS712	1DKSA06614 and 1DKSA06840	2	8/10/01
A/C adapters			2	8/10/01
Product Recovery CD-Rom		CF-72 Series	1	8/10/01
Cummins Insight Software	Cummins	#3886109	1	
Cummins Inline adapter	Cummins	#3163099	1	
ProLink 9000 w/cables			1	
Kent-Moore Allison Transmission Cartridge			1	
Kent-Moore Rockwell/Wabco ABS brake cartridge			1	
A/C compressor	El Dorado		1	
Differential Gear Assembly	El Dorado		1	
Complete Engine Module w/ a/c & 400r transmission	Nabi		1	
Allison transmission B300r	El Dorado		1	
ThermoKing diagnostic tool			1	
Dinex Training Module set			1	
Genfare cash vault (spare)	GFI		5	
Genfare probe	GFI		2	
Genfare bill transport	GFI		5	
Genfare keyboard assembly	GFI		5	
Genfare digital display	GFI		5	
Genfare logic board	GFI		5	
Genfare delectronic locks	GFI		5	
Genfare coin mech	GFI		5	
Genfare power supply board	GFI		5	
Genfare bill transport gear	GFI		3	
Genfare bill transport belt	GFI		3	
Genfare coin mech gear	GFI		3	
Genfare coin mech gear & shaft	GFI		3	
Genfare touch pad	GFI		3	
Genfare probe interface pc board	GFI		1	
Cash box ID computer			1	
Multiplexer Isolation box			1	
Vault receiver			1	
Portable cash bin			1	
Prima facie software			1	
Dell PC and accessories / currently at the City of Tempe for repairs...			1	
HP PC and accessories			1	
Spare safety vision disks			5	
Spare tires and Rims			107	
Duncan Fare boxes	Duncan		9	
Elyse Software	NABI	5027948 or 583046x1W	1	4/2/02
PCMCIA Card	NABI	5027949 or 583047x1W	1	4/2/02
I/O Diagnostics		NPN 08289	1	
Kit		NPN 08241	1	
Duncan Cash Vault			?	
Duncan Ecto Key Assembly			?	
HP Minibook 7100	Safety Vision	(S) TW819C0029 (IP) F1442W	1	
Catsaye 7500 Emergency Reflector Kit			107	
Fire Extinguisher			107	
First Aid Kit			107	
Zip Drive			1	
Dispatch Station w/ voice recording	VMS		2	
Wireless WAN and LAN equipment	VMS		1	
Bus in a Box training equipment	VMS		1	
VMS software smartdata licenses	VMS		2	
WAN and LAN infrastructure	VMS		1	

Upon completion of this agreement, the Contractor will return the same quantity of parts and tools on this inventory in proper condition to the City or it designee.

All replacement parts used on City-supplied vehicles will meet or exceed OEM standards and will be free and clear of all liens, encumbrances, and claims of others, and shall become part of the equipment.

xxix) MAINTENANCE RECORDS

Vehicle maintenance records shall be kept on all City-owned (or otherwise funded) vehicles operated by Contractor and shall be maintained and made available to City or its designee at anytime. The Contractor shall maintain these records to document actual time devoted and costs incurred as a result of operating the City-owned vehicles and equipment.

In addition, the Contractor will take a physical inventory of the City-owned vehicles and equipment and the results reconciled with the maintenance records at least once during the preceding two-year period. The City, the City of Phoenix (acting as the designated recipient for Federal transit funds) or the FTA may request a copy of the most recent equipment inventory. Any such representatives may physically examine any equipment by giving the City twenty-four (24) hours prior written notice.

xxx) PREVENTION OF LOSS AND DAMAGE

A control system must be developed by the Contractor to ensure adequate safeguards to prevent loss, damage, or theft of City-owned vehicles and equipment. Any loss, damage, or theft must be investigated and documented by the Contractor. The City strongly encourages its Contractor to prosecute vandalism in order to reduce operating costs and maintain passenger security and comfort. Within ninety (90) days of execution of this agreement, the Contractor must supply a comprehensive written plan for the prevention of loss and damage to all City-owned and/or federally funded equipment. Thereafter, the Contractor will provide an annual update/revision to the plan, which will be due to the City on the first day of each succeeding fiscal year (July 1).

xxxi) WARRANTY

The Contractor shall administer all warranties, both vehicular and for parts, associated with management of vehicles operated under this agreement. The Contractor shall obtain authorization from equipment and vehicle manufacturers to perform warranty work on the City equipment.

The Contractor will establish and maintain a system for recording all warranty claims and/or work, including any warranty work executed by outside vendors or manufacturers. This system will provide information needed by the City or City of Phoenix (acting as the designated recipient for Federal transit funds) on the extent and provisions of coverage and on claim processing procedures. The Contractor will identify and diligently enforce warranty claims with respect to City-owned vehicles, equipment and parts. The Contractor is responsible to obtain any federal, state, and local tax rebates/incentives available and to manage warranty claims.

xxxii) OUTSIDE REPAIRS

The Contractor shall, at the Contractor's sole expense, be responsible for arranging and managing the conduct of outside repairs that cannot be performed economically in-house. The Contractor shall be responsible for comparing the cost of specific outside repairs with the costs of performing the same work in-house, considering the quality of work as well. These outside repairs may include bodywork and painting, glass replacement, transmission sealing and repair, radiator work, and other work that can result in a cost saving to the City.

City shall have approval over any proposed changes to this plan after the agreement is signed. The plan shall be periodically and informally reviewed by the Contractor to ensure that the outside repair versus in-house repair decision remains justified. All paperwork, invoicing, quality control, vehicle movement, vehicle security, etc., will be the responsibility of the Contractor. Subcontract invoices will be accepted and paid solely by the Contractor.

xxxiii) ROAD CALLS

The Contractor shall provide emergency road service calls including towing service for all vehicles providing service required by this Agreement. The Contractor's maintenance staff will respond immediately to any situation in which a bus fails to operate, fails to operate safely, is involved in an accident or any situation in which any piece of ADA equipment fails to operate or fails to operate safely. The Contractor shall flatbed any vehicle that cannot make it back to base safely under its own power, regardless of cause. The Contractor may also be asked to provide road call assistance to other Contractors who provide fixed route service in Tempe. The Contractor will be responsible for cleaning up any fluid spills emanating from a Contractor operated bus or vehicle.

xxxiv) CLEANING OF VEHICLES

The Contractor will ensure that the City's buses are clean and ready for service before entering revenue service. Cleanliness of the bus fleet will be evaluated based on the following general standards and will be measured via the Service Evaluation Process as described in the Base Performance Standards under Section iv of this agreement. The City will evaluate cleanliness through the Service Evaluation Process, staff observations, and third party inspections. General guidelines are as follows:

- Exterior must be completely clean
- Tires and wheels must be clean
- Interior must be completely clean and free from any dirt, trash, gum or graffiti
- Seats must be clean and free from tears, gum, graffiti, excessive dust, or any other foreign substance
- Windows must be clean and clear
- Operator area must be clean and well kept
- Information area must be clean and well organized
- Car Cards must be clean, up to date, properly organized as directed by City, and free from excessive wear

xxxv) VEHICLE EMISSIONS

Contractor shall perform annual emission/opacity inspections as required by state and/or federal law to meet all applicable clean air standards and maintain all equipment within those standards. Contractor shall obtain all permits and licenses and make sure all required charges and fees are paid.

xxxvi) VEHICLE INSPECTIONS

The City has a responsibility to ensure compliance with accepted maintenance standards to ensure the useful life of vehicles that it purchases and to recommend procedures and practices that will compliment maintenance staff efforts to meet those goals. The City will implement a systematic maintenance monitoring and vehicle inspection program.

The City or its designee may conduct scheduled and unscheduled inspections of vehicles and maintenance records to ensure that the Contractor's maintenance program protects and preserves the City buses. These inspections will, at a minimum, evaluate the fleet to ensure all vehicles meet acceptable standards for maintenance, safety and appearance. Post PMI vehicle inspections, random vehicle inspections, fleet-wide visual inspections of interiors and exteriors, and review of selected vehicle maintenance records shall be part of this inspection program. The Contractor shall receive a minimum of 24 hours notice of scheduled inspections. Follow-up inspections shall be completed within 7 working days to verify that all defects/deficiencies are corrected.

In general, the City's vehicle inspection process will proceed as follows:

- a) The post PM bus inspection will be conducted based upon on a random sample of buses that have undergone a regular PMI within the last three to four days. The City alone will be responsible for selecting the vehicles to be inspected.

- b) The City's designee will inspect each randomly selected vehicle. Each defect, regardless of severity, will be recorded.
- c) The City's designee will review maintenance records at his/her discretion to ensure that:
 - Every fleet vehicle is within PMI interval standards noted in Part 1 of this section
 - Proper record keeping is being practiced in accordance with this agreement and FTA requirements
 - Warranty recoveries and work performed (internal/external) are being noted
 - Driver write ups are being repaired and not deferred for unreasonable time
- d) The City's designee will perform a road test on a least one vehicle in each sub-fleet. Items to be considered (at a minimum) include:
 - Overall vehicle performance
 - Acceleration and braking characteristics
 - Steering and suspension characteristics

If a vehicle is determined to be in a condition that is unsafe for operation, the inspector shall notify on-site personnel that the vehicle is out-of-service. ANY VEHICLE THAT IS DECLARED "OUT-OF-SERVICE" SHALL BE CLEARLY IDENTIFIED. The inspector will then need to be notified upon completion of repairs before the vehicle re-enters service.

In the event the Contractor is instructed by the City, its designee, or any authorized regulatory agency to remove any equipment from service due to mechanical reasons or failure to comply with the specifications in this agreement, the Contractor shall do so immediately. Thereafter, the Contractor will make any and all specified corrections and repairs to the equipment and submit it for re-inspection and testing before it may be further utilized in service.

The City's designee will prepare a written summary report of the inspection, which will include completed inspection forms for each vehicle, results of maintenance records review, and results of road test. This report will be submitted to the City with a copy held by the City's designee. Thereafter, the City will present and discuss the results with the Contractor.

The City or its designee reserves the right at its sole discretion to review maintenance records of, inspect and reject temporarily or permanently, by notice to the Contractor, any vehicle the Contractor utilizes which the City deems unacceptable.

xxxvii) COMMUNICATIONS

For all buses not equipped with the City's Vehicle Management System (VMS), the Contractor shall supply and maintain a central compatible base station and radio system that will ensure communication with the entire service area. Buses and supervisory vehicles must be equipped with a two-way radio system capable of communicating with the operations/maintenance base of the Contractor. The radio equipment is to be available for normal dispatching as well as emergency situations (such as accidents and mechanical breakdowns) enabling the Contractor to immediately dispatch substitute buses and/or seek police, fire, or medical help.

The Contractor shall be prepared to implement a VMS system that will include computer-aided dispatch.

The Contractor shall also have a fax line and an e-mail account for electronic communication between the City and the Contractor.

xxxviii) NON-REVENUE VEHICLES

The Contractor shall be responsible to provide non-revenue vehicles for road supervision, accessibility backup, operator relief and other non-revenue purposes. The vehicles shall be white and marked according to the supervisor vehicle graphic standard for Valley Metro. All supervisor vehicles shall be equipped with a wheelchair position and a two-position bike rack capable of holding two (2) bicycles. The City will negotiate with the Contractor a reasonable timetable to phase-in this equipment.

xxxix) OTHER EQUIPMENT

The City will routinely provide the Contractor with additional equipment deemed necessary for the effective implementation of service either to be used on or off the bus(s). Related equipment includes but is not limited to fare collection equipment, security camera system, the automatic passenger counting system, computers, laptops, and/or other items. All equipment purchased by the City for use by the Contractor either as an onboard component of the bus(s) or as a stand alone item must be maintained in accordance with manufacturer maintenance or care specifications. Any and all costs related to the routine maintenance and care of these items will be borne by the Contractor as well as any costs associated with damage or malfunction due to neglect or improper use. The City will absorb the cost for repair/replacement of these items only when a systemic problem or flaw is discovered or when the item has reached the conclusion of its useful life.

xl) GENERAL MAINTENANCE STANDARDS

- a) All components of the bus bodies, accessories, chassis, and any additional equipment on the vehicles, (e.g. lifts, radios, fareboxes) will be maintained in safe, sound, and undamaged condition at all times. Repairs (including body, glass, and all bus accessories) will be made expeditiously and not deferred for longer than thirty (30) days.
- b) No bus will be put into service with any safety defects.
- c) Heating and air-conditioning (A/C) equipment will be maintained to ensure that the passenger and driver areas compartments are comfortably maintained under all climatic conditions.
- d) All mechanical, electrical, fluid, air, and/or hydraulic systems shall be maintained in a safe and working condition at all times.
- e) Passenger seats will be maintained in such a way as to ensure customer satisfaction. The Contractor must immediately replace seat upholstery that is permanently damaged or excessively worn.
- f) Wheelchair ramps and lifts will be operational at all times when buses are in revenue service. Maintenance must follow the manufacturer recommendations and fully comply with ADA regulations and Valley Metro's Fixed Route Bus Policies for Persons with Disabilities.
- g) All glass and exterior body panels on all buses shall be maintained in a graffiti-free condition at all times regardless of bus age.

The City reserves the right to inspect, examine, or test, at any reasonable time, any equipment used in performance of the work in order to assure compliance with these specifications.

xli) CUSTOMER INFORMATION AND RELATIONS

The Contractor shall distribute and maintain passenger information materials including Bus Books, passenger notices, Car Cards and event notices on the bus. The Contractor is required to ensure that sufficient quantities of passenger information materials are maintained, and appropriately organized and displayed on the bus at all times.

In the event of non-functioning destination signs, operators are prohibited from displaying hand written signs on the front window. The Contractor is required to maintain an adequate inventory of electronically printed signs using YELLOW card stock with the name and direction of each route clearly presented.

The Contractor will manage customer service in such a way as to ensure maximum satisfaction on the part of citizens in Tempe and in other cities. The Contractor is required to receive, respond to, and resolve all customer contacts for information, comments, complaints, and service requests. Customer contacts typically come from Valley Metro Customer Relations, but may also come directly from citizens or from City staff. Any complaints received directly by the Contractor shall be reported immediately to Valley Metro Customer Relations for inclusion in the regional database. After the Contractor has investigated and closed-out the complaint, all actions, investigation notes, and conclusions will be recorded on the appropriate form(s) and forwarded to Valley Metro Customer Relations to be recorded in the regional database. These materials must also be sent to the City on a monthly basis. The Contractor shall have thirty (30) days from the close of the month to submit to the City final hard copies for the previous month of all original complaints, records of investigations and actions taken, and official close-out letters or documents attesting that a proper resolution has been attained.

Additionally, all customer complaints/kudos received by the Contractor must be summarized in spreadsheet form and submitted to the City on a monthly basis with the monthly electronic report.

When required, the Contractor will follow the guidelines outlined in the City of Phoenix's Policy on Resolving ADA complaints. The City encourages the Contractor to adhere to these guidelines for all complaints in order to maintain a uniform process.

The Contractor shall be required to provide specific information to the City on all out-of-ordinary incidents arising during the service. Such incidents shall include, but not be limited to, on-board incidents, vehicular accidents, and disputes with or among passengers. The Contractor shall notify the City immediately after becoming aware of the incidents. Notification shall address the incident, how it was handled and resolved. Unless otherwise requested, written documentation of such notification shall be submitted on a monthly basis. Operators are required to notify Dispatch of any illegal actions on the bus immediately. Dispatch must immediately notify the Police Department of the jurisdiction in which the incident or accident took place.

Responsibilities also include monitoring and reporting on the quantity, nature of the contact and timeliness of the Contractor's response.

xlii) EVENT SERVICE

The Contractor will provide expanded fixed route bus service as needed by the City subject to an appropriate and reasonable hourly rate. The Contractor's staff should be available to assist in the planning and implementation of several large-scale city events including, but not limited to, the Fiesta Bowl New Year's Eve Block Party and the July 4th Festival, and assorted smaller events. All performance standards applicable to fixed route bus service shall apply to event shuttle services.

xliii) SIGNAGE AND BUS STOP MAINTENANCE

The Contractor shall notify the City by facsimile/e-mail on the approved form by the close of business the following day if any bus stop signs have been removed/damaged, etc., or when bus shelters, benches, bicycle racks or other bus stop facilities are in need of maintenance. Such maintenance shall include, but not be limited to, repair due to vandalism, clean-up due to scattered refuse, landscape not being maintained, shelter lighting not working, unsafe conditions (particularly poor lighting at night) etc. Notification must include the route, direction of travel, major street and cross street, exact corner on which the stop is located (northeast, southeast, northwest, southwest, mid-block), and the municipality in which the stop is located.

xliv) GUNS ON BUSES

Operators are not permitted to carry firearms or any other objects that could be construed as weapons aboard (City) Transit vehicles or on City property. Passengers that wish to carry firearms or other weapons can not be denied boarding. Farebox stickers, which indicate weapons are not allowed on buses, are there to indicate our preference that weapons not be carried aboard buses, but in no case, should armed passengers be denied boarding. It will be necessary for an operator to contact dispatch should he/she encounter such a person on his/her route.

xlvi) FARE COLLECTION AND RECORD-KEEPING

Cash fares, passes, tokens, and other fare media, as approved by the City, will be collected by the Contractor. The Contractor will collect all forms of revenue media using the City provided GFI "Cents-a-Bill" farebox. The improper collection or reporting of revenue fares may be cause for agreement cancellation. The Contractor will immediately inform the City or a designated representative of any revenue shortages, thefts, or variations regarding revenues collected.

xlvii) REVENUE CONTROL/FAREBOXES

All revenue is to be controlled and accounted for in accordance with standard cash handling, fare retrieval, and accounting practices.

The Contractor shall use City supplied bus farebox hardware and computer software to facilitate and administer fare collection. This includes fareboxes, cash boxes, revenue collection vaults, and data collection software. The City shall provide initial training to the Contractor on all equipment related to farebox hardware and software, including probing and minor temporary repair/procedures. Contractor provided computer equipment may be required to be shipped out of state for installation of farebox computer software. Maintenance and repairs of all hardware shall be the responsibility of the Contractor. The Contractor shall provide data analysis for City and regional system use. The City shall provide, through its designee, fare instrument processing services upon timely delivery by the Contractor excluding cash revenues. There is a fee for fare instrument processing of 5% of the value of all the non-cash script.

The Contractor shall ensure that the operator, upon boarding the bus, will enter appropriate identifying information into the electric registering farebox, as well as all appropriate information during the duration of the operator's shift. (E.g. jurisdictional boundary changes, fare categorization, etc.). All revenue collection, with the exception of transfers, is processed through the farebox. In addition, the operator will comply with the contractual and other requirements identified by the City and the Valley Metro Policies and Procedures Manual.

xlviii) BROKEN FAREBOX

In the event a farebox requires repair or replacement, the Contractor will immediately repair and/or exchange the broken farebox so regular service is not interrupted. Any cost to repair the farebox will be paid by Contractor. Any transfer of revenue will be done in a secure fashion in accordance with the Contractor's policies and procedures. All incidents of farebox malfunction must be reported to the City in the Daily Service Provision Report. The report should include the date, time, route, bus number, problem, time out of service, solution, and estimate of revenue loss.

xlvi) SECURITY KEY CONTROL

The City will purchase all security keys and associated equipment directly from the farebox manufacturer. Upon receipt, the City will draft a document entitled "Transfer of Security Equipment" to be signed by the City's designee and the Contractor's highest ranking maintenance staff member assigned to the local property. Once the Contractor has taken possession of the security equipment, it will assume full responsibility for the security of said equipment and the security of all fare revenue under its control. Failure to maintain a secure environment for all fare revenue may lead to revenue losses due to theft or error. Any revenue loss due to breach of security or improper collection procedures may be grounds for agreement termination.

xlix) FAREBOX DATA

The Contractor must probe the fareboxes and transmit information daily, or as requested, to Phoenix's agreement operator. Additionally, the Contractor must provide the following farebox generated data sets to the City on a monthly basis.

- Farebox Revenue and Ridership Summary by route – Weekday, Sat, Sun
- Farebox Ridership Percentages by route by jurisdiction – Weekday, Sat, Sun
- Complete reconciliation of cash deposits with Farebox records

The Contractor must maintain hard copies of all deposit slips relating to farebox revenue. Periodically, the City will conduct an audit of the deposit record to ensure all received fares recorded by farebox is being properly deposited, recorded and credited to the City.

The Contractor will ensure that actual cash deposits are within +/- 1 percent of what farebox reports as total cash received. One or more discrepancies beyond the 1 percent threshold may be cause for a City/Police investigation. Additionally, unclassified revenue must never be higher than ten (10) percent of total revenue.

l) BOOKS OF TRANSFER TICKETS

The system utilizes transfers as a part of its overall fare structure, the Contractor shall be responsible to purchase transfer tickets. The cost of the tickets shall be included in the revenue service mile rate.

li) ELECTRONIC FAREBOXES AND COMPUTER EQUIPMENT

- a) Fareboxes: The City will provide the Contractor with electronic fareboxes that will be maintained at the Contractor expense. Buses used on FLASH service will not require fareboxes.
- b) Desktop Computer Equipment: The City shall provide a desktop and a laptop computer for farebox data collection and analysis. All desktop computer equipment will be of a specification appropriate to properly record and process all information extracted from the electronic fareboxes. The City's need for accurate, complete, and timely farebox based or modified reports is critical to the City's planning, analysis, reporting and policy formulation functions. Consequently, deadlines for reporting, invoicing or any other city requested data set will not be waived due to outdated or malfunctioning desktop computer equipment
- c) Laptop Computer Equipment: The City shall also provide a laptop computer in order to record and process information for vehicle diagnostics. All laptop computer equipment will be of a specification appropriate to properly diagnose and analyze any and all problems with the electronic farebox's functionality. The City's need for accurate, complete, and timely farebox based or modified reports is critical to the City's planning, analysis, reporting and policy formulation functions. Consequently, deadlines for reporting, invoicing or any other city requested data set will not be waived due to outdated or malfunctioning laptop computer equipment

d) Software: The City shall provide appropriate software programs and probing equipment necessary to support the above computer system. The fareboxes shall be probed daily. The information shall be transmitted daily to Veolia-Phoenix's centralized data system.

lii) ROUTE PLANNING AND SCHEDULING COORDINATION

The Contractor will provide "substantiated" information to contribute to schedule revisions and to short and long range planning and will collect data and perform miscellaneous surveys to be used in assimilating information needed to successfully monitor the service and clients and to respond to any and all reporting requirements.

The Contractor will assist transit planning staff at the City in service planning. Contributions may include mileage, vehicle, and any other resource requirements needed to implement new or modified service. This information may be used in budget preparation, planning, and in making transit presentations to city, county, state, and federal agencies.

liii) OPTIONAL SUPPORT SERVICES

During the term of this agreement, the Contractor may be ask to provide support services in various management support areas including security, development of Intelligent Transportation Systems (ITS) and bus technical specifications and marketing. The security function, if requested, will include at least one full-time employee who is responsible for maintaining orderly conduct on transit vehicles and property. The security employee will establish appropriate security protocols, investigate all major incidents and accidents, and coordinate with local police jurisdictions in a variety of cases and incidents. Other support services will be on as-needed project basis.

liv) FINANCE

The Contractor shall provide accounting, purchasing, and Management Information Systems (MIS) services, financial statements, DBE reports, and operating and statistical analysis statements. The Contractor shall also be responsible for full compliance with current National Transit Database (NTD) reporting requirements and shall submit all required data to the City for inclusion in the City's NTD report. The Contractor shall monitor and maintain the fixed assets inventory and perform a complete inventory on an annual basis in accordance with City and Federal requirements.

lv) DATA GATHERING AND REPORTING REQUIREMENTS

The Contractor will collect data as required, and provide periodic statements showing a comparison of the transit system's past performance and various management goals and objectives. The Contractor will provide all information and reports as required by the City in Appendix B: Required Reporting. Monthly reports are due on or before the 5th of the following month. An annual report of NTD data is due by September 15 of each year. The reports listed in Appendix B may be revised, reorganized, deleted, or changed as directed by the City.

The Contractor will provide all information and reports and will permit access to books, records, accounts, other sources of information, and facilities as may be requested by the City. Where any information is required or is in the exclusive possession of another who fails or refuses to furnish this information, the Contractor shall so certify to the City, or the FTA, as appropriate, and shall set forth what efforts it has made to obtain the information. All data gathering and reporting shall conform to City, Valley Metro and FTA requirements.

The Contractor agrees to permit the authorized representative of the City, the RPTA, City of Phoenix, the United States Department of Transportation, and the Controller General of the United Sates to inspect and audit all data and records relating to this agreement. The Contractor will deliver all records required by this Agreement to the City's designated representative at the termination of the agreement.

Ivi) CHARTER SERVICE

The Contractor agrees that neither it nor any transit operator performing work in connection with the agreement will engage in charter service operations, except as permitted by 49 U.S.C. § 5323(d) and FTA regulations, "Charter Service," 49 CFR Part 604, and any amendments thereto that may be issued. Any charter service agreement required by these regulations is incorporated by reference and made part of the Grant Agreement or Cooperative Agreement.

Ivii) LICENSES FEES, TAXES AND PERMITS

The Contractor shall have the sole obligation to obtain and pay whatever license fees, assessments and taxes, including, but not limited to use, sales, property and any other taxes, plus applicable penalties and interest which may be imposed upon a Contractor by any governmental agency as a result of the operations pursuant to performing said services.

Iviii) OTHER PERFORMANCE INCENTIVES

From the nature of the services to be rendered, the Contractor and the City agree that it is extremely difficult to fix actual damages which may result from the failure on the part of the Contractor to perform certain of its obligations under the Agreement. Contractor and City agree that the following defaults under the Agreement will damage the reputation of the City and Valley Metro/RPTA and/or its member cities. Such damage shall reduce the ridership and, therefore the revenue for Valley Metro/RPTA. Accordingly, it is hereby agreed that the City will be entitled to the following liquidated damages as compensation for such damage.

An incentive at the rate of minus two hundred dollars (-\$200) per day for each day Contractor fails to employ and assign to the services covered by this agreement an on-site General Manager, Operations Manager, Maintenance Manager, or Safety and Training Manager approved by Valley Metro/RPTA. In the event any of these employees terminate employment with less than two (2) weeks notice, liquidated damages will not be assessed until the thirtieth (30) day following the notice of termination.

An incentive at the rate of minus one hundred dollars (-\$100) per occurrence for the following:

- a) Failure to train each operator assigned to this project according to City and Valley Metro/RPTA requirements and Contractor's training program.
- b) Failure of operator to wear approved uniform and/or maintains required supplies, while on duty.
- c) Failure of any vehicle to display the appropriate and correct destination sign message on any of the provided destination signs.
- d) Failure to repair vehicle body damage estimated over \$500 (interior or exterior) within 30 days of the occurrence.
- e) Bus begins from its designated time points earlier than its scheduled departure and/or from any time point within its currently published schedule.
- f) Any deviation of scheduled route without prior approval from dispatch.
- g) Failure of drivers to announce major intersections, transfer opportunities, and major activities as required by the ADA.
- h) Failure to conduct an on-board random sampling, as required by the NTD.
- i) Bus arrives at its designated ending time point more than ten (10) minutes late.
- j) Failure to correctly use the accessible backup vehicle and rescue plan as stipulated in Valley Metro's Fixed Route Bus Policies for Persons with Disabilities and failure to train employees in accordance with the substantive and procedural requirements stipulated therein.
- k) Failure to adhere to Valley Metro/RPTA's customer comment processing procedure, or for submitting to Valley Metro/RPTA or the City incomplete or inaccurate information regarding the complaint and its resolution.
- l) Failure to train each mechanic assigned to this project according to the City's requirements and Contractor's training program.
- m) Failure to distribute or display information materials as directed by the City.

An incentive of minus two hundred and fifty dollars (-\$250) will be assessed per occurrence for the following:

- a) Any inspection of maintenance records revealing the omission or lack of documentation of periodic or corrective maintenance.
- b) Failure to maintain any vehicle.
- c) Failure to complete deferred maintenance within 30 days of occurrence

An incentive of minus five hundred dollars (-\$500) will be assessed per occurrence for the following:

- a) Failure to report in a timely manner. A reporting timeline, including due dates, will be established for each report required in Appendix B. A report will be considered not timely if the due dates are not met.
- b) A bus trip that is missed as defined in Section v covering Operational Standards. A missed trip includes, without limitation, trips that are missed due to the rejection of a vehicle because of a deficient vehicle condition. The fact that an incentive has been applied as a result of the missed trip shall not relieve Contractor from the obligation to complete such trip.
- c) Vehicle that does not meet the requirements for acceptable vehicle condition as evaluated by City staff or qualified third party inspector.

lix) INVOICES

The Contractor shall invoice the City monthly (15th day of following month) for service rendered. The invoice shall itemize, by route, the revenue miles, and any missed miles not run by the Contractor. Missed revenue miles up to .1% of scheduled miles will be paid to compensate the Contractor for missed miles that occur which are out of the Contractor's control. All missed miles over the .1% threshold will be deducted from the invoice amount. All missed must be documented on the invoices and allocated by route. Invoices shall be delivered to the City as hard copies. All back up reports required under this agreement, and summarized in Appendix B, shall be sent electronically in MS Excel format to the City's designee. Final records of complaints, investigations, and closeouts will arrive according to the requirements stipulated in Section xli of this agreement.

The City will make every effort to process payment for the purchase of services within thirty (30) days following receipt by City personnel, unless a good faith dispute exists as to any obligation to pay all or a portion of the amount due.

All invoices must reference this agreement by number and be organized according to serial invoice numbers.

lx) CONTRACTOR RESPONSIBILITIES AT END OF AGREEMENT

It is recognized that cooperative service provider transition is a key to continued service provision, and the Contractor shall cooperate in all phases of transition to any subsequent provider at the conclusion of this agreement.

Transition cooperation shall include, but not be limited to:

- a) Contractor is responsible for returning the vehicles to the City at the end of the agreement meeting certain minimum requirements. A vehicle inspection will be performed thirty (30) days prior to end of the agreement to allow sufficient time for Contractor to make necessary repairs.
- b) All body damage shall be repaired. This includes damage to painted surfaces, scratches, and dents in excess of 1" inch length or width or depth. Bus should be washed on the exterior on the day of the transition.
- c) Vehicles shall be thoroughly cleaned on the interior within the last three days of service. This includes all glass, interior light lenses, ceiling, seats, and driver area.
- d) The buses must remain graffiti free, including glass.

- e) All drive train components must be cleaned and free of oil leaks. The Contractor will provide the City with engine oil, transmission fluid and differential oil samples thirty (30) days prior to return of vehicles to determine condition of components. An opacity test will be taken at time of inspection.
 - f) All air conditioning units will be inspected for leaks, cleanliness of cores, and must be in operating condition at transition.
 - g) Brake systems will be inspected and all linings shall meet DOT minimum standards.
 - h) All other vehicle systems will be inspected and shall be operational, including wheel chair lifts, ramps and destination signs.
 - i) Spare wheels and initial parts/tool inventory must be delivered to a successor Contractor facility.
 - j) Buses must be full of fuel.
 - k) Responsibilities described in FTA Section 13c regulations and related side agreements shall be met.
 - l) Examination and transfer of all vehicle records and information supplied by the City, as accumulated during the Contractor tenure or transferred to the possession of the Contractor, and an inspection of all assigned vehicles.
 - m) Explanation and transfer of all operations data pertinent to successful delivery of service not considered proprietary information.
 - n) Cooperation in the successful transfer of all City or regional owned hardware and software, including data, computers, equipment and/or supplies.
 - o) Cooperation by on-site and regional/corporate staff in development of transition plans to meet service objectives specified by the City.
2. **Price:** Payment to the Contractor will be based on a maximum dollar amount of \$4.69 per service mile for scheduled transit service. The total agreement cost for scheduled transit service during the performance period is estimated to be \$19,227,888 but may vary based on actual service miles provided. Supplemental services for park & ride service, emergency support, and light rail support will be charged at a rate of \$37.44 per hour (under 5 buses) and \$41.60 (5 or more buses).
3. **Term of Agreement:** To begin after award of agreement on September 1, 2008 and be effective for a period of seven (7) months through March 31, 2009.
4. **Agreement Termination:** At any time prior to the delivery of the product, this agreement may be terminated without default by either party by providing a written 30-day notice of termination to the other party.
5. **Default Provisions:** This agreement is critical to the City and the City reserves the right to immediately cancel the whole or any part of this agreement due to failure of the Contractor to carry out any obligation, term, or condition of the agreement. The City will issue a written notice of default effective at once and not deferred by any interval of time. Default shall be for acting or failing to act as in any of the following:
- 1. The Contractor provides material that does not meet the specifications of the agreement;
 - 2. The Contractor fails to adequately perform the services set forth in the specifications of the agreement;
 - 3. The Contractor fails to complete the work required or furnish the materials required within the time stipulated in the agreement;

4. The Contractor fails to make progress in the performance of the agreement and/or gives the City reason to believe that the Contractor will not or cannot perform to the requirements of the agreement.

The City may resort to any single or combination of the following remedies:

1. Cancel any agreement;
2. Reserve all rights or claims to damage for breach of any covenants of the agreement;
3. Perform any test or analysis on materials (equipment/products) for compliance with the specifications of the agreement. If the results of any test or analysis find a material non-compliance with the specifications the actual expense of testing will be borne by the Contractor;
4. In case of default, the City reserves the right to purchase materials and/or services from another source, or to complete the required work in accordance with the needs of the City. The City may recover any actual excess costs from the Contractor by:
 - A. Deduction from an unpaid balance;
 - B. Collection against the bid and/or performance bond, or;
 - C. Any combination of the above or any other remedies as provided by law.
6. **Applicable Law:** This agreement shall be governed by, and the City and Contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this resultant agreement or in statutes or ordinances pertaining specifically to the City. This agreement shall be governed by State of Arizona law and suits pertaining to this agreement may only be brought in courts located in Maricopa County, Arizona.
7. **Infringement of Patent or Copyright:** The Contractor agrees to save, keep, bear harmless and fully indemnify the City and any of its officers and employees from any and all damages, costs, or expenses in law or equity, that may at any time arise out of or be set up for any infringement of the patent right, copyright, or trademark of any person or persons in consequences of use by the City, or by any of its officers, or agents or employees of Contractor supplied materials and of which the Contractor is not a patentee or signee or lawfully entitled to sell the same.

Contractor agrees to indemnify and hold harmless the City from any and all license, royalty and proprietary fees or costs, including legal costs, which may arise out of the City's purchase and use of goods supplied by Contractor.

It is expressly agreed by seller that these covenants are irrevocable and perpetual.

8. **Insurance:** Prior to commencing services under this agreement, Contractor shall procure and maintain for the duration of the agreement insurance against claims for injuries (including death) to persons and damages to property, which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees, subcontractors, or sub-subcontractors.

A Contract Award Notice or Purchase Order will not be issued to the Contractor vendor until receipt of all required insurance documents by the City Procurement Office and such documents must meet all requirements of this Insurance clause. In addition, before any agreement is renewed for additional time periods, all required insurance must be in force and on file with the City Procurement Office. An awarded Contractor must submit required insurance within ten (10) calendar days after request by the City Procurement Office or the agreement will be in default.

Minimum Limits of Insurance

Contractor shall maintain limits no less than:

1. Commercial General Liability: \$10,000,000 combined single limit per occurrence for bodily injury and property damage, including coverage for contractual liability (including defense expense coverage for additional insured), personal injury, broad form property damage, products, completed operations, and product liability. The general aggregate limit shall apply separately to this project/location or the general aggregate shall be twice the required occurrence limit.
2. Automobile Liability: \$10,000,000 combined single limit per accident for bodily injury and property damage, including coverage for owned, hired, and non-owned vehicles as applicable.
3. Workers' Compensation and Employers Liability: Workers' Compensation and Employers Liability statutory limits as required by the State of Arizona.
4. Contractors' Pollution Liability: Contractor's Pollution Liability coverage on an "occurrence-based" policy with project-specific limits of \$5,000,000 per loss and a \$2,000,000 annual aggregate for losses caused by pollution conditions that arise from the operations of the Contractor as specified in the agreement's Scope of Work and which shall include:
 - i) Bodily injury, sickness, disease, death, mental anguish or shock sustained by any person, including death,
 - ii) Property damage, including physical injury, to or destruction of property including loss of use, clean up costs, and loss of use of property not physically injured nor destroyed,
 - iii) Clean-up costs,
 - iv) Fines and penalties, and punitive damages where allowed by law,
 - v) Natural resources damages,
 - vi) Transported cargo,
 - vii) Non-owned disposal sites, including recycling location, if Contractor is disposing of hazardous substances, and
 - viii) Defense costs, including charges and expenses for investigation and claims adjustment.

Additionally, the coverage should include:

- i) An Additional Named Insured endorsement for the City,
- ii) A waiver of subrogation against the City,
- iii) An endorsement indicating the coverage is primary and non-contributing and any coverage maintained by the City is excess over the Contractor's insurance coverage, and
- iv) An endorsement scheduling this agreement with the City as an Insured Contract on the policy.

The coverage should not contain exclusion for claims arising out of the ownership, entrustment, maintenance, operation or use of any motor vehicles that are owned, operated or rented by or loaned to the Named Insured.

5. Other Insurance: (If applicable, see supplement.)

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared and approved by the City. At the option of the City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officials, employees, and volunteers, or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

Other Insurance Provisions

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

1. Commercial General Liability and Automobile Liability Coverage:
 - a. The City, its officials, employees, and volunteers are to be covered as additional insured as respects: liability arising out of activities performed by or on behalf of the Contractor including the insured's general supervision of the Contractor; products and completed operations of the Contractor; premises owned, occupied or used by the Contractor, or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees, or volunteers, for work related to the Contractors, employees, agents, subcontractors, or sub-subcontractors activities.
 - b. The Contractor's insurance coverage shall be primary as respects the City, its officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute to it.
 - c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officials, employees, or volunteers.
 - d. Coverage shall state that the Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
2. Workers' Compensation and Employers Liability Coverage
 - a. The insurer shall agree to waive all rights of subrogation against the City, its officials, employees and volunteers for losses arising from work performed by the Contractor for the City.
3. All Coverages
 - a. Each insurance policy required by this agreement shall be endorsed to state the coverage shall not be suspended, voided, and/or canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Other Insurance Requirements: Contractor shall:

1. Prior to commencement of services, furnish the City with certificates of insurance, in form and with insurers acceptable to the City which shall clearly evidence all insurance required in this agreement and provide that such insurance shall not be canceled, allowed to expire or be materially reduced in coverage except on thirty (30) days prior written notice to and approval by the City, and in accord with stated insurance requirements

- of this bid solicitation. City shall not be obligated, however, to review same or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed waiver of City's right to insist on, strict fulfillment of Contractor's obligations under this agreement.
2. Provide certified copies of endorsements and policies if requested by the City in lieu of or in addition to certificates of insurance.
 3. Replace certificates, policies, and endorsements for any such insurance expiring prior to completion of services.
 4. Maintain such insurance from the time services commence until services are completed. Should any required insurance lapse during the agreement term, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this agreement, effective as of the lapse date. If insurance is not reinstated, City may at its sole option, terminate this agreement effective on the date of such lapse of insurance.
 5. Place such insurance with insurers and agents licensed and authorized to do business in Arizona and having a "Best's" rating of no less than AVII.
 6. Maintain such coverage continuously throughout the term of this agreement and without lapse for a period of two years beyond the agreement expiration, should any of the required insurance be provided under a claims-made form, to the extent that should occurrences during the agreement term give rise to the claims made after expiration of the agreement, such claims shall be covered by such claims-made policies. Such extension of coverage shall be evidenced by annual certificates of insurance.

Subcontractors and Sub-Subcontractors

Contractor shall include all subcontractors and sub-subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor and sub-subcontractor. All coverage for subcontractors and sub-subcontractors shall be subject to all of the requirements stated herein for the Contractor.

Safety

The Contractor shall be solely and completely responsible for conditions of the job site, including safety of all persons (including employees) and property during performance of the work. This requirement shall apply continuously and not be limited to normal working hours. Safety provisions shall conform to all applicable federal (including OSHA), state, county, and local laws, ordinances, codes, and regulations. Where any of these are in conflict, the more stringent requirement shall be followed. The Contractor's failure to thoroughly familiarize himself with the aforementioned safety provisions shall not relieve him from compliance with the obligations set forth therein.

9. **Payments - After Acceptance of Delivery:** Payment in full shall be made to the successful Contractor within thirty (30) days after receipt and acceptance of delivery by the City. Unless terms other than net thirty (30) days are offered as a discount.
10. **Indemnification:** To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, its agents, officer, officials, and employees from and against all claims, damages, losses and expenses (including but not limited to attorney's fees, court costs, and the costs of appellate proceedings), arising out of, or alleged to have resulted from the acts, errors, mistakes, omissions, work, services, or professional services of the Contractor, its agents, employees, or any other person (not the City) for whose acts, errors, mistakes, omissions, work, services, or professional services the Contractor may be legally liable in the performance of this agreement. Contractor's duty to hold harmless and indemnify the City, its agents, officers, officials and employees shall arise in connection with any claim for damage, loss or expenses that is attributable to bodily injury, sickness disease, death, or injury to, impairment, or destruction of any person or property, including loss of use resulting therefrom, caused by any acts, errors, mistakes, omissions, work, services, or professional services in the performance of this agreement by Contractor or any employee of the Contractor, or any other person (not the City) for whose acts,

errors, mistakes, omissions, work, or services the Contractor may be legally liable. The amount and type of insurance coverage requirement set forth herein will in no way be construed as limiting the scope of indemnity in this paragraph.

11. **Unauthorized Firearms & Explosives:** No person conducting business on City property is to carry a firearm or explosive of any type. Any City bidder, Contractor or subcontractor is to honor this requirement at all times and failure to honor this requirement will result in agreement cancellation. This requirement also applies to persons who maintain a concealed weapon's permit. In addition to agreement cancellation anyone carrying a firearm or explosive device will be subject to police and legal action.
12. **Whole Agreement**
This Agreement represents the parties' whole Agreement. There are no other promises, terms, conditions or obligations, and this Agreement shall supersede all previous communications, representations or agreements, either verbal or written.
13. **Conflict of Interest**
This Agreement is subject to cancellation pursuant to A.R.S. §38-511.
14. **Ownership of Documents:** All work products (electronically or manually generated) including but not limited to plans, specifications, cost estimates, tracings, studies, design analyses, original Mylar drawings, computer aided drafting and design (CADD) file diskettes which reflect all final drawings, and other related products which are prepared in the performance of this Agreement are the property of the City and are to be delivered to the City before the final payment is made to the Contractor. The City shall retain ownership of these original drawing, however, if approved in writing by the City, the Contractor may retain the original drawings and supply the City with reproducible Mylar.
15. **Nondiscrimination**
The parties agree to comply with all applicable state and federal laws, rules, regulation and executive orders governing equal employment opportunity, immigration, nondiscrimination, including the Americans with Disabilities Act, and affirmative action.
16. **Conflict of Interest**
This Agreement is subject to Section 38-511, Arizona Revised Statutes. This agreement may be canceled if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the City is an employee, consultant, or agent of any other party to this Agreement.
17. **Arbitration**
Notice is provided of Sections 12-1518 and 12-133, Arizona Revised Statutes.
18. **Dispute Resolution**
If a dispute arises under this Agreement, the parties agree to exhaust all applicable administrative remedies provided for under Arizona Law.
19. **Contractor's Records**
To the extent required by Section 35-214, Arizona Revised Statutes, Contractor agrees to retain all records relating to this Agreement. Contractor agrees to make those records available at all reasonable times for inspection and audit by the Auditor of the City during the term of this Agreement and for a period of five (5) years after the completion of this Agreement.
20. **No Government Obligation to Third Parties:** The City and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying agreement, absent the express written consent by the Federal Government, the Federal Government is not a party to this agreement and shall not be subject to any obligations or liabilities to the City, Contractor, or any other party (whether or not a party to that agreement) pertaining to any matter resulting from the underlying Agreement.

21. **Program Fraud and False or Fraudulent Statements or Related Acts:** The Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 *et seq.* And U.S. DOT regulations, "Program Fraud Civil Remedies", @ 49 C.F.R. Part 31, apply to its actions pertaining to this Project. Upon execution of the underlying Agreement, the Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying Agreement or the FTA assisted project for which this agreement work is being performed. In addition to other penalties that may be applicable, the Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Contractor to the extent the Federal Government deems appropriate.

The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a agreement connected with a project that is financed in whole or part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307 (n) (1) on the Contractor, to the extent the Federal Government deems appropriate.

22. **Access to Records and Reports:** The following access to records requirements apply to this Agreement:

- a) The Contractor agrees to provide the City, the FTA Administrator, the Comptroller General of the United States or any of their authorized representatives access to any books, documents, papers and records of the Contractor which are directly pertinent to this agreement for the purposes of making audits, examinations, excerpts and transcriptions. Contractor also agrees, pursuant to 49 C. F. R. 633.17 to provide the FTA Administrator or his authorized representatives including any PMO Contractor access to Contractor's records and construction sites pertaining to a major capital project, defined at 49 U.S.C. 5302(a)1, which is receiving federal financial assistance through the programs described at 49 U.S.C.5307, 5309 or 5311.
- b) The Contractor agrees to provide the City, the FTA Administrator or his authorized representatives, including the PMO Contractor, access to the Contractor's records and construction sites pertaining to a major capital project, defined at 49 U.S.C. 5302(a)1, which is receiving federal financial assistance through the programs described at 49 U.S.C.5307, 5309 or 5311. By definition a major capital project excludes agreements of less than the simplified acquisition threshold currently set at \$100,000.
- c) Contractor agrees to provide the City, FTA Administrator, the Comptroller General of the United States or any of their duly authorized representatives with access to any books, documents, papers and record of the Contractor which are directly pertinent to this agreement for the purposes of making audits, examinations, excerpts and transcriptions.
- d) The Contractor shall make available all records related to the agreement to the City, the Secretary of Transportation and the Comptroller General or any authorized officer or employee of any of them for the purposes of conducting an audit and inspection.
- e) The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcription as reasonable needed.
- f) The Contractor agrees to maintain all books, records, accounts and reports required under this agreement for a period of not less than three years after the date of termination and expiration of this agreement, except in the event of litigation or settlement of claims arising from the performance of this agreement, in which case Contractor agrees to maintain same until the City, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exception related thereto. Reference 49 CFR 18.39(I) (11).

g) FTA does not require of the inclusion of these requirements in subcontracts.

23. **Federal Changes:** Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between Purchaser and FTA, as they may be amended or promulgated from time to time during the term of this Agreement. Contractor's failure to so comply shall constitute a material breach of this agreement.

24. **Civil Rights Requirements:** The following requirements apply to the underlying agreement:

a) **Nondiscrimination** – In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, Section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, Section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the Contractor agrees to comply with applicable Federal implementing regulations or other implementing requirements FTA may issue.

b) **Equal Employment Opportunity** – The following equal employment opportunity requirements apply to the underlying agreement:

c) **Race, Color, Creed, National Origin, Sex** – In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 42 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Agreement Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 *et seq.*, (which implement Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

d) **Age** – In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § 623 and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

e) **Disabilities** – In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

f) The Contractor also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties.

25. **Disadvantaged Business Enterprise:** For this agreement the City has established that there is no goal, for the utilization of Disadvantaged Business Enterprises owned, operated, and controlled by socially and economically disadvantaged individuals. Although there was not a DBE goal established for this agreement, it is strongly encourage that the Contractor use, whenever possible, Disadvantaged Business Enterprises owned, operated, and controlled by socially and economically disadvantaged individuals.

The City extends to each individual, firm, vendor, supplier, Contractor, and subcontractor an equal economic opportunity to compete for City business and strongly encourages voluntary use of disadvantaged and/or minority- or woman-owned businesses to reflect both the industry and community ethnic composition.

26. **Incorporation of Federal Transit Administration (FTA) Terms:** The preceding provisions include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding agreement provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220.1E, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this agreement. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any City request which would cause the City to be in violation of the FTA terms and conditions.

27. **Government-Wide Debarment and Suspension:**

This agreement is a covered transaction for purposes of 49 CFR Part 29. As such, the Contractor is required to verify that none of the Contractor, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905 are excluded or disqualified as defined at 49 CFR 29.940 and 29.945.

The Contractor is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into.

By signing this agreement, the Contractor certifies as follows:

The certification in this clause is a material representation of fact relied upon by the City. If it is later determined that the Contractor knowingly rendered an erroneous certification, in addition to remedies available to the City, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The Contractor agrees to comply with the requirements of 49 CFR 29, Subpart C while this offer is valid and throughout the period of any agreement that may arise from this agreement. The Contractor further agrees to include a provision requiring such compliance in its lower tier covered transactions.

28. **Lobbying: Byrd Anti-Lobbying Amendment, 31 U.S.C. 1352, as amended by the Lobbying Disclosure Act of 1995, P.L. 104-65 [to be codified at 2 U.S.C. § 1601, et seq.]**

Contractors of an award of \$100,000 or more shall file the certification required by 49 CFR part 20, "New Restrictions on Lobbying." Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal agreement, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose the name of the registrant under the Lobbying Disclosure Act of 1995 who was made lobbying contacts on its behalf with non-federal funds with respect to that Federal agreement, grant or award covered by 31 U.S.C. 1352. Such disclosures are forwarded from tier to tier up to the recipient.

The Contractor is required to complete **Appendix D: 49 CFR PART 20 – Certification Regarding Lobbying** certifying compliance with 31 U.S.C 1352 and P.L. 104-65.

29. **Clean Air:**

- a) The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq. The Contractor agrees to report each violation to the Purchaser and understands and agrees that the Purchaser will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.
- b) The Contractor also agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or part with Federal assistance provided by FTA.

30. Clean Water:

- a) The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. The Contractor agrees to report each violation to the Purchaser and understands and agrees that the Purchaser will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.
- b) The Contractor also agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with Federal assistance provided by FTA.

31. Transit Employee Protective Provisions

The Contractor agrees to comply with applicable transit employee protective requirements as follows:

(a) General Transit Employee Protective Requirements - To the extent that FTA determines that transit operations are involved, the Contractor agrees to carry out the transit operations work on the underlying agreement in compliance with terms and conditions determined by the U.S. Secretary of Labor to be fair and equitable to protect the interests of employees employed under this agreement and to meet the employee protective requirements of 49 U.S.C. A 5333(b), and U.S. DOL guidelines at 29 C.F.R. Part 215, and any amendments thereto. These terms and conditions are identified in the letter of certification from the U.S. DOL to FTA applicable to the FTA Recipient's project from which Federal assistance is provided to support work on the underlying agreement. The Contractor agrees to carry out that work in compliance with the conditions stated in that U.S. DOL letter. The requirements of this subsection (1), however, do not apply to any agreement financed with Federal assistance provided by FTA either for projects for elderly individuals and individuals with disabilities authorized by 49 U.S.C. § 5310(a)(2), or for projects for nonurbanized areas authorized by 49 U.S.C. § 5311. Alternate provisions for those projects are set forth in subsections (b) and (c) of this clause.

(b) The Contractor also agrees to include the any applicable requirements in each subcontract involving transit operations financed in whole or in part with Federal assistance provided by FTA.

32. Energy Conservation:

The Contractor agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, this the _____ day of _____, 2008.

CITY OF TEMPE

By _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CONTRACTOR

Jamie J. Wolf
Name

REGIONAL VICE PRESIDENT
Title

VEOLIA TRANSPORTATION SERVICES, INC.
Name of Company

APPENDIX A: East Valley Bus Operations and Maintenance Facility Equipment List

City of Tempe
Tempe, Arizona

East Valley Bus Operations
and Maintenance Facility
August 30, 2005

Revision Note	Equipmt ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/Install	Comments	Discipline							
								Arch	Struct	Mech	Plumb	Elec			
		Bus Maintenance Building													
		Standard Running Repair Bays (13)													
	1960	Workbench, severe use, 6'	13	72 x 32	MDG	CF/CI	Fabricated								
	2832	Vise, combination, swivel base, 6"	13		MDG	CF/CI	Bench mounted								
	5645	Lift, axle, 2 post, 60,000 lbs., shallow design	4		MDG	CF/CI	Includes shifter plate and hydraulic drive 5 CFM	•	•		•				
	5752	Lift, para leggram, 60,000 lbs., 32'	3	105" x 52'	MDG	CF/CI	Fltsh mounted	•	•		•				
	5640	Lift, column, mobile (set of 4), 60,000 lbs.	2	45 x 40	MDG	CF/CI	Hydraulic type								
	7100	Drops, air/electric, trestle	11	24 x 2	MDG	CF/CI	Fabricated			•					
U	7540	Pump, gas/oil, waste fluid evacuation (W/O)	4	9 x 6	MDG	CF/CI	Was mounted, plumb to waste fluid tank, 40 CFM				•				
U	7720	Reel bank (CG, GO)	7		MDG	CF/CI	Plumbed to Lette Room				•				
U	7740	Reel bank (ATF, EC, EO1, EO2)	7		MDG	CF/CI	Plumbed to Lette Room				•				
U	7998	Receiver, waste coolant, 25 gallons	2	24 x 24	MDG	CF/CI	Portable								
U	7999	Receiver, waste oil, 25 gallons	2	24 x 24	MDG	CF/CI	Portable								
		Subtotal													

Maintenance Design Group

3.2

Maintenance Equipment Manual

Revision Note	Equipment ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/Install	Comments	Discipline Coordination Matrix							
								Arch	Struc	Mech	Plumb	Elec			
		Articulated Running Repair Bays (1)													
	1860	Workbench, severe use, 6"	1	72 x 32	MDG	C/F/C	Fabricated								
	2832	Visc. combination, swivel base, 5"	1		MDG	C/F/C	Bench mounted								
	5646	Lift, axio. 3 post, 60,000 lbs., shallow design	1	9' x 7'	MDG	C/F/C	Includes shutter plate and hydraulic drive 5 CFM	•	•						
	7190	Drops, air/electric, trapaze	1	24 x 2	MDG	C/F/C	Fabricated	•	•						
U	7720	Reel bank (CG, GO)	1		MDG	C/F/C	Plumbed to Lube Room		•						
U	7740	Reel bank (ATF, EC, EO1, EO2)	1		MDG	C/F/C	Plumbed to Lube Room		•						
		Subtotal													

Revision Note	Eqmnt ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/Install	Comments	Discipline Coordination Matrix				
								Arch	Struc	Mech	Plmb	Elec
Common Work Area "A"												
	1185	Cabinet, storage, shop	2	36 x 18	MDG	CF/CI						
	1860	Workbench, severe use, 6'	1	72 x 32	MDG	CF/CI	Fabricated					
	2080	Buffer/grinder, 10", w/dust collector	1	32 x 27	MDG	CF/CI						●
	2220	Drill press, variable speed, 20"	1	34 x 18	MDG	CF/CI						●
	2340	Floor scrubber, 28"	1	47 x 96	MDG	CF/CI						●
	2560	Press, air/hydraulic, 60 ton	1	51 x 39	MDG	CF/CI	Compressed air operated					
	2632	Vise, combination, swivel base, 5"	1		MDG	CF/CI	Bench mounted					●
	3085	Cabinet, abrasive blast, w/dust collector	1	60 x 25	MDG	CF/CI						●
	3785	Washer, parts, automatic, 2,500 lbs.	1	57 x 65	MDG	CF/CI						●
		Subtotal										
Welding Shop												
	1791	Table, welding, layout, 5'	1	60 x 30	MDG	CF/CI						
	2740	Screen, welding	1	144 x 1	MDG	CF/CI						
	2918	Welder, multiprocess, w/wire feeder, portable	1	23 x 28	MDG	CF/CI	with accessories					●
	3280	Extractor, fume, welding, portable, 650 CFM	1	24 x 30	MDG	CF/CI						●
		Subtotal										

Revision Note	Equipmt ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/ Install	Comments	Discipline Coordination Matrix													
								Arch	Struc	Mech	Plumb	Elec									
		Brake Shop																			
	1185	Cabinet, storage, shop	2	36 x 18	MDG	CF/CI															
	1688	Shelving unit, 18"	2	36 x 18	MDG	CF/CI															
	1850	Workbench, severe use, 6'	1	72 x 32	MDG	CF/CI	Fabricated														
	2350	Lathe, brake, transmission	1	55 x 46	MDG	CF/CI															
	2832	Vise, combination, swivel base, 5"	1		MDG	CF/CI	Bench mounted														
	3140	Dust collector, lathe, brake	1		MDG	CF/CI	8 - 10 CFM														
	5391	Hoist, chain, electric, motorized trolley, 1 ton	1		MDG	CF/CI															
		Subtotal																			
		Component Rebuild Shop																			
	1110	Cabinet, 10 drawer, 59"	2	30 x 28	MDG	CF/CI															
	1185	Cabinet, storage, shop	2	36 x 18	MDG	CF/CI															
	1903	Workbench, tear-down, mobile	1	72 x 30	MDG	CF/CI															
	3785	Washer, parts, automatic, 2,500 lbs.	1	57 x 65	MDG	CF/CI															
	5217	Crane, jib, foundation mounted, 2 tons, 9' span	1		MDG	CF/CI															
	5382	Hoist, chain, electric, motorized trolley, 2 ton	1		MDG	CF/CI															
		Subtotal																			

Revision Note	Equipment ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/Install	Comments	Discipline Coordination Matrix						
								Arch	Struc	Mech	Plmb	Elec		
		Non-Revenue Common Work Area												
	1140	Cabinet, flammable materials, large	1	43 x 18	MDG	CF/CI								
	1185	Cabinet, storage, shop	2	36 x 18	MDG	CF/CI								
	1688	Shelving unit, 18"	2	36 x 18	MDG	CF/CI								
	2090	Buffergrinder, 10", w/dust collector	1	32 x 27	MDG	CF/CI								•
	2220	Drill press, variable speed, 20"	1	34 x 18	MDG	CF/CI								•
	2540	Press, air/hydraulic, 40 ton	1	39 x 30	MDG	CF/CI	Compressed air operated							•
	7490	Press, oil filter	1	24 x 33	MDG	CF/CI	Plumb to waste oil tank							•
		Subtotal												
		Non-Revenue Vehicle Repair Bay												
	1860	Workbench, severe use, 6'	1	72 x 32	MDG	CF/CI	Fabricated							
	2832	Vise, combination, swivel base, 5"	1		MDG	CF/CI	Bench mounted							
	5715	Lift, surface mounted, twin post, 15,000 lbs.	1		MDG	CF/CI								•
U	7540	Pump, diaphragm, waste fluid evacuation (WC, WCO)	2	9 x 8	MDG	CF/CI	Wall mounted, plumb to waste fluid tank, 40 CFM							•
U	7750	Reel bank (ATF, CG, EC, EOT, GO)	1		MDG	CF/CI	Plumbed to Lube Room							•
U	7808	Receiver, waste coolant, 25 gallons	1	24 x 24	MDG	CF/CI	Portable							
U	7809	Receiver, waste oil, 25 gallons	1	24 x 24	MDG	CF/CI	Portable							
		Subtotal												

Revision Note	Equipmt ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/Install	Comments	Discipline Coordination Matrix							
								Arch	Struc	Mech	Plumb	Elvoc			
		Lube/Compressor Room													
U	7510	Pump, air piston (CG), w/hoist	1		MDG	CF/CI	19 CFM								
U	7520	Pump, air piston, 10:1 ratio	4		MDG	CF/CI	Tank mounted, 40 CFM								
U	7530	Pump, diaphragm, mixing (EC)	1	9 x 0	MDG	CF/CI	Wall mounted, 40 CFM								
U	7540	Pump, diaphragm, evacuation	1		MDG	CF/CI	Wall mounted plumb to ATF tank, 40 CFM								
U	7960	Tank, double wall, cube, 280 gallons (GO)	1	34 x 58	MDG	CF/CI	Double wall containment								
U	7970	Tank, double wall, cube, 500 gallons (EC, WC, WO)	3	46 x 61	MDG	CF/CI	Double wall containment								
U	7980	Tank, double wall, cube, 1,000 gallons (ATF, EO1, EO2)	3	48 x 112	MDG	CF/CI	Double wall containment								
	AC-3	Compressor, air, rec. mtd., 25 HP duplex	1	89 x 62	CH2MHill	CF/CI	250 gallon tank, 204 CFM del.								
	AD-3	Dryer, air, refrigerated, 200 CFM	1	29 x 26	CH2MHill	CF/CI									
		Subtotal													
		Upholstery Shop													
	1185	Cabinet, storage, shop	1	36 x 18	MDG	CF/CI									
	1565	Rack, hose reel, up to 30' dia.	2	48 x 24	MDG	CF/CI	Secure to floor								
	1688	Shelving unit, 18"	2	36 x 18	MDG	CF/CI									
	1763	Table, layout, wood top, 8'	2	96 x 34	MDG	CF/CI									
		Subtotal													

Revision Note	Eqmnt ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/Install	Comments	Discipline Coordination Matrix											
								Arch	Struc	Mech	Plmb	Elec							
		Electronics Shop																	
	1110	Cabinet, 10 drawer, 58"	2	30 x 28	MDG	CF/CI													
	1185	Cabinet, storage, shop	2	36 x 18	MDG	CF/CI													
	1455	Rack, bulk storage	1	72 x 24	MDG	CF/CI 8' high													
	1806	Workstation, electronics, ESD, 5 drawer	2	72 x 36	MDG	CF/CI													
		Subtotal																	

Revision Note	Eqmnt ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/Install	Comments	Discipline Coordination Matrix						
								Arch	Struc	Mech	Plumb	Elec		
		Parts Storage												
	1106	Cabinet, 5 drawer, 33", underbench	6	30 x 28	MDG	CF/CI								
	1140	Cabinet, flammable materials, large	3	43 x 18	MDG	CF/CI								
	1153	Bin, hose/line	2	36 x 36	MDG	CF/CI								
	1185	Cabinet, storage, shop	20	36 x 18	MDG	CF/CI								
	1220	Desk, stand-up, with stool	1	35 x 30	MDG	CF/CI								
	1455	Rack, bulk storage	15	72 x 24	MDG	CF/CI 8' high								
	1537	Rack, pallet, 12', with deck	4	126 x 36	MDG	CF/CI								
	1688	Shelving unit, 18"	111	36 x 18	MDG	CF/CI								
	1787	Table, receiving, steel top, 6'	1	66 x 30	MDG	CF/CI								
	PL-1	Lift, parts, 3,000 lbs.	1	66 x 84	RNL	CF/CI								
		Subtotal												
		Parts Mezzanine												
	1455	Rack, bulk storage	13	72 x 24	MDG	CF/CI 8' high								
	1615	Rack, windshield, 15 slots	2	27 x 42	MDG	CF/CI								
		Subtotal												

Revision Note	Equipment ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/ Install	Comments	Discipline Coordination Matrix												
								Arch	Struc	Mech	Plumb	Elec								
		Records Storage																		
	1455	Rack, bulk storage	20	72 x 24	MDG	CF/CI	8' high													
	1799	Table, receiving, stool top, 10'	1	120 x 48	MDG	CF/CI														
		Subtotal																		
		Tool Crib																		
	1110	Cabinet, 10 drawer, 69"	2	30 x 28	MDG	CF/CI														
	1185	Cabinet, storage, shop	4	36 x 18	MDG	CF/CI														
	1688	Shelving unit, 18"	4	36 x 18	MDG	CF/CI														
		Subtotal																		
		Battery Room																		
	2030	Bench, battery	1	24 x "126"	MDG	CF/CI	Fabricated													
	2045	Charger, battery, multiple, w/bis bar	1	17 x 14	MDG	CF/CI														
	EW-1	Shower, drench, w/eye wash	1	24 x 9	CH2MHB	CF/CI														
		Subtotal																		

City of Tempe
Tempe, Arizona

East Valley Bus Operations
and Maintenance Facility
August 30, 2005

Revision Note	Equipmt ID #	Description	Qty	Dimensions (In inches)	Spec By	Furnish/ Install	Comments	Discipline Coordination Matrix						
								Arch	Struc	Mech	Plumb	Elec		
		Standard PM/Inspection Bays (4)												
	1860	Workbench, severe use, 6'	4	72 x 32	MDG	C/F/C/I	Fabricated							
	2832	Vise, combination, swivel base, 5"	4		MDG	C/F/C/I	Bench mounted							
	5840	Lift, column, mobile (set of 4), 60,000 lbs.	1	45 x 40	MDG	C/F/C/I	Hydraulic type							
	7190	Drops, air/elec/rc, trapezoid	4	24 x 2	MDG	C/F/C/I	Fabricated							
	7490	Press, oil filter	2	24 x 33	MDG	C/F/C/I	Plumb to waste oil tank							
U	7740	Reel bank (ATF, EC, EO1, EO2)	3		MDG	C/F/C/I	Plumbed to Labs Room							
U	7996	Drain pan, waste oil, rolling	3	33 x 24	MDG	C/F/C/I								
U	7997	Drain pan, waste coolant, rolling	3	33 x 24	MDG	C/F/C/I								
	9530	Net, safety, pit, inspection, 45'	3	45' x 42	MDG	C/F/C/I								
		Subtotal												

Revision Note	Equipmt ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/Install	Comments	Discipline Coordination Matrix					
								Arch	Struc	Mech	P/mb	Elec	
		Articulated PM/Inspection Bays (1)											
	1660	Workbench, severe use, 6'	1	72 x 32	MDG	CF/CI	Fabricated						
	2632	Vise, combination, swivel base, 5"	1		MDG	CF/CI	Bench mounted						
	7190	Drops, air/electric, trap/ze	1	24 x 2	MDG	CF/CI	Fabricated						
U	7740	Reel bank (ATF, EC, EO1, EO2)	0		MDG	CF/CI	Plumbed to Lube Room						
U	7996	Drain pan, waste oil, rolling	1	33 x 24	MDG	CF/CI							
U	7997	Drain pan, waste coolant, rolling	1	33 x 24	MDG	CF/CI							
	9560	Net, safety, pit, inspection, 60'	1	60' x 42	MDG	CF/CI							
		Subtotal											
		Standard Lower Level Work Bays (3)											
	1660	Workbench, severe use, 6'	3	72 x 32	MDG	CF/CI	Fabricated						
	2632	Vise, combination, swivel base, 5"	3		MDG	CF/CI	Bench mounted						
	5558	Lift, man, scissors, pneumatic, self propelled	3	120 x 42	MDG	CF/CI							
U	7250	Hose and dispenser (CG)	6		MDG	CF/CI							
U	7255	Hose and dispenser (GO)	6		MDG	CF/CI							
U	7970	Tank, double wall, cube, 500 gallons (WC, WC)	2	48 x 112	MDG	CF/CI	Double wall containment						
		Subtotal											

Revision Note:	Equipmt ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/ Install	Comments	Discipline Coordination Matrix						
								Arch	Struc	Mech	Plumb	Elec		
		Articulated Lower Level Work Bay (1)												
	1860	Workbench, severe use, 6"	1	72 x 32	MDG	CF/CI	Fabricated							
	2832	Vise, combination, swivel base, 5"	1		MDG	CF/CI	Bench mounted							
	5558	L.H. man, scissors, pneumatic, self propelled	1	120 x 42	MDG	CF/CI		•						•
U	7250	Hose and dispenser (CG)	3		MDG	CF/CI								•
U	7255	Hose and dispenser (GO)	3		MDG	CF/CI								•
		Subtotal												
		Common Work Area "B"												
	1860	Workbench, severe use, 6"	1	72 x 32	MDG	CF/CI	Fabricated							
	2090	Buffer/grinder, 10", w/dust collector	1	32 x 27	MDG	CF/CI								•
	2220	Drill press, variable speed, 20"	1	34 x 18	MDG	CF/CI								•
	2340	Floor scrubber, 28"	1	47 x 96	MDG	CF/CI								•
	2832	Vise, combination, swivel base, 5"	1		MDG	CF/CI	Bench mounted							
		Subtotal												

Revision Note	Eqmnt ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/Install	Comments	Discipline Coordination Matrix											
								Arch	Struc	Mech	Pimb	Elec							
		Wash Equipment Alcove																	
	3720	Washer, hi pressure/hot water, electric	1	51 x 32	MDG	CF/CI													
	EW-1	Shower, drench, w/eye wash	1	24 x 9	CH2M Hill	CF/CI													
		Subtotal																	
		Standard Chassis Wash Bay																	
	5751	Lift, parallelogram, 50,000 lbs., 32'	1	105' x 32'	MDG	CF/CI	Surface mounted in a recess												
		Subtotal																	
		Articulated Chassis Wash Bay																	
	5753	Lift, parallelogram, 75,000 lbs., 48'	1	105' x 576'	MDG	CF/CI	Surface mounted in a recess												
		Subtotal																	
		Tire Bay																	
	5646	Lift, axle, 3 post, 60,000 lbs., shallow design	1	9' x 7'	MDG	CF/CI	Includes shutter plate and hydraulic drive 5 CFM												
		Subtotal																	

City of Tempe
Tempe, Arizona

East Valley Bus Operations
and Maintenance Facility
August 30, 2005

Revision Note	Equipmt ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/Install	Comments	Disipline Coordination Matrix							
								Arch	Struc	Mech	Pimb	Elec			
		Tire Shop/Storage													
	1860	Workbench, severe use, 6'	1	72 x 32	MDG	CF/CI	Fabricated								
	2110	Cage, inflation, tire	1	24 x 36	MDG	CF/CI									
	2450	Mounter/demounter, tire, truck	1	85 x 51	MDG	CF/CI									
	2700	Spreader, tire	1	17 x 53	MDG	CF/CI	with light								
	2832	Vise, combination, swivel base, 5"	1		MDG	CF/CI	Bench mounted								
	4920	Balancer, wheel, truck, heavy duty	1		MDG	CF/CI									
		Subtotal													

Revision Note	Eqmnt ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/Install	Comments	Discipline Coordination Matrix											
								Arch	Struc	Mech	Pmb	Elec							
		FuelWash Building																	
		Wash Lanes (2)																	
	3944	Washer, bus, drive through, six column	2	20' x 68'	MDG	CF/CI	With recrim system	•	•										
	AC-1	Compressor, air, rec. mtd., 5 HP	1	33 x 24	CH2M Hill	CF/CI	80 gallon tank, 19 CFM del.	•	•										
	AD-1	Dryer, air, refrigerated, 25 CFM	1	14 x 13	CH2M Hill	CF/CI		•	•										
		Subtotal																	
		Fuel Lanes (4)																	
U	7740	Reel bank (ATF, EC, EO1, EO2)	4		MDG	CF/CI	Plumbed to Lube Room	•											
	9901	Vault, collection, revenue, stationary	4	30 x 37	MDG	CF/CI													
	FM-1	Fuel management system, automated	1		FS	CF/CI													
		Subtotal																	

Revision Note	Eqmnt ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/Install	Comments	Discipline Coordination Matrix													
								Arch	Struc	Mech	Plmb	Elec									
		Lube/Compressor Room																			
U	7525	Pump, air piston, 5:1 ratio (ATF, EO1, EO2)	3		MDG	CF/CI	Tank mounted, 18 CFM														
U	7530	Pump, diaphragm, mixing (EC)	1	9 x 8	MDG	CF/CI	Wall mounted, 40 CFM														
U	7980	Tank, double wall, cube, 280 gallons (EC)	1	34 x 56	MDG	CF/CI	Double wall containment														
U	7970	Tank, double wall, cube, 500 gallons (ATF, EO1, EO2)	3	46 x 61	MDG	CF/CI	Double wall containment														
	AC-2	Compressor, air, rec. mtd., 10 HP duplex	1	88 x 64	CH2MHII	CF/CI	250 gallon tank, 183 CFM del.														
	AD-2	Dryer, air, refrigerated, 100 CFM	1	20 x 20	CH2MHII	CF/CI															
		Subtotal																			
		Storage																			
	1455	Rack, bulk storage	3	72 x 24	MDG	CF/CI	8' high														
		Subtotal																			
		Jenitor's Closet																			
	1688	Shelving unit, 18"	1	36 x 18	MDG	CF/CI															
		Subtotal																			

Revision Note	Equipmt ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/Install	Comments	Discipline Coordination Matrix										
								Arch	Struc	Mech	Plumb	Elec						
		Vacuum Equipment Room																
	3622	Vacuum system, four station	1		MDG	CF/CI												
		Subtotal																
		Facility Maintenance Shop																
	1140	Cabinet, flammable materials, large	1	43 x 18	MDG	CF/CI												
	1185	Cabinet, storage, shop	2	36 x 18	MDG	CF/CI												
	1420	Rack, am, single face, 7'	2	36 x 22	MDG	CF/CI												
	1688	Shelving unit, 18"	2	38 x 18	MDG	CF/CI												
	1880	Workbench, severe use, 6'	1	72 x 32	MDG	CF/CI	Fabricated											
	2075	Buffer/grinder, 6", bench mounted	1	18 x 8	MDG	CF/CI												
	2216	Drill press, variable speed, 16 1/2"	1	12 x 20	MDG	CF/CI												
	2832	Visc, combination, swivel base, 5"	1		MDG	CF/CI	Bench mounted											
		Subtotal																

Revision Note	Eqmnt ID #	Description	Qty	Dimensions (in inches)	Spec By	Furnish/ Install	Comments	Discipline Coordination Matrix			
								Arch	Struc	Mech	Plmb
CF/CI (Contractor Furnished/Contractor Installed)											
Bus Maintenance Equipment Total											
Fuel/Wash Equipment Total											
Non-Revenue Maintenance Equipment Total											
CF/CI Equipment Total											
OF/OI (Owner Furnished/Owner Installed)											
Bus Maintenance Equipment Total											
Fuel/Wash Equipment Total											
Non-Revenue Maintenance Equipment Total											
OF/OI Equipment Total											
EQUIPMENT TOTAL											
<i>This equipment number is based on list pricing and does not include pricing for the LNG fueling equipment or installation for the equipment</i>											

Appendix B: Required Reporting

The City requires that the following benchmark data elements be reported to the City by the 5th of each month for preceding month on a Microsoft Excel Spreadsheets (spreadsheet format to be provided by the City):

- Boardings by route (Including wheelchair and bicycle boardings by route)
- Miles by route (vehicle miles, revenue miles, deadhead miles)
- Hours by route (vehicle hours, revenue hours, deadhead hours)
- Operating days by route
- Operating cost by route
- Passenger revenue by route
- Percent on-time performance by route
- Missed miles and actual time lost by route
- Road calls by route
- Wheelchair lift/ramp breakdowns by route
- Vehicle and passenger accidents by route
- Passenger security incidents by route
- Crimes reported by route

Many of these data elements are parts of other reports which the City requires. The following tables list these reports and the frequency of these reports.

REPORT	DESCRIPTION	FREQUENCY
Accident and Incident Reports	Submitted within 24 hours	Per Occurrence
Bus Stop Issue Reports	Submitted within 24 hours	Per Occurrence
Service Provision Report	Missed Service, Accidents, Incidents, other pertinent data	Daily
Standard Monthly Reporting	<i>Ridership per Route (Electronic)</i>	Monthly
	<i>Missed service per route (Electronic)</i>	Monthly
	<i>Miles per route: Rev, Veh, DH (Electronic)</i>	Monthly
	<i>Hours per route: Rev, Veh, DH (Electronic)</i>	Monthly
	<i>Vehicle miles per vehicle # (Electronic)</i>	Monthly
	<i>Road Calls categorized by route and vehicle # (Electronic)</i>	Monthly
	<i>PMI report (Electronic)</i>	Monthly
	<i>On time performance per route (Electronic)</i>	Monthly
	<i>Accident summary categorized per route and vehicle # (Electronic)</i>	Monthly
	<i>GFI Reports (Ridership, Revenue, Deposits) (Electronic)</i>	Monthly
	<i>Service Evaluations categorized per route (Electronic)</i>	Monthly
	<i>Complaint Summary categorized per route (Electronic)</i>	Monthly
	<i>Complaint Close-outs (Hard Copy)</i>	Monthly
	DBE Report	
NTD Safety & Security Report		Quarterly
NTD Full Report		Annually (Due Sep 15)

APPENDIX C: EXPENSE DEFINITIONS

LABOR

"Labor" is the pay and allowances due employees in exchange for the labor services rendered on behalf of the transit program. The labor allowances include payments made directly to the employee arising from the performance of a piece of work, such as shift differentials, overtime premiums and minimum guarantees. It is necessary to distinguish these "Labor payments" from "Fringe Benefits," which includes payments made directly to the employee, but not for the performance of a piece of work.

FRINGE BENEFITS

There are two kinds of Fringe Benefits, and both should be included under this heading. The first kind are payments made directly to the employee, but not arising from the performance of a piece of work. These include paid absence for illness, holidays, vacations, and jury duty. The second kind are payments or accruals to others (insurance companies, governments) made on behalf of an employee. These payments are costs over and above "Labor" costs, but still arising from the employment relationship.

1. FICA
Employer's contribution of Social Security Tax for employees as required by law.
2. Pension Plans
Employer's contribution based on requirements of enclosed pension plans for salaried and unionized employees.
3. Hospital/Medical Plans
Health and accident insurance for full-time employees and family coverage as required; any requirements of union labor agreements.
4. Dental Plans
Dental insurance for full-time employees and dependent coverage as required; including any requirements of applicable union labor agreements.
5. Life Insurance Plans
Life insurance premiums for full-time employees and as required by union labor agreements.
6. Short/Long Term Disability Insurance
Premiums for short term and long term disability insurance for salaried employees and as required by union labor agreements.
7. Unemployment Insurance
Federal and State unemployment tax for employees as required by law.
8. Worker's Compensation
Worker's Compensation as required by law.
9. Sick Leave
Projected sick leave expense for all employees.
10. Holiday Pay
Projected holiday pay expense for paid holidays for all employees as required by this AGREEMENT, as included in an applicable union labor agreement or as provided by the Proposer(s).
11. Vacation Pay
Projected vacation pay expenses for all employees.

12. Uniform and Work Clothing Allowance

Projected allowance or rental cost per negotiated union agreements and for dispatchers, road supervisors, security personnel, all maintenance personnel, etc.

13. Other Fringe Benefits

Premiums for vision insurance for salaried personnel and dependents as required and by union labor agreements and for felonious assault insurance for all revenue vehicle operators.

OUTSIDE SERVICES

"Outside Services" is labor and other work provided by outside organizations for fees and related expenses. In most instances, Outside Services are procured as a substitute for in-house employee labor. The substitute is usually made because the skills offered by the outside organization are needed for only a short period of time or are better than internally available skills. The charge for these services is usually based on the labor hours invested in performing the service.

1. *Proposed costs for, but not limited to:*

Facility security services, armored car services, other internal security and surveillance services.

2. *Subcontracted Repair Services*

Proposed costs for outside repair work on vehicles.

MATERIALS AND SUPPLIES

"Materials and Supplies" are tangible products obtained from outside suppliers or manufactured internally. Freight, purchase discounts, cash discounts, sales taxes on purchased goods, and excise taxes (except on fuel and lubricants) are to be included in the cost of Materials and Supplies. Charges to these expense accounts will be for the materials and supplies issued from inventory for use and for the materials and supplies purchased for immediate use, i.e., without going through inventory.

1. Fuels and Lubricants

Includes costs for vehicle fuels and lubricants for all vehicles, including non-revenue vehicles.

2. Tires and Tubes

Proposed costs for tire expenses for revenue and service vehicles.

3. Vehicle Repair Parts

Proposed costs for purchase of parts to maintain transit vehicles.

4. Other Materials and Supplies

Proposed costs for purchase of the following items: office supplies, forms, graphics supplies, brochures, printing and graphics services, promotional items, vehicle service supplies, maintenance shop supplies, small shop tools, refrigerants, accident repair parts, vandalism, repair materials, vehicle movement control repair materials, fare collection/counting repair materials, other repair materials for buildings, grounds, and equipment, safety supplies, janitorial supplies, freight, publications, other materials and supplies.

UTILITIES

"Utilities" are payments made to various utilities for utilization of their services such as electric, gas, water and telephone.

GENERAL LIABILITY, VEHICLE LIABILITY AND VEHICLE DAMAGE INSURANCE

1. General Liability

General Liability insurance includes cost elements covering facility, personal injury, and premises protection (non-vehicular).

2. Vehicle Liability and Other Coverage

Vehicle Liability insurance includes costs of insurance programs for compensation of others for their losses due to acts for which the operator or system is liable, including bodily injury, other property damages, medical payments, under and uninsured motorists, associated umbrella policies, comprehensive, and collision protection.

TAXES

"Taxes" are those taxes levied against the Contractor by federal, state, and local governments. Sales and excise taxes on materials and services provided other than fuel and lubricants are not included in this category, but sales taxes on the provision of transit services are included, if applicable.

1. Vehicle Licensing and Registration Fees

Proposed costs for non-revenue vehicles.

2. Fuel and Lubricant Taxes

3. Sales Taxes

Transaction Privilege (Excise) Tax levied on the gross agreement price.

MISCELLANEOUS EXPENSE

"Miscellaneous Expenses" are those expenses which cannot be attributed to any other major expense categories.

1. Dues and Subscriptions

Proposed costs for various membership dues and general industry publications.

2. Travel and Meetings

Proposed costs for project personnel to travel to national conferences, regional conferences, local meetings, operations training, security training, maintenance workshops, transit information exchange meetings, local seminars and professional meetings, customer service training, personnel law update training, labor committee training, medical and health program training, operator trainer workshops, training program development training, accident investigation training, secretarial training, and alternative fuel training.

3. Startup Expenses

Proposed costs associated with expenses in categories considered as startup costs that are allocated during the agreement period. Costs should be identified as to the length of time of allocation IF not for the full agreement term (5 years).

4. Other Miscellaneous Expense

Proposed cost for postage, employee relations, tuition reimbursement, and any other expenses not considered elsewhere.

PURCHASED EQUIPMENT, LEASES AND RENTALS

"Leases and Rentals" are payments for the use of capital assets not owned by the operator.

1. Vehicle Cost - Non-Revenue

Costs to provide non-revenue vehicles required for the provision of service.

2. Facilities

Proposed costs of general and administrative offices, maintenance facilities, and remote site parking locations.

3. Other Equipment

Other miscellaneous monthly or one time equipment purchases or rentals.

4. Financing Cost

The cost to finance the transit and/or support vehicles.

ALLOCATIONS AND PROFIT

1. *Allocations*
Proposed costs applied to operation overhead as may be allocated.
2. *Profit*
Proposed profit applied to the period of performance.

APPENDIX D: 49 CFR PART 20 – CERTIFICATION REGARDING LOBBYING

Certification for Agreements, Grants, Loans, and Cooperative Agreements

The undersigned [Contractor] certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal agreement, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal agreement, grant, loan, or cooperative agreement.

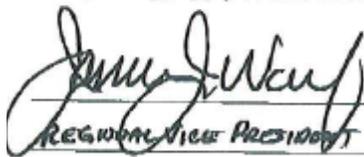
(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal agreement, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions [as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96). Note: Language in paragraph (2) herein has been modified in accordance with Section 10 of the Lobbying Disclosure Act of 1995 (P.L. 104-65, to be codified at 2 U.S.C. 1601, *et seq.*)]

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and agreements under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

[Note: Pursuant to 31 U.S.C. § 1352(c)(1)-(2)(A), any person who makes a prohibited expenditure or fails to file or amend a required certification or disclosure form shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure or failure.]

The Contractor, VEOLIA TRANSPORTATION certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. A 3801, *et seq.*, apply to this certification and disclosure, if any.


REGIONAL VICE PRESIDENT

Signature of Contractor's Authorized Official

Name and Title of Contractor's Authorized Official

AUGUST 5, 2008

Date