COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

GAIL FARBER, Director

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
http://dpw.lacounty.gov

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE
REFER TO FILE: AS-0

December 16, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

AWARD OF CONTRACT FOR
AVOCADO HEIGHTS, BASSETT, AND WEST VALINDA SHUTTLE SERVICE
UNINCORPORATED COMMUNITIES OF
AVOCADO HEIGHTS, BASSETT, AND WEST VALINDA
(SUPERVISORIAL DISTRICT 1)
(3 VOTES)

SUBJECT

This action is to award a contract for the Avocado Heights, Bassett, and West Valinda Shuttle Service to provide community shuttle services to the residents in the unincorporated communities of Avocado Heights, Bassett, and West Valinda.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the contract work is statutorily exempt from the provisions of the California Environmental Quality Act.

2. Find that these services can be more economically performed by an independent contractor than by County employees.

3. Award the contract for Avocado Heights, Bassett, and West Valinda Shuttle Service in the sum of $378,826 to Southland Transit, Inc., located in El Monte, California, and direct the Chairman to execute the contract for a period of two years commencing on January 21, 2009, with three 1-year renewal options not to exceed a total contract period of five years, in an annual amount not to exceed $189,413.

4. Authorize the Director of Public Works or her designee to increase the contract amount up to an additional 25 percent of the annual contract sum for unforeseen, additional work within the scope of the contract; and to adjust the contract sum and the unit prices for the two-year term and each subsequent option year over the term of the contract to allow for annual fuel cost adjustments consistent with the Federal price indexes in accordance with the terms of the contract.

5. Authorize the Director of Public Works or her designee to renew the contract for each additional renewal option if, in the opinion of the Director of Public Works, the contractor has successfully performed during the previous contract period and the services are still required; to approve and execute amendments to incorporate necessary changes within the scope of work; and to suspend work if, in the opinion of the Director of Public Works, it is in the best interest of the County to do so.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to improve transportation services for the residents of the unincorporated communities of Avocado Heights, Bassett, and West Valinda.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Service Excellence (Goal 1), Organizational Effectiveness (Goal 3), Fiscal Responsibility (Goal 4), and Community Services (Goal 6). The contractor who has the specialized expertise to provide this service accurately, efficiently, timely, and in a responsive manner will support the Department of Public Works (Public Works) in meeting these goals.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

The contract is for an amount not to exceed $378,826 for the two-year term and $189,413 annually for each of the subsequent option years, plus annual fuel cost adjustments in accordance with the contract and an additional 25 percent of the annual contract sum for unforeseen, additional work within the scope of work of the contract. This amount is based on Public Works' estimated requirements for these services at the unit prices quoted by the contractor.

Financing for these services is included in the First Supervisorial District's Fiscal Year 2008-09 Proposition A Local Return Transit Program included in the Fiscal Year 2008-09 Transit Enterprise Fund Budget. Funds to finance the contract's option years and 25 percent additional funding for contingencies will be requested through the annual budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The contract has been executed by Southland Transit, Inc., and approved as to form by County Counsel (Attachment A). The recommended contract was solicited on an open-competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the Chief Executive Officer's and your Board's requirements.

The contract contains terms and conditions supporting your Board's ordinances, policies, and programs, including but not limited to: County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and the standard Board-directed clauses that provide for contract termination or renegotiation.

Data regarding the proposers' minority participation is on file with Public Works. The contractor was selected upon final analysis and consideration without regard to race, creed, gender, or color.

The recommended contractor is Southland Transit, Inc. This contract will commence on January 21, 2009, for a period of two years. With your Board's delegated authority, the Director of Public Works or her designee may renew the contract for three 1-year renewal options, not to exceed a total contract period of five years.

Proof of the required Comprehensive General and Automobile Liability insurance policies, naming the County as additional insured, and evidence of Workers' Compensation insurance will be obtained from the contractor before any work is assigned.

Pursuant to the applicable memorandum of understanding, the Request for Proposals (RFP) for this contracted service was submitted on November 6, 2008, to the appropriate union for review. The union has not asked to meet with Public Works regarding this solicitation.

This work is being contracted in accordance with procedures authorized under County Charter, Section 44.7, Part 3, and Chapter 2.121 (Contracting with Private Business) of the Los Angeles County Code. The mandatory requirements for contracting set forth in the Los Angeles County Code, Section 2.121.380, have been met.

Since this is a Proposition A contract, Public Works has determined that the contractor complies with the requirements of the Living Wage Program (Los Angeles County Code, Chapter 2.201) and agrees to pay its full-time employees providing County services a living wage.

Using methodology approved by the Auditor-Controller, Public Works has calculated the cost-effectiveness of contracting for these services. Based on the cost calculations, Public Works has determined that these services can be more economically performed by an independent contractor than by County employees.

This Proposition A contract does not allow cost-of-living adjustments for the three option years. However, this contract does contain a provision for fuel fee adjustments on an annual basis.

ENVIRONMENTAL DOCUMENTATION

These services are statutorily exempt from the provisions of the California Environmental Quality Act pursuant to Section 21080 (b)(10) of the Public Resources Code. This exemption provides for the implementation of passenger or commuter transit services.

CONTRACTING PROCESS

On June 11, 2008, Public Works solicited proposals from 171 independent contractors and community business enterprises to accomplish this work. Also, a notice of the RFP was placed on the County's "Doing Business With Us" website (Attachment B), and an advertisement was placed in the *Los Angeles Times*.

On July 21, 2008, two proposals were received. The proposals were first reviewed to ensure they met the minimum requirements in the RFP. All proposals having met these requirements were then evaluated by an evaluation committee consisting of Public Works staff. The committee's evaluation was based on criteria described in the RFP which included the price, references, experience, financial stability, work plan, equipment, labor and payroll record keeping, and a displaced transit employee bonus. Based on this evaluation, it is recommended that this contract be awarded to the highest-rated, responsive, and responsible proposer, Southland Transit, Inc.

Public Works utilized the consensus scoring methodology to evaluate the proposals received in response to the RFP for this service. Public Works followed County procedures in effect at the time of the evaluation, which was prior to your Board passing Agenda Item 39-A on November 25, 2008. Making an exception for contract evaluations already underway, Agenda Item 39-A ended the destruction of scoring related documents and suspended consensus-only scoring until your Board directs otherwise.

Public Works has accessed available resources to review and assess the proposed contractor's past performance, history of Labor Law violations, and prior performance on County contracts.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The award of this contract will not result in the displacement of any County employees as these services are presently contracted with the private sector.

CONCLUSION

Please return one adopted copy of this letter, along with the Contractor Execute and Department Conform copies, to the Department of Public Works, Administrative Services Division. The original Board Execute copy should be retained for your files.

Respectfully submitted,

for GAIL FARBER
Director of Public Works

GF:GZ:er

Attachments (2)

c: Chief Executive Office (Lari Sheehan)
County Counsel
Office of Affirmative Action Compliance

ATTACHMENT

BOARD EXECUTE

Agreement

BY AND BETWEEN

THE COUNTY OF LOS ANGELES,
DEPARTMENT OF PUBLIC WORKS

AND

SOUTHLAND TRANSIT, INC.

FOR

AVOCADO HEIGHTS, BASSETT, AND WEST VALINDA
SHUTTLE SERVICE (2008-PA033)

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BOARD EXECUTE

AGREEMENT FOR

AVOCADO HEIGHTS, BASSETT, AND WEST VALINDA SHUTTLE SERVICE

THIS AGREEMENT, made and entered into this 16TH day of DECEMBER, 2008, by and between the COUNTY OF LOS ANGELES, a subdivision of the State of California, a body corporate and politic (hereinafter referred to as COUNTY) and SOUTHLAND TRANSIT, INC., a Corporation (hereinafter referred to as CONTRACTOR).

WITNESSETH

FIRST: The CONTRACTOR, for the consideration hereinafter set forth and the acceptance by the Board of Supervisors of said COUNTY of the CONTRACTOR'S Proposal filed with the COUNTY on July 21, 2008, hereby agrees to provide services as described in the attached specifications for Avocado Heights, Bassett, and West Valinda Shuttle Service, including, but not limited to, Exhibit A, Scope of Work.

SECOND: This AGREEMENT, together with Exhibit A, Scope of Work; Exhibit B, Service Contract General Requirements; Exhibit C, Internal Revenue Service Notice 1015; Exhibit D, Safely Surrendered Baby Law Posters; Exhibit E, Service Route, Schedule, and Fare; Exhibit F, Minimum Required Contractor Vehicle Specifications, Exhibit G, County-Owned Vehicle Specification, Exhibit H, Avocado, Bassett, and West Valinda Shuttle Service Vehicle Appearance/Cleanliness Checklist, Exhibit I, Monthly Ridership Form (MR-20) for LACMTA Consolidated NTD Report for FY, Exhibit J, Controlled Substance and Alcohol Testing Program, Exhibit K, Transit Security Plan, Exhibit L, Preventative Maintenance, and Exhibit M, Fuel Price Adjustment; the CONTRACTOR'S Proposal, all attached hereto; the Request for Proposals; and Addenda to the Request for Proposals, all of which are incorporated herein by reference, are agreed by the COUNTY and the CONTRACTOR to constitute the Contract.

THIRD: The COUNTY agrees, in consideration of satisfactory performance of the foregoing services in strict accordance with the Contract specifications to the satisfaction of the Director of Public Works, to pay the CONTRACTOR pursuant to the Schedule of Prices set forth in the Proposal and attached hereto as Form PW-2, an amount not to exceed $189,413 per year, or such greater amount as the Board may approve (Maximum Contract Sum).

FOURTH: This Contract's initial term shall be for a period of two years commencing on January 21, 2009. At the sole discretion of the COUNTY, this Contract may be extended in increments of one year, not to exceed a total contract period of five years. The COUNTY, acting through the Director, may give a written notice of intent to extend this Contract at least 30 days prior to the end of each term.

FIFTH: The CONTRACTOR shall bill monthly, in arrears, for the work performed during the preceding month. Work performed shall be billed at the hourly rates quoted in Form PW-2, Schedule of Prices.

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25 of DEC 16 2008

SIXTH: Public Works will make payment to the CONTRACTOR within 30 days of receipt and approval of a properly completed invoice. However, should the CONTRACTOR be certified by the COUNTY as a Local Small Business Enterprise payment will be made within 15 days of the receipt and approval of a properly completed invoice. Each invoice shall be in triplicate (original and two copies) and shall itemize the work completed. The invoices shall be submitted to:

County of Los Angeles Department of Public Works
Attention Fiscal Division, Accounts Payable
P.O. Box 7508
Alhambra, CA 91802-7508

SEVENTH: In no event shall the aggregate total amount of compensation paid to the CONTRACTOR exceed the amount of compensation authorized by the Board. Such aggregate total amount is the Maximum Contract Sum.

EIGHTH: The CONTRACTOR understands and agrees that only the designated Public Works Contract Manager is authorized to request or order work under this Contract. The CONTRACTOR acknowledges that the designated Contract Manager is not authorized to request or order any work that would result in the CONTRACTOR earning an aggregate compensation in excess of this Contract's Maximum Contract Sum.

NINTH: The CONTRACTOR shall not perform or accept work requests from the Contract Manager or any other person that will cause the Maximum Contract Sum of this Contract to be exceeded. CONTRACTOR shall monitor the balance of this Contract's Maximum Contract Sum. When the total of the CONTRACTOR'S paid invoices, invoices pending payment, invoices yet to be submitted, and ordered services reaches 75 percent of the Maximum Contract Sum, the CONTRACTOR shall immediately notify the Contract Manager in writing. The CONTRACTOR shall send written notification to the Contract Manager when this Contract is within six months from expiration of the term as provided for hereinabove.

TENTH: No cost-of-living adjustments shall be granted for the optional renewal periods.

ELEVENTH: The Director may adjust 10 percent of the hourly rate of compensation set forth in Form PW-2 (Schedule of Prices) based on the increase or decrease in the fuel price published in the Official Energy Statistics from the United States Department of Energy website at http://tonto.eia.doe.gov/dnav/pet/pet_pri_gnd_dcus_sca_m.htm for Diesel (On-Highway) and Gasoline - All Grades (Regular) for California, at http://tonto.eia.doe.gov/dnav/pet/pet_pri_prop_dcu_r50_m.htm for Liquid Propane Gas (LPG) using West Coast (PADD 5) " Commercial/Institutional," and at http://www.eere.energy.gov/afdc/price_report.html for Compressed Natural Gas (CNG) Clean Cities Alternative Fuel Price Report, Table 5, Compressed Natural Gas Average Prices by Region from Clean Cities Sources "West Coast," as appropriate to the vehicle used, beginning on the month of this Contract's start date and thereafter annually, which shall be the effective date for any such fuel adjustment. The percentage change in the fuel

price shall be obtained using the fuel prices published three months preceding the proposal submission date and the fuel price published three months preceding each effective date of the adjustment. However, when the percentage increase or decrease in the fuel price is less than five percent, no fuel adjustment will be granted. In the event the fuel adjustment is granted, the fuel adjustment (increase or decrease) will be added to or subtracted from, as applicable, the hourly rate of compensation to establish the adjusted hourly rate of compensation. A sample calculation is included in Exhibit M. Public Works shall be permitted to audit the CONTRACTOR'S fuel usage, fuel costs, and fuel procurement methods for the vehicles used in providing the service and the CONTRACTOR shall provide records pertaining to its fuel costs upon the COUNTY'S request. CONTRACTOR shall immediately notify the COUNTY if the CONTRACTOR changes from purchasing fuel using Market Prices, to a long-term agreement for fuel purchases.

TWELFTH: In the event that terms and conditions, which may be listed in the CONTRACTOR'S Proposal, conflict with the COUNTY'S specifications, requirements, and terms and conditions as reflected in this AGREEMENT, including, but not limited to, Exhibits A through M, inclusive, the COUNTY'S provisions shall control and be binding.

THIRTEENTH: The CONTRACTOR agrees in strict accordance with the Contract specifications and conditions to meet the COUNTY'S requirements.

FOURTEENTH: This Contract constitutes the entire agreement between the COUNTY and the CONTRACTOR with respect to the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings.

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IN WITNESS WHEREOF, the COUNTY has, by order of its Board of Supervisors, caused these presents to be subscribed by the Chair of said Board and the seal of said Board to be affixed and attested by the Clerk thereof, and the CONTRACTOR has subscribed its name by and through its duly authorized officers, as of the day, month, and year first written above.

COUNTY OF LOS ANGELES

By _____
Chairman, Board of Supervisors

I hereby certify that pursuant to Section 25103 of the Government Code, delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Directors

By _____
Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

25 DEC 16 2008

SACHI A. HAMAI
EXECUTIVE OFFICER

ATTEST:

SACHI A. HAMAI
Executive Officer of the
Board of Supervisors of
the County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By _____
Deputy

SOUTHLAND TRANSIT, INC.

By _____
Its President

TIMMY MARDIROSSIAN
Type or Print Name

By _____
Its Secretary

SEDIK MARDIROSSIAN
Type or Print Name

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CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Los Angeles

On November 17, 2008 before me, J VERGARA - Notary Public,
(Here insert name and title of the officer)

personally appeared Timmy Mardirossian and Sedik Mardirossian,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

J. VERGARA
Commission # 1781701
Notary Public - California
Los Angeles County
My Comm. Expires Dec 20, 2011

ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____ Document Date _____

(Additional information)

CAPACITY CLAIMED BY THE SIGNER

- ☐ Individual (s)
- ☐ Corporate Officer

(Title)

- ☐ Partner(s)
- ☐ Attorney-in-Fact
- ☐ Trustee(s)
- ☐ Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/she/~~they,~~ is /~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - Indicate title or type of attached document, number of pages and date.
  - Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

SCOPE OF WORK

AVOCADO HEIGHTS, BASSETT, AND WEST VALINDA SHUTTLE SERVICE (2008-PA033)

A. Public Works Contract Manager

Public Works Contract Manager will be Ms. Vanessa Rachal of Programs Development Division, Transit Operations Section who may be contacted at (626) 458-5960, e-mail address: vrachal@dpw.lacounty.gov Monday through Thursday, 7:30 a.m. to 5:30 p.m. The Contract Manager is the only person authorized by Public Works to request work of the Contractor. From time to time, Public Works may change the Contract Manager. The Contractor will be notified in writing when there is a change in the Contract Manager.

B. Work Location

The transit service is located in the unincorporated areas of Avocado Heights, Bassett, and West Valinda. The service provides access to the following points of interest:

- Bassett Senior Center
- Torch Middle School, Bassett High School, and Edgewood Academy
- Bassett, San Angelo, and Avocado Heights County Parks
- Sunkist Library
- Kaiser Permanente Baldwin Park

See Exhibit E, Service Route, Schedule, and Fare for shuttle route.

C. Work Description

The transit service to be accomplished under these specifications shall be the continuation of a community shuttle service in the unincorporated County areas in Avocado Heights, Bassett, and West Valinda, hereinafter referred to as the Service.

The Contractor shall operate the Service subject only to the general policies and direction of the County with regard to management and operations and to the provisions and requirements of this Exhibit A, Scope of Work. The Contractor shall perform the following, but not limited to, executive and administrative management; employment and supervision of all personnel including supervisors, Service Vehicle Operators, dispatchers, mechanics, and other

maintenance personnel; operation of training and safety programs; maintenance and repair of Service Vehicles and equipment; processing of warranty claims for County's Service Vehicles; assistance for public relations and promotions; and preparation of reports and analysis of financial and other matters; clerical, statistical, and bookkeeping services. The Contractor shall provide all Service Vehicle Operators, facilities, equipment, parts, and supplies required in the operation of Service, unless specifically identified to be contributed by County.

The County reserves the right to determine if any Service is or will be needed and/or requested under this Contract, at the County's sole and absolute discretion. The Contractor waives all claims against the County for consequential damages resulting from the County's failure to use the Contractor's services, including, but not limited to, lost profit.

D. Route, Frequency, Hours and Days of Service

1. Service

This Service is planned to operate between the hours of 7 a.m. and 7 p.m., Monday through Saturday. Service route, frequency, days of operation and fare shall be as specified in Exhibit E, Service Route, Schedule, and Fare.

Service shall not operate on Sundays and the following major holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Should one of these holidays fall on a Sunday, Service shall operate on a normal schedule on the following Monday even if the holiday may be celebrated on the Monday.

2. Service Modification

The County has established Service routes and schedules as described in Exhibit E, Service Route, Schedule, and Fare. If the Contract Manager determines that the Service may be improved by revisions to scheduling, Service Vehicle assignment, fleet size, or areas serviced, the Contract Manager and Contractor shall plan and institute such changes jointly within the terms of this Contract.

The Contractor agrees that total revenue Service hours may be increased or decreased without renegotiation of basic Service Vehicle Service hour unit price over the term of this Contract.

The Contract Manager will provide any modification to the Contractor at least 30 calendar days prior to any Service revision unless a shorter time period is mutually agreeable to both parties.

E. Equipment

1. Transit Vehicles

a. Contractor-Provided Service Vehicles

Unless otherwise determined by the County, at its sole and absolute discretion, Service shall be provided by the Contractor using Contractor-provided Service Vehicles. Contractor shall provide a sufficient number of Service Vehicles that meets or exceeds the required specifications described in Exhibit F, Minimum Required Contractor Vehicle Specifications, hereinafter referred to as "Contractor Service Vehicle."

b. County-Provided Service Vehicle

At its discretion, County may lease to Contractor one or more transit vehicles as described in Exhibit G, County-Owned Vehicle Specifications, or low-emission, gasoline-powered Service Vehicle with similar Contractor Service Vehicle specifications hereinafter referred to as "County Service Vehicle." The County Service Vehicle will replace Contractor Service Vehicle and may be leased to the Contractor at the rate of $1.00 per month. Upon receiving County Service Vehicle, Contractor shall be responsible for the operation and maintenance of the Service Vehicle, and for all costs for insurance, servicing, and storage.

In the event of a County Service Vehicle breakdown or the Service Vehicle is removed from Service, Contractor shall provide Contractor Service Vehicle to continue uninterrupted Service during all periods in which the County Service Vehicle is not available for Service.

c. Support Vehicles

Contractor shall provide all other vehicles necessary for adequate supervisory and maintenance support. These vehicles shall be in good operating condition and appearance.

d. Supplemental Service Vehicles

The Contract Manager may direct the Contractor to provide and operate additional Contractor Service Vehicle(s) for Service in the event demand for Service exceeds the capacity provided by Service Vehicle and/or in the event County Service Vehicle (if one is provided) is no longer operable. County shall approve the Service Vehicles prior to being placed into Service.

2. General Terms for Transit Vehicles

Contractor shall maintain all Service Vehicles, related accessories, equipment, and facilities required per this Contract in good order and in a condition satisfactory to Contract Manager. Upon request by Contract Manager, reports regarding Service Vehicles' condition, operation status, complaints, or other relevant information pertaining to Service shall be forwarded to Contract Manager. Contractor shall not seek additional compensation for any costs incurred to meet the requirements in this paragraph.

Contractor shall provide a spare Service Vehicle equipped with air conditioning and lift equipment in the event the assigned Service Vehicle(s) break down. The spare Service Vehicle should be similar in kind to Service Vehicle. The cost of the spare Service Vehicle shall be included in Contractor's actual overall Service operating costs. Contractor's equipment and facilities shall meet all requirements of applicable Federal, State, and local ordinances and laws including, but not limited to, the ADA.

Contractor shall acknowledge receipt, condition, and working order of one or more County Service Vehicles and equipment. This acknowledgement applies to any County Service Vehicle and equipment received at start of Service as well as those subsequently added to the fleet.

Contractor shall be prohibited from the sale, assignment, or sublease of County Service Vehicle or equipment. Contractor shall also be prohibited from using County Service Vehicle or equipment for any purpose other than providing Service as specified in this Contract. At contract termination, Contractor shall return and deliver County Service Vehicle, equipment, and all other peripheral equipment to County (date, time, and address to be specified by Contract Manager) with no deferred maintenance or damages with the exception of reasonable wear and tear.

Contract Manager may inspect Service Vehicle, equipment, and all other peripheral equipment prior to Contract termination to assess condition of Service Vehicle and equipment. Contractor shall be responsible to perform all the work necessary to correct any deficiencies noted. Contract Manager, at his own discretion, may withhold up to the final two months of Service payment until Contractor completes repair or deduct the cost of correcting the deficiencies from payment due to Contractor, if Contractor fails to perform the necessary work to correct the deficiencies.

The Contractor shall, at its sole expense, repair or replace any County-Owned Service Vehicle and/or equipment, which may be damaged or lost by reason of collision, fire, negligence, abuse, vandalism, or other like cause. If the equipment is to be replaced by the Contractor, it

shall be with a County-approved exact duplicate or as stipulated by the Contract Manager. In lieu of a replacement Service Vehicle or equipment, the County may accept, at the Contract Manager's sole option, insurance funds plus the Contractor's deductible or the County's Net Book Value of the Service Vehicle or equipment, whichever is greater. The Contractor shall pay the County the final sale price of the Service Vehicle for any total loss within the first 90 days that a new Service Vehicle is placed into service.

The County's Net Book Value of Service Vehicles shall be based upon the straight-line depreciation over the years of useful life, from the date of final sale through the date of loss (DOL), with a 10 percent salvage value. The beginning date of the depreciation to be used is the first date the new Service Vehicles are placed into service. The final sale price (excluding taxes, license fees, and documentation fees) of the new Service Vehicle(s) is to be used as the basis for depreciation. All payments shall be within 90 calendar days of DOL. Liquidated Damages may be assessed each month for claims unresolved after 120 calendar days.

3. Communication Equipment

The Contractor, in the performance of this Contract, shall comply with all laws and regulations, including any and all contained within the California Vehicle Code.

Contractor shall be aware of California Vehicle Code Section 23125, which has been revised in accordance with the Hang-Up-and-Drive Bill, adopted by the Legislature in 2006 and approved on September 15, 2006, by the Governor.

a. Contractor shall provide mobile phones or two-way radio communication equipment for all Service Vehicles utilized in Service. Contractor shall provide the necessary communication equipment for a base station and a sufficient number of "repeater stations" to permit uninterrupted communication between the dispatch center and Service Vehicles while in Service. Contractor shall be responsible for proper maintenance of said equipment on all Service Vehicles and shall comply with all applicable Federal statutes and regulations in connection with such use. Contractor shall be responsible for licensing of radio communication equipment. Citizen's Band communication equipment is not acceptable.

b. Internet Access and E-Mail

Contractor shall maintain Internet access and valid e-mail addresses throughout the duration of this Contract. Contractor

shall provide unique e-mail addresses for the Project Manager and the Maintenance Manager. Contractor shall provide County with these e-mail addresses as some communication, including the monthly reports, may be done through e-mail for convenience and timeliness.

c. Business Contact Telephone Number

Contractor shall provide County with a business contact telephone number that shall be answered by a live person during Service operation hours. The person answering the telephone shall be able to put Contract Manager, in contact with key management personnel in case of an emergency.

d. 24-Hour Contact

Contractor shall maintain a 24-hour emergency contact pager, cell phone, or management telephone tree. The Contractor's Project Manager or other manager must be able to return a call to Contract Manager within one hour after being requested, including during non-business hours. The Contractor's Project Manager must be able to address all operational issues in case of an emergency.

F. Storage and Maintenance Facilities

1. The County will not provide storage facilities for the Contractor.

2. Contractor shall provide appropriate fixed-Service Vehicle storage and maintenance facilities for the garaging, servicing, and cleaning of Service Vehicle and equipment. Facilities shall include:

a. An enclosed workspace sufficient to allow maintenance personnel to service vehicles and be protected from the weather.

b. A concrete shop floor capable of withstanding the maximum weight of Service Vehicles.

c. A security-fenced, paved, and lighted area for overnight Service Vehicle parking with adequate spaces for Service Vehicles.

d. A compressed air supply.

e. Tire-changing equipment.

f. Battery maintenance equipment and spare batteries.

g. Service Vehicle lubrication equipment.

h. All tools and equipment necessary to perform required preventive maintenance.

i. All tools and equipment necessary to service vehicles, perform component adjustments, and make mechanical repairs.

j. Facilities and equipment necessary to wash and clean Service Vehicles in accordance with this Contract.

k. Adequate secured storage area for tools, equipment, and parts.

l. A lighted maintenance pit or an appropriate OSHA or American National Standard Institute (ANSI) approved hydraulic lift capable of fully lifting the heaviest of Service Vehicles six feet above the floor for maintenance purposes.

m. Fueling facility and ability to provide liquefied petroleum gas (LPG) or compressed natural gas (CNG) if Service Vehicle specified and/or when County purchases new Service Vehicles.

G. <u>Service Vehicle and Equipment Maintenance</u>

1. Service Vehicle Condition

All Service Vehicles, Service Vehicle equipment, and any other equipment necessary to provide Service shall be maintained by Contractor to acceptable appearance standards and in good repair and condition satisfactory to Contract Manager and in accordance with manufacturers' recommended maintenance procedures as well as with applicable Federal and State regulations. Contractor shall maintain a "satisfactory" California Highway Patrol (CHP) terminal inspection rating throughout the life of this Contract. If Contractor receives a rating of "unsatisfactory" from the CHP, Contractor shall so notify Contract Manager immediately and outline steps that shall be taken to correct deficiency (ies). Failure of the Contractor to take the necessary actions to improve their Terminal inspection rating to a "satisfactory" rating within six months of receiving an "unsatisfactory" rating will be grounds for termination of the proposed contract. Contractor shall not seek additional compensation of any costs incurred to meet the requirements in this paragraph.

2. Warranty Work (County Service Vehicle Only)

Contract Manager will provide Contractor with the written manufacturer's warranty for County Service Vehicle. Contractor shall become County's designated warranty agent for County Service Vehicle. Contractor shall be responsible for ensuring that the vehicle manufacturers and all component manufacturers perform or reimburse Contractor for all work and parts that are covered under warranty. Contractor shall diligently

follow the preventive maintenance program so any warranty coverage of County Service Vehicle is not lessened or invalidated. Contractor shall not seek additional compensation for any costs incurred to meet the requirements in this paragraph.

3. Service Vehicle Appearance/Cleaning/Fumes

Contractor shall be responsible for maintaining the appearance of all Service Vehicles as described in Exhibit H, Avocado, Bassett, and West Valinda Shuttle Service Vehicle Appearance/Cleanliness Checklist. Contractor shall maintain an up-to-date record of all washings and major cleanings. The Checklist shall be made available to Contract Manager upon request. Contract Manager may remove a Service Vehicle from Service for unacceptable appearance.

a. Service Vehicle Interior

Contractor shall keep the interior of all Service Vehicles free of litter and debris to the maximum practicable extent throughout the operating day. Service Vehicles shall be swept, mopped ("wet mop" process only), and dusted daily. Water wash down or "hosing out" of Service Vehicle interiors shall not be allowed. A minimal amount of soap/cleaning solution and/or water shall be utilized. Interior panels, windows, and upholstery shall be cleaned of marks as necessary. The interior of all Service Vehicles shall be thoroughly washed at least once per week including all windows, seats, floor, stanchions, and grab rails. All foreign matter such as, gum, grease, dirt, and graffiti shall be removed from all interior surfaces during the daily interior cleaning process. Any damage to seat upholstery shall be repaired in a professional manner. Upon discovery of the damaged seat upholstery, Service Vehicle shall be immediately removed from revenue Service. Damaged seat upholstery shall be repaired or replaced before Service Vehicle is allowed back into revenue Service. Contractor shall replace seat covers and/or seat boards, which are worn or damaged and cannot be professionally repaired, using materials which are identical in specifications and color as those materials being repaired. Ceilings and walls shall be thoroughly cleaned as often as necessary to maintain a clean appearance and maximize visibility. Contractor shall ensure that the interiors of Service Vehicles are kept free of rodents, insects, vermin, and pests at all times while in operation and shall take such steps as are necessary, at Contractor's expense, to exterminate pests in the event that they occur in the Service Vehicles.

b. Service Vehicle Exterior

Exteriors of all Service Vehicles shall be washed every other day during dry conditions and every day during rainy conditions to maintain a clean, inviting appearance. Exterior washing shall include Service Vehicle body, all windows, and wheels. All rubber or vinyl exterior components such as tires, bumper fascia, fender skirts, and door edge guards shall be cleaned and treated with a preservative as necessary to maintain an attractive appearance. Contractor shall be responsible for maintaining and repair/replacement of the artwork on the exterior of the Service Vehicle.

c. Fumes

The interior passenger compartments of Service Vehicles shall be free of fumes from the engine, engine compartment, and exhaust system of Service Vehicles.

d. Graffiti

The County has a zero tolerance for graffiti. Any Service Vehicle that is vandalized with graffiti shall be removed from revenue Service. The Service Vehicle cannot be returned to Service until the graffiti has been completely removed by the Contractor.

4. Daily Pretrip and Posttrip Inspection and Servicing

Each Service Vehicle shall receive a daily pretrip and posttrip inspection by the Service Vehicle Operator prior to being placed in Service and after the Service Vehicle is taken out of service. Contractor's daily Pretrip and PostTrip Vehicle Inspection Report forms shall be submitted to Contract Manager in a format approved by Contract Manager. Daily pretrip and posttrip inspections shall be supplemented by regular weekly maintenance inspections to ensure safe and proper operating condition of Service Vehicles. Daily pretrip and posttrip inspections shall also include physical operation of the wheelchair lift or ramp to ensure ADA compliance. A record of all such inspections shall be kept by Contractor and be submitted to County as required herein.

Contractor shall perform daily Service Vehicle servicing on all Service Vehicles used in Service. Daily servicing shall include, but not be limited to, fueling, engine oil, coolant, water, and transmission fluid check/add; brake check; light and flasher check; interior sweeping and dusting; exterior and interior visual inspection; and checking of all Service Vehicle performance defects reported by drivers to identify potential safety and reliability items requiring immediate attention. Contractor shall document

the daily Service Vehicle servicing on the daily pretrip and posttrip Service Vehicle inspection report in written checklist format.

Each Service Vehicle Operator making an inspection shall be required to fill out an inspection report form and turn it in to the maintenance supervisor. Prior to next pullout, Contractor shall repair or replace any Service Vehicle that has defects and/or possesses a safety or operational problem.

5. Wheelchair Lifts and Ramps

Contractor shall inspect, maintain, and repair wheelchair lifts and ramps to assure safe and proper operation and to ensure ADA compliance. Wheelchair lifts and ramps shall be fully operational whenever a Service Vehicle is used in Service. It is unlawful to assign Service Vehicles to revenue Service with defective lift/ramp equipment on concurrent days without repairs having been made.

6. Destination Signs

Destination signs shall, at all times, be correctly set for Service being provided. When deadheading to/from yard location and other non-revenue moves, sign(s) shall indicate "Not in Service."

7. Maintenance Program

a. General Scope

Contractor, at its sole cost and expense, shall provide all fuel, lubricants, repairs, cleaning, parts, supplies, labor, maintenance, major components, and component rebuilding and replacement along with the necessary service facilities to provide the maintenance required for the operation of all equipment pursuant to this Contract. Contractor shall be fully responsible for the maintenance of all Service Vehicles, radios, passenger counters, destination signs, and all equipment to be used to perform this Contract in strict conformity to CHP regulations and orders. Contractor's duty and responsibility to maintain all Service Vehicles and equipment cannot be delegated to any other person, firm, or corporation without prior written approval of Contract Manager.

b. Parts/Fluids Specifications and Requirements

All parts, materials, tires, lubricants, fluids, oils, and procedures used by Contractor on all Service Vehicles and equipment shall meet or exceed original equipment manufacturer specifications and requirements.

c. Service Vehicle Damage

Contractor shall, at its expense, replace or repair immediately any damage resulting from an accident or otherwise, which would impair the proper and safe mechanical operation of the Service Vehicle. All other vehicle damage resulting from any accident, or otherwise, shall be repaired within two weeks or as otherwise required by Contract Manager, law, or regulation. If Contractor cannot complete the work within the time specified, Contractor shall notify Contract Manager in writing of the reason for the delay and the estimated completion date. Contract Manager, at his/her sole discretion, may extend the deadline. Contractor shall log and keep an accurate and up-to-date record of all Service Vehicle repairs.

d. Preventive Maintenance

Routine preventive maintenance and servicing is required on all Service Vehicles for Service at the recommended vehicle manufacturer's specifications, or as set forth by County. Routine preventive maintenance and servicing is required on all Service Vehicles for Service at the recommended vehicle manufacturer's specifications or as set forth by Contract Manager. Preventive Maintenance shall be performed per the Original Equipment Manufacturer (OEM) or per Exhibit L, Preventative Maintenance. Contract Manager will allow a window of plus or minus 500 miles for scheduled preventive maintenance as recommended by vehicle manufacturer's maintenance specifications. This window of plus or minus 500 miles cannot be added to successive maintenance intervals. For instance, if the vehicle manufacturer recommends maintenance at a 3,000 mile interval, then Contractor would be allowed to perform the preventive maintenance at 3,000 miles plus or minus 500 miles, 6,000 miles plus or minus 500 miles, etc.

All scheduled and preventive maintenance shall be completed in a timely manner, and Contractor shall keep all Work Order cards and a Preventive Maintenance Inspection Record on each Service Vehicle indicating the date each inspection took place, a description of all work done to the Service Vehicle, the parts and supplies used, employee I.D., and signatures of the mechanics who performed the work and the maintenance supervisor who inspected the work.

Adherence to preventive maintenance schedules shall not be regarded as reasonable cause for deferred maintenance in specific instances where Contractor's employees observe that maintenance is needed in advance of the schedule. Contractor shall not defer maintenance for reasons of shortage of maintenance staff, parts,

equipment, or operable Service Vehicles nor shall Service be interrupted due to lack of prior written consent to perform maintenance.

e. Brake Inspection/Adjustment

Brake inspections on air brake systems shall occur every 45 calendar days or more frequently in accordance with the number of miles the Service Vehicle was in operation since the prior inspection.

f. Heating, Venting, and Air Conditioning

The Heating, Venting, and Air Conditioning (HVAC) systems shall be maintained and used to ensure that the passenger compartment temperature is comfortably maintained under all climatic conditions at all times while Service Vehicles are in Service. Contractor shall maintain the HVAC systems in an operable condition at all times.

g. Spare Parts

Contractor shall establish and maintain an ongoing spare parts inventory sufficient to maintain Service Vehicles in operating condition at all times.

h. Service Vehicle Towing

In the event that towing of any Service Vehicle is required due to mechanical failure, damage, or any other reason, Contractor shall be responsible to provide such towing at Contractor's sole expense.

Contractor shall ensure that the requirements and procedures for towing vehicles are followed and that proper towing methods and equipment are used. Towing may be subcontracted; however, it is Contractor's responsibility to directly supervise the subcontractor.

8. In-Service Vehicle Breakdown

In the event of an In-Service Vehicle breakdown, the maximum response time for an ADA-compliant, substitute Service Vehicle to be made available for the patrons shall be 30 minutes.

Contract Manager reserves the right to establish additional criteria regarding reliability of response in the event of Service Vehicle breakdowns.

9. Service Vehicle Maintenance Record Keeping

Contractor shall maintain an up-to-date maintenance file for each Service Vehicle containing, at a minimum, the following information:

a. Make

b. Model

c. Serial Number/County Fleet Number

d. License Number

e. Date Received

f. Unit Repairs (mechanical)

g. Preventive Maintenance Inspection (PMI) Reports

h. Daily Pretrip and PostTrip Vehicle Inspection Reports

i. Work Orders

j. Warranty Work

k. Major Mechanical Repair/Unit Replacement

l. Body/Interior Repairs (cosmetic)

Contractor shall make available and submit the entire file to Contract Manager, the CHP, and/or other regulatory agency upon a request to do so at any time.

10. Applicable Vehicle Codes and Regulations

All Service Vehicles utilized in Service shall be maintained in a safe condition for operation on public streets and freeways and meet all the requirements in the California Vehicle Code for a bus. All parts of Service Vehicles and all equipment mounted on or in Service Vehicles shall conform to the California Vehicle Safety Standards and the California Administrative Code, Title 13. Contractor shall pay particular attention to the CHP Motor Carrier Safety Regulations. Each Service Vehicle is required to be inspected annually by Contract Manager and/or by CHP. Contract Manager shall be immediately notified of inspections performed by a governmental agency other than County. The results of inspections shall be provided to Contract Manager within 24 hours, and any applicable signed certification shall be displayed or carried on the Service Vehicles. Contractor shall expeditiously correct any deficiencies on any CHP vehicle inspection report and advise Contract Manager of same.

H. Rates and Compensation

1. County Service Vehicles

County will pay Contractor on a monthly basis an amount equal to the sum of i) the number of Service Vehicle Service hours provided with County Service Vehicles times the rate provided in Form PW-2, Schedule of Prices hereinafter referred to as "County Service Vehicle Rate;" less ii) all amounts collected from Farebox Revenue, less iii) any and all liquidated damages pursuant to this Exhibit, Section AA, Liquidated Damages. A Service Vehicle Service hour is defined as the actual hours of revenue Service starting from the point of first pickup to the last drop-off based on hours determined by County needed to provide Service described in Exhibit E, Service Route, Schedule, and Fare.

Unless otherwise provided for herein, County Service Vehicle Rate above shall cover all costs of Service provided by Contractor pursuant to this Exhibit.

2. Contractor Service Vehicles

County will pay Contractor on a monthly basis an amount equal to the sum of i) the number of Service Vehicle Service hours provided with Contractor Service Vehicles times the rate provided in Form PW-2, hereinafter referred to as "Contractor Service Vehicle Rate;" less ii) all amounts collected from Farebox Revenue, less iii) any and all liquidated damages pursuant to Exhibit A, Section AA, Liquidated Damages. A Service Vehicle Service hour is defined as the actual hours of revenue Service starting from the point of first pickup to the last drop-off based on hours determined by County needed to provide Service described in Exhibit E, Service Route, Schedule, and Fare,.

Unless otherwise provided for herein, Contractor Hourly Service Vehicle Rate shall cover all costs of Service provided by Contractor pursuant to this Scope of Work.

3. Fares and Revenue

a. The cash fare shall be 25 cents per trip for the general public. However, the following patrons shall be able to board free of charge:

- Seniors (60 years and older)
- Persons with disabilities or displaying a Los Angeles County Metropolitan Transportation Authority (Metro) disabled identification card

- Children under the age of five when traveling with an adult

The Service shall also accept Metro passes including EZ pass, the monthly, bi-monthly, weekly, and daily pass as a paid fare.

b. Any changes to the fares will be supplied by County to Contractor at least 10 business days before implementation of the revisions to allow for appropriate training of Contractor's personnel. Contractor shall perform such training.

c. Revenue

Contractor shall be responsible for the protection of the fare box revenues. All revenue generated by Service from fare box return and the sale of fare media shall be retained by Contractor and deducted on a monthly basis from the amount due to Contractor. The monthly revenue amount shall be reported in the monthly invoice to County and will be subject to County audit.

d. Financial Audit Settlement

If at any time during the term of this Contract, or at any time within three years after the expiration or termination of this Contract, authorized representatives of County, or of any other agency funding this Contract, may conduct an audit of the Contractor regarding the services provided to the County per terms of the agreement, and if such audit finds the County's dollar liability for such services is less than the payments made by the County to the Contractor, then the Contractor agrees that the difference shall be either: (1) repaid forthwith by the Contractor to the County by cash payment, or (2) at County's option, credited against any future payments hereunder due to the Contractor. If such audit finds that the County's dollar liability for services provided hereunder is more than payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payments, provided that, in no event, shall the County's maximum obligation for the Service, as set forth in this Contract, be exceeded.

4. Compensation Due to Force Majeure

In the event that the Contractor is precluded from starting this Service described herein for excusable reasons, the Contractor shall not receive compensation under this Service for the period of the excusable delay. If the excusable delay occurs following the start of the regularly scheduled Service, the Contractor shall be compensated as specified above.

I. Pass-Through Costs

County recognizes that there are items not covered under this Contract for which Contractor is not compensated under the aforementioned rate. County will allow Contractor to pass-through the amounts necessary to cover the following specific items only if Contract Manager has authorized the work in writing prior to Contractor's initiation of work for the item. Contract Manager shall approve all cost estimates to be eligible for pass-through. Claims for payment of pass-through costs shall include all supporting documentation of costs, approvals, and copies of vendor invoices.

1. Engines/Transmissions/Differential Units (County Service Vehicles Only)

County recognizes that during the term of this Contract, engines, transmissions, and/or differential units of County Service Vehicles, which are no longer under warranty, may have to be rebuilt or replaced. If the Contractor determines that an engine, transmission, and/or differential unit requires rebuilding or replacement, the Contractor shall notify the Contract Manager immediately after making such determination and, subsequently, in writing, detailing the reason for such a determination. After inspection by the Contract Manager, the Contract Manager may direct the Contractor in writing to proceed with work for the direct part repair expenses and not for labor costs associated with the removal or installation of the part(s). Labor costs associated with the removal and replacement of engines, transmissions, and differential units, including associated replacement of attachment devices, gaskets, seals, etc., are the responsibility of the Contractor and are not eligible for reimbursement.

Please note that costs associated with the damage to engines, transmissions, and/or differential units that the Contract Manager determines were caused or attributed to because of the negligence or lack of action (including timely preventive maintenance and warranty lapses) will not be eligible for pass-through costs to cover the required repair(s).

2. Air Conditioning

County recognizes that during the term of this Contract, the air conditioning compressors used in County Service Vehicles equipped with air conditioning systems utilizing refrigerant, may be prone to failure. If the Contractor determines that an air conditioning compressor, and/or compressor clutch unit, requires replacement due to operational failure of said compressor, the Contractor shall notify the Contract Manager immediately after making such determination and, subsequently, in writing, detailing the reasons for such a determination. After inspection by the Contract Manager, the Contract Manager may direct the Contractor in writing to proceed with the recommended work for the direct part repair expenses and not for labor costs associated with the removal or

installation of the part(s). Labor costs associated with the removal and installation of the air conditioning compressor/clutch unit, filter and refrigerant (in addition to part repairs) are the responsibility of the Contractor and are not eligible for reimbursement.

Contractor should note that repair costs associated with the damage to the air conditioning compressors and or compressor clutch unit that the Contract Manager determines were caused by, attributed to, or because of the negligence or lack of action (including timely preventive maintenance and warranty lapses) by the Contractor will not be eligible for pass-through costs to cover the required repair(s).

3. Service Vehicle Repaint/Graphics

   a. County may request a new graphics and/or decaling on Contractor Service Vehicles.

   b. Should a County Service Vehicle require a complete exterior repaint and/or decaling due to normal wear and tear as determined by Contractor, Contractor shall notify Contract Manager in writing detailing the reasons for such a determination. After inspection by Contract Manager, Contract Manager may direct Contractor in writing to proceed with the work. Contractor will only be permitted to pass through to County costs relating to the actual repaint, lettering, and decaling work. All costs associated with Service Vehicle body repair, due to an accident, in order to restore the Service Vehicle to County specifications, shall be the responsibility of Contractor. Contractor will be permitted to pass through painting and decaling costs resulted from County Service Vehicles changing Services, such as new color schemes and decals reflecting new Service names and phone numbers. Contractor will not be allowed to pass through costs for painting and decaling work required for repairing blemishes that occurred before Contractor received the Service Vehicles. Such blemishes shall be noted during pre-acceptance inspections so that Contract Manager can work with the prior Service provider to correct them. All work related to the pass-through costs shall be approved, in writing, by Contract Manager before Contractor commences work.

4. Rehabilitation of County Service Vehicles

   If Contractor believes that a County Service Vehicle may require complete mechanical overhaul, and/or rehabilitation, that is not covered by the Service Vehicle's warranty, Contractor shall notify Contract Manager in writing in order to ensure that County's specifications shall be met. In such instances, Contract Manager will inspect Service Vehicle and make determination of work to be accomplished. Contractor shall then obtain

the services of a known and qualified facility equipped to perform the task necessary as part of Contract Manager's assessment. The facility shall employ "certified" mechanics, welding, refrigeration, brakes, personnel, etc., to perform necessary work. Contract Manager will reserve the right to inspect and approve the facility where the work shall be performed. Contract Manager will have the right to perform preproduction, on-time, pre-delivery, post-delivery, conditional acceptance, and final acceptance inspections on the Service Vehicle.

After completion of overhaul and/or rehabilitation of Service Vehicle, Contractor shall invoice County for such work along with all necessary and required documentation as determined by Contract Manager. Contractor shall withhold between 5 to 10 percent of the amount due the selected facility for the approved work until Contract Manager's final acceptance of Service Vehicle. Final acceptance will be made after the Service Vehicle has reentered revenue Service for a reasonable time frame or reasonable mileage.

Contractor and Contract Manager shall agree to the percent of withholding fee and time period applicable in each instance. County will withhold the applicable percentage from the amount due to Contractor until the Service Vehicle passes the testing period. Contractor shall invoice County for any remaining balance after Contract Manager's final acceptance of Service Vehicle. Subject to final acceptance and approval by Contract Manager, payment will normally be made within 30 calendar days of approval.

5. Other Pass-Through Repairs

County recognizes that during the term of this Contract, there may be needed repairs or modifications to Service Vehicles that are beyond the control of Contractor and have not been identified in the above. In order to be eligible for pass-through costs for items not specifically mentioned above, Contractor shall present the required scope of repairs to the Contract Manager. Contractor shall obtain Contract Manager's approval of the scope of repairs in writing prior to any repair work commencing. Claims for payment of pass-through costs shall include all supporting documentation of costs, approvals, and copies of applicable invoices.

J. <u>Monitoring and Auditing Service</u>

1. Monitoring Service

In order to document Service, Contractor shall maintain all Service records as requested by County and as required for good business practices. Contractor shall monitor Service, schedules, and ridership in a method approved by County. Based on this monitoring, Contractor shall indicate the need to maintain, reduce, or increase the frequency of operations.

County will have the right to have authorized County personnel board, at no cost to County, all Service Vehicles utilized by Contractor in the performance of Service for the purpose of monitoring Service.

2. Auditing and Inspection of Service

Contractor shall permit authorized representative(s) of County to examine all data and records related to Service or Contractor's operation of any similar Service upon request by County and approval by the other jurisdiction. All Service records prepared by Contractor shall be owned by County and be made available to County at no additional charge.

Additional documentation of Service may be provided through passenger surveys. These surveys may be administered by authorized representatives of County or by Contractor if so requested by Contract Manager. It shall be the responsibility of Contractor to ensure the cooperation of all personnel with any operational procedures pertaining to survey work, including the distribution of survey questionnaires, etc.

County or any person authorized by County will at all times have access and the right to inspect Contractor's equipment and facilities utilized in the performance of this Contract.

K. Personnel

Contractor shall be solely responsible for the satisfactory work performance of all employees providing Service and shall be solely responsible for payments of all employees and/or subcontractor wages and benefits. Without any additional expense to County, Contractor shall comply with all the requirements of employee liability, workers' compensation, employment insurance, and social security.

Contractor shall hold County, County's Board and each member thereof, and every officer, agent, and employee free and harmless from any and all liability, damages, claims, costs, and expenses of any nature arising from Contractor's alleged violations of personnel practices. County will have the right to demand removal from the Service, for reasonable cause, any personnel furnished by Contractor. Contractor shall not, absent prior written notice to and consent by County, remove or reassign any of the key management personnel such as the Project Manager or Maintenance Manager, as described below, at anytime prior to or after execution of this Contract.

Contractor shall train all personnel who are likely to be in contact with the public to give courteous, accurate information concerning the routes and schedules of Service and concerning Service interfacing with other transit services in the vicinity. Contractor shall require that all personnel report all passenger complaints and/or operation problems to the Project Manager, as described below. Contractor shall maintain a daily diary (log) for this purpose that shall be

subject to inspection by County. Upon notice from County concerning the conduct, demeanor, or appearance of any person in the employment of Contractor not conforming to the provisions contained herein, Contractor shall take all steps necessary to remove or alleviate the cause of the objection.

1. Project Manager

   Contractor shall designate a Project Manager whose responsibility shall be to oversee the day-to-day operations of Service. Project Manager shall have full authority to act for Contractor and shall be reachable via office telephone or cell phone during the hours of Service. The Contractor's Project Manager shall have at least three years experience in the provision of fixed-route service with a fleet size of at least two Service Vehicles.

2. Road Supervisor

   Contractor shall employ a minimum of one road supervisor who shall be reachable by Project Manager via office telephone or cell phone during the hours of Service.

3. Office Personnel

   Contractor shall employ personnel during Service hours to answer inquiries and respond to complaints from Contract Manager and the public regarding the Service. Office personnel shall have an e-mail address and access to a computer during Service hours. Furthermore, office personnel shall be able to use Microsoft Word and Excel software. Contract Manager may, at his/her discretion, ask questions about the operation, maintenance, complaints, or status of Service Vehicles, etc., via e-mail. Office personnel shall be able to research Contract Manager's questions with his/her superiors and respond to Contract Manager via e-mail.

4. Service Vehicle Operators

   Contractor shall employ a sufficient number of properly licensed and qualified personnel to operate Service Vehicles and equipment and to provide the Service. Contractor shall be responsible for the recruitment, selection, controlled substance and alcohol testing, screening, training, scheduling, supervision, discipline, termination, and all other functions with regard to Service Vehicle Operators. Service operators' wages and work hours shall be in accordance with Federal, State, and local regulations affecting such employment.

   a. Operator Recruitment and Selection

      Contractor shall review a current California Department of Motor Vehicles (DMV) report on all applicants who would operate Service

Vehicles and shall reject any applicant who failed to appear in court for "Driving Under the Influence." Contractor shall perform a background check on all applicants for Service Vehicle Operator and shall reject any applicant who has been convicted of any felony charge, which would affect the applicant's ability to perform as a Service Vehicle Operator.

Contractor shall check California DMV records (Pull Notice Program) at least every six months, beginning at the start of Service, for accidents, Vehicle Code violations, and valid driver's licenses of those employees whose job requires them to operate Service Vehicles. Contractor shall notify County within five business days of the results of said checks and corrective actions taken, if any.

Contractor shall join the Pull Notice Program, whereby Contractor shall be notified of any activity on a transit vehicle operator's driving record. Any operator exceeding the California DMV point system, or with a revoked or suspended license, shall not be allowed to operate a Service Vehicle.

b. Operator Requirements

Contractor shall require and be responsible for each Service Vehicle Operator in meeting the following requirements. All Service Vehicle Operators shall:

1) Have a valid California Class B driver's license and a medical examination certificate as well as any other licenses required by applicable Federal, State, and local regulations. A Service Vehicle Operator who does not pass the medical examination shall not be permitted to operate a Service Vehicle.

2) Assist passengers confined to wheelchairs in boarding Service Vehicles, assist with tie-downs, and assist with securing lap belts if requested by the passenger.

3) Be in uniform acceptable to County. Uniform shall include either shirt/blouse or Polo-type top with collar and slacks or Bermuda-type walking shorts. Coats and sweaters may be worn and shall match the uniform.

4) Assist passengers who have difficulty negotiating the steps or ramp of the Service Vehicle. Service Vehicle Operators shall make the lift or ramp available to passengers if requested.

5) Be available and on time daily to ensure consistent and reliable Service.

6) Carry current certification of cardiopulmonary resuscitation and first-aid training at all times during Service Vehicle operations.

c. Operator Training

Contractor shall be responsible for all Service Vehicle Operator training. Contractor training programs shall be conducted by a "certified" instructor and meet all Federal, State, and local standards. At a minimum, the program shall include the following:

1) Proper operation of the Service Vehicle to be used in Service including defensive driving and Service Vehicle handling. Proper operation of destination signs, lifts and ramps, communication equipment, and other equipment to be used on Service Vehicles.

2) California DMV regulations and company policies.

3) Service routes, schedules, fare structure, and transit services in the vicinity.

4) Accident and emergency procedures and reports.

5) Public courtesy and empathy towards the needs of elderly and persons with disabilities.

6) Training in special skills required to provide transportation to the elderly and people with disabilities.

7) American Red Cross or County-approved equivalent training for cardiopulmonary resuscitation and first aid.

8) Regular and continuous formal safety instruction for all operating personnel assigned to perform any activities under this Contract. Personnel shall be required to attend scheduled safety meetings at least four times per year.

5. Maintenance Personnel

Contractor shall supply a sufficient number of properly qualified and "certified" personnel to maintain and service all Service Vehicles for Service. Contractor shall be responsible for the recruitment, screening, testing, selection, training, scheduling, supervision, discipline, termination, and all other functions with regard to the maintenance personnel. Wages

and work hours shall be in accordance with Federal, State, and local regulations (including the County's Living Wage Ordinance) affecting such employment.

The Contractor's Maintenance Manager must be Automotive Service Excellence certified Medium/Heavy-duty Truck Series or School Bus Services Master Technician, and must have at least three years of experience in maintaining a similar fleet of transit vehicles, including two years supervising maintenance activities on a similar fleet.

a. Maintenance personnel shall have thorough knowledge of:

   1) Service Vehicle engines, automatic transmissions, and related mechanical devices.

   2) Methods and procedures used in servicing mechanical equipment.

   3) Service Vehicle chassis and bodies.

   4) Tools, precision instruments, equipment, and procedures used in the general repair and maintenance of Service Vehicle equipment.

   5) Decimals, fractions, and specific math related to Service Vehicle mechanics, electrical schematics, and pneumatic system as used in diagnosis of problems.

   6) Specialized areas, such as painting, upholstering, brake relining, air conditioning, and maintenance of wheelchair lifts and ramps.

   7) Service Vehicle electronics.

b. Maintenance personnel shall be able to:

   1) Inspect and repair Service Vehicle engines, transmissions, and other parts.

   2) Diagnose Service Vehicle engine, transmission, and electrical system problems.

c. Mechanic Recruitment, Selection, and Supervision

   Contractor shall ensure that any mechanics working on the air-conditioning units are properly qualified (certified) and supervised by a mechanic having a minimum of two years of

experience in transit vehicle air-conditioning diagnosis, service, and repair.

d. Mechanic Training

Contractor shall ensure all mechanics are properly trained and certified in the operation and maintenance of the Service Vehicles and equipment specified for Service. Contractor shall provide mechanics with ongoing training in order to keep certifications current and to keep abreast of new maintenance techniques and equipment. Contractor shall be responsible for providing personnel for effective maintenance of Service Vehicles used in the performance of this Contract.

L. Marketing and Advertising

County will routinely provide marketing, public relations, and advertising materials. Contractor shall install such materials on the Service Vehicles as requested by County and shall distribute literature on Service Vehicles as requested by County. The posting of Service-related notices shall be subject to prior approval by the Contract Manager.

Contractor shall not place inside or outside any Service Vehicle any form of advertising unless directly authorized by Contract Manager. The terms and conditions of such advertising shall be subject to approval by Contract Manager. Proceeds of any advertisement shall be remitted to County.

M. Operating Performance Standards

1. Service Vehicles

Contractor shall operate Service Vehicles with due regard for the safety, comfort, and convenience of passengers and the general public.

2. Service

Contractor shall provide Service as scheduled or according to any adjusted schedule established by County, including route modifications required as a result of a declared emergency. Contractor shall strive to maintain on-time performance.

Contractor shall strive at all times to provide Service in a manner that shall maximize productivity and at the same time maximize Customer Service. Recognizing that the goals of productivity and Customer Service may conflict, the following standards are intended to be reasonably attainable by Contractor, fair to the customer, and consistent with County expectations:

a. On-Time Service

Service shall be provided as scheduled or according to any adjusted schedule established by County, including route modifications required as a result of a declared emergency.

However, Contractor shall not be held responsible for the failure to provide on-time Service due to extraordinary weather or traffic conditions, Service Vehicle malfunctions that are clearly beyond Contractor's control, naturally occurring disasters, or other reasonably unpredictable situations, if sufficient documentation is provided to County in a timely basis.

b. Road Calls

In the event of a Service Vehicle failure, Contractor shall immediately deploy a spare Service Vehicle to transport the passengers who were aboard the failed Service Vehicle.

c. Complaints

Complaints shall be resolved by Contractor as soon as possible, but no later than two working days after their receipt. In the event that Contractor receives a complaint, Contractor shall notify Contract Manager within one working day regarding the nature of the complaint received and within three working days of the complaint's resolution.

d. Service Vehicles

If Contractor has knowledge that any Service Vehicle herein described will be non-operational at any time during the Service, Contractor shall notify Contract Manager and Contractor shall arrange for substitute equipment as approved by Contract Manager. Contractor shall furnish a substitute Service Vehicle subject to all the conditions of this Contract.

N. Operation During a Declared Emergency

Upon declaration of any emergency by appropriate government representatives, County Sheriff is responsible for a number of transportation-related activities, including the development of emergency travel routes and the coordination with other agencies supplying common carrier services. In the event of a declared emergency, Contractor shall cooperate with and deploy Service Vehicles in a manner described by County Sheriff or local police. Contractor shall notify Contract Manager the same business day of the request to alter the deployment of Service Vehicles.

O. Service Records and Reports

1. General Requirements

Contractor shall maintain separate complete and accurate books, records, and reports that relate to Service and as required herein.

Contractor shall retain all records relating to this Contract for a minimum period of three years following expiration or termination hereof unless otherwise provided for herein. All such records shall be available for inspection by designated auditors of County and the State of California at reasonable times during normal working hours.

Contractor shall maintain and make available to County, and/or appropriate State agencies, records pertaining to said Service in accordance with the State Uniform System of Accounts.

2. Service Operation Reports

These reports provide documentation of daily operations and will serve as a database to monitor and evaluate productivity of Service, its requirements, and methods. These reports shall be submitted to County according to the established reporting schedule. Operational reports shall include, but are not limited to, the categories described below. Contractor shall prepare a format for each of the reports described below and submit the format to County for approval. Contractor shall be responsible for maintaining an adequate supply of each report form, including the preparation of all necessary copies.

a. Trip Reports

Contractor shall require each Service Vehicle Operator of each Service Vehicle to prepare a daily report on a form, approved by County, indicating: vehicle fleet number; mileage ("begin" and "end" odometer); the number of passengers boarding each Service Vehicle; the amount of revenue collected; the amount of passengers boarding with cash fare; and the amount of passengers boarding with transit passes. The report shall be compiled for the period of a month and shall include a summary thereof. The summary shall indicate any trips that departed early or late in a format approved by County. Contractor shall submit the report no later than the 15th day of the following month.

b. Service Reports

Contractor shall submit to County a report indicating the actual number of Service hours, Service miles, total Service Vehicle hours, and total Service Vehicle miles operated. Such information

shall be for each route and shall be compiled on a daily basis for the period of a month and shall include a summary thereof. The report shall be submitted no later than the 15th day of the following month and shall be made in a format approved by County.

c. Daily Pre-trip Service Vehicle Inspection Reports

Contractor shall cause each driver of each Service Vehicle to perform a daily pre-trip Service Vehicle inspection and daily Service Vehicle servicing, as required herein and such inspection and servicing shall be documented on a report that shall be completed and signed by each Service Vehicle Operator assigned to a Service Vehicle each day. A report of the weekly maintenance inspections, which supplement the daily pre-trip inspections, shall be kept by Contractor, and a copy shall be submitted to County no later than the 15th day of the following month. The Daily Pre-trip Vehicle Inspection Reports shall be retained on file by Contractor for a minimum of two years.

d. Missed Trip Report

A summary report of missed trips for the month shall be submitted. The explanation for the missed trip(s) should be specified along with the dates and times, the Service Vehicle and trip number, and the affected total revenue hours.

e. CHP Reports

Contractor shall provide County with copies of all CHP inspection reports within 24 hours of receipt.

f. Operational Problems and Passenger Complaint Reports

The Project Manager shall document operational problems or passenger complaints and describe any action taken regarding these problems. Copies of said documentation shall be submitted to County by the working day following identification of the operational problem or receipt of such passenger complaint. Contractor shall submit to County a summary of problems and complaints no later than the 15th day of the following month.

Any unlawful or unusual problems or complaints, including any related to safety or serious operational deficiencies, shall be reported by phone to County immediately. Contractor shall submit to County a written report describing the problems or complaints and action taken by the working day following identification of such problems or complaints.

g. Accident/Incident Data Reports

Contractor shall submit a monthly summary report of all accidents (collision and non-collision) involving Service Vehicles. The monthly summary shall include the date, Service Vehicle number, location, operator, and accident description including any damage and/or injuries. The monthly summary shall also include cumulative accident data that indicates the number of accidents per 100,000 Service Vehicle miles. Contractor shall notify County within 24 hours of any of the following accidents/incidents:

1) Collisions between a Service Vehicle and another vehicle, person, and/or object.

2) Passenger accidents including falls while passengers are entering, occupying, or exiting the Service Vehicle.

3) Passenger disturbances, assaults, and deaths.

4) Any accidents witnessed by Contractor's Service Vehicle Operator(s).

5) Vandalism to Service Vehicle.

6) Passenger complaints of injury or property damage or other circumstances likely to result in the filing of claims against Contractor and/or County.

7) Any passenger, driver, supervisor, or Service complaint that arises from an accident. If the accident/incident involves injuries or extensive property damage, Contract Manager shall be notified immediately (regardless of hour or day).

h. National Transit Database Reports

At the County's sole discretion, the Contractor may be required to collect and provide National Transit Database (NTD) data/reports electronically to both the County and the Los Angeles County Metropolitan Transportation Authority (Metro). The Contractor is responsible to prepare and submit the following NTD data/reports:

1) Monthly Passenger/Mile Sampling: Based on Metro's monthly selection of bus stop locations, the Contractor shall collect and provide the required data no later than the 27th day of the following month.

2) Form MR20 (Exhibit I): Contractor shall prepare and submit this completed form on a monthly basis no later than the 25th day of the following month.

3) Annual NTD Reports: Contractor shall prepare and submit an annual NTD report in accordance with the Federal Transit Administration NTD Guidelines, as amended, no later than 30 days after the end of each fiscal year. Contractor shall also attend the annual NTD Reporting Workshop offered by Metro.

   For further information on how to obtain NTD reporting forms and reference documents, Contractor shall contact Metro at (213) 922-2810. Contractor shall certify that the data is accurate and shall develop an auditing procedure acceptable to County, for the annual report. Contractor shall maintain and make available to County, and/or appropriate agencies, records and backup information pertaining to the annual NTD reporting that are submitted for a minimum period of three years.

i. Financial Records

Contractor shall establish and maintain, within a separate account, all Service revenue and expenditures and any other relevant financial records or documents.

j. Maintenance Records and Reports

At County's request, Contractor shall provide County the following reports:

1) Preventive Maintenance Inspection Reports

   Reports shall include the Service Vehicle fleet number, the Service Vehicle identification number (VIN) and license number, a description/detail of the maintenance performed, when maintenance was completed, and if maintenance was done on time as required by Service Vehicle manufacturer's and/or County recommendations. Daily "Vehicle Condition" reports shall be submitted to County upon request. Contractor shall retain the PMI Reports on file for a minimum of two years after Contract expiration/termination.

2) Road Call Performance Report

   A road call is defined as any time a repair is required in the field on a Service Vehicle or a Service Vehicle exchange is

made, whether or not it resulted in a loss of time. A report of road calls shall include the fleet number, VIN, mileage, time, location of incident, route, direction of travel, why, and what was done to fix the problem.

3) Service Vehicle Downtime Report

Report shall include details of which Service Vehicle(s) were down, how long, and the cause.

4) Mechanical Defect Reports

Contractor shall submit a monthly summary of all Service Vehicle mechanical problems including Service Vehicle number, odometer reading, dates/times out of Service, summary of problem, and corrective action taken.

5) Narrative Report

Report shall detail what occurred during the reporting period and analysis of any trends.

Contractor shall maintain an individual file for each Service Vehicle. All such records and reports shall be prepared and maintained in such a manner so as to fulfill any applicable Federal, State, and CHP requirements as well as any needs of County to enable it to accurately evaluate Contractor's maintenance performance and the operating expense associated with Service Vehicles and equipment.

P. Controlled Substance and Alcohol Testing

Contractor shall implement, as a minimum, the Controlled Substance and Alcohol Testing Program as specified in Exhibit J, Controlled Substance and Alcohol Testing Program as may be required by rules and regulations issued by the United States Department of Transportation and described in Title 49, Code of Federal Regulations (CFR), Part 655, "Prevention of Alcohol Misuse and Prohibited Drug use in Transit Operations," dated October 1, 2003, or as subsequently amended. Contractor's policies may supersede policies specified in Exhibit J, Controlled Substance and Alcohol Testing Program only when they can be shown to Contract Manager's satisfaction to be more stringent than those policies shown in Exhibit J, Controlled Substance and Alcohol Testing Program. County will not indemnify Contractor for disciplinary actions imposed that exceed those specified in Exhibit J, Controlled Substance and Alcohol Testing Program.

Contractor shall report results of the random testing and other associated tests to County on a quarterly basis on the form shown in Exhibit J, Controlled Substance

and Alcohol Testing Program. Such reports shall be submitted to County within 15 calendar days after the end of the quarter.

Q. Special Safety Requirements

Subsequent to the events of September 11, 2001, safety and antiterrorist preparations on public transit systems have become a much greater concern than in prior years. It is critical to integrate security throughout every aspect of County's public transit programs, operations, and infrastructure. Accordingly, the Contractor is required to submit a written Security Plan that shall be followed should the Proposer be awarded this service.

The details of the Contractor's Transit Security Plan will be negotiated with Contract Manager to ensure that the County's needs are adequately addressed.

Based on the Homeland Security Presidential Directive-3 as shown in Exhibit K.1, Transit Security Plan, Homeland Security Presidential Directive, the Federal government has implemented a color code warning system that will alert the public to the anticipated level of terrorist threat should they be aware of such a situation. Additionally, the Federal Transit Administration (FTA), in response to the Office of Homeland Security, has undertaken a series of major steps to help prepare the transit industry to counter terrorist threats by providing direct assistance to transit agencies throughout various on-site programs. FTA's website (http://transit-safety.volpe.dot.gov) contains the background of this program and information to assist transit agencies in developing their security plans.

The plan must meet the FTA's Safety and Security requirements as indicated in Exhibit K.2, Transit Security Plan, Top 20 Security Program Action Items for Transit Agencies, which is copied from the FTA website at www.tsa.gov/assets/pdf/mass_transit_action_items.pdf.

The Contractor is also encouraged to refer to Exhibit K.3, Transit Security Plan, Federal Transit Administration Transit Threat Level Response Recommendation. This Exhibit K.3 was copied from the American Public Transportation Association's website at http://www.apta.com/services/security/threat_level.cfm and it describes specific transit industry protective measures that the Homeland Security Advisory System has developed for public transit agencies to consider implementing at each color code warning level.

The details of the Contractor's Transit Security Plan will be negotiated with Contract Manager to ensure that the County's needs are adequately addressed.

All Contractor operators shall be expected to observe all applicable State of California Occupational Safety and Health Administration (Cal/OSHA) and Public Works' safety requirements. Suitable clothing, gloves, and shoes that meet Cal/OSHA requirements are required.

R. Responsibilities of the Contractor

Contractor shall operate service subject only to the general policies and direction of County with regard to management and operations and to the provisions and requirements of this Exhibit. Contractor shall do all things including, but not limited to, providing executive and administrative management; employment and supervision of all personnel, including supervisors, Service Vehicle Operators, dispatchers, mechanics, and other maintenance personnel; operation of training and safety programs; maintenance and repair of Service Vehicles and equipment; processing of warranty claims for County's Service Vehicles; assisting in public relations and promotions; preparation of reports and analysis of financial and other matters; clerical, statistical, and bookkeeping services; and providing all Service Vehicle Operators, facilities, equipment, parts, and supplies required in the operation of service unless specifically identified to be contributed by County.

S. Responsibilities of Public Works

The County will determine the need for, and provide, jobsite inspection. Contract Manager may inspect Service Vehicles, equipment, and all other peripheral equipment prior to Contract termination to assess condition of Service Vehicles and equipment. Contractor shall be responsible to perform all the work necessary to correct any deficiencies noted. Contract Manager may withhold up to the final two months of Service payment until repair is completed by Contractor or deduct the cost of correcting the deficiencies from payment due to Contractor, if Contractor fails to perform the necessary work to correct the deficiencies.

T. Project Safety Official

The Contractor shall designate in writing a Project Safety Official who shall be thoroughly familiar with the Contractor's Injury and Illness Prevention Program and Code of Safe Practices. The Contractor's Project Safety Official shall be available at all times to abate any potential safety hazards and shall have the authority and responsibility to shutdown an operation, if necessary. Failure by the Contractor to provide the required Project Safety Official shall be grounds for the County to direct the cessation of all work activities and operations at no cost to the County until such time as the Contractor is in compliance.

U. Force Majeure

Contractor shall not be charged, nor shall County demand from the Contractor damages because of failure in providing Service due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor. Such causes of excusable delay may include acts of Federal and/or State governments, acts of County, or anyone employed by it, fires, floods, storms, strikes, and public road closures, but in every case the delay is excusable only for so long as, and to the extent that, the excusable delay continues.

In the event that the Contractor is unable to provide Service indicated due to any cause, it shall make a reasonable attempt to so notify the public patronizing Service.

Whenever the Contractor has notice or knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of Service, the Contractor shall immediately give notice to Contract Manager and confirm by written notice thereof, including all written information with respect thereto. The Contractor shall consult with County to determine the best method or course of action to alleviate or avoid any such delay and shall take such action thereafter in this matter as directed by County.

V. Removal of Debris

All debris derived from these services shall be removed from Public Works property and become the property of the Contractor. The Contractor shall dispose of all debris from these services in a legally established area appropriate for type of debris being disposed. Disposal shall be at the Contractor's expense. The Contractor shall not allow any debris from its operations under this Contract to be deposited in the storm drains and/or gutters in violation of the National Pollutant Discharge Elimination System.

W. Funding

The County's obligations under this Contract are contingent upon the County's ability to obtain funds from Metro necessary to finance the operating costs of this agreement and the availability of funds in this, and subsequent fiscal year budgets, to finance operating and capital costs.

The County may utilize local sales tax funds obtained pursuant to Ordinance No. 16 (1980 Proposition A) of Metro, or other sources of funds approved by Metro for the funding of Service described herein. The Contractor agrees to be bound by applicable provisions of the Ordinance and regulations of Metro pertaining to the approved funding source.

The County may also apply for and utilize FTA funds for the funding of the Service described herein. The Contractor agrees to be bound by all applicable FTA regulations and requirements in regard to FTA funds.

X. NonConflict With Local, State, and Federal Laws

Nothing herein shall be in conflict with or modify the Contractor's obligation to comply with the requirements of local, State, and Federal laws, such as FTA, ADA, DOT, or other applicable laws, rules, regulations, directives, or ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference.

Y. Permits/Licenses/Certifications

The Contractor shall be fully responsible for possessing or obtaining any required permits/licenses from the appropriate Federal, State, or local authorities for work to be accomplished under this Contract.

Within six months of the start of this Contract, the Contractor's Maintenance Manager shall obtain National Institute for Automotive Service Excellence (ASE) Certification in the T-8 Preventative Maintenance Inspection (Medium/Heavy Truck) aspect. The Contractor's Maintenance Manager shall maintain his/her ASE Certification throughout the term of this Contract.

Z. Utilities

The County will not provide utilities.

AA. Liquidated Damages

It is mutually understood and agreed that Contractor's failure to meet operating performance standards will result in damages being sustained by County. It is also understood and agreed that the nature and amount of the damages will be extremely difficult and impractical to repair, that the liquidated damages set forth herein are the nearest and most exact measure of damages for such breach that can be fixed at this time, and that the liquidated damages are not intended as a penalty or forfeiture for Contractor's breach. Contract Manager may either deduct any assessed liquidated damages from any payments otherwise due Contractor or invoice Contractor for any said liquidated damages.

The Contractor shall pay Public Works, or Public Works may withhold and deduct from monies due the Contractor, liquidated damages in the following sums if the Contractor fails to complete work within the time specified unless otherwise provided in this Contract.

1. Permanent Service Vehicles

The County and the Contractor hereby establish the unit price of $100 per Service Vehicle per day of operation or service day (Monday through Saturday, except holidays) as liquidated damages, for each and every day of delay in completing the delivery of permanent Service Vehicles by the Contractor. The above conditions may be invoked if the delivery exceeds the specified delivery date of nine months from date of award or as indicated in the Contractor's proposal, whichever is greater.

Should the Contractor be obstructed or delayed in obtaining the Service Vehicles because of changes in the work or by any default, act, or omission of the County, or inability to obtain materials, equipment, or labor due to Federal government restrictions arising out of the defense or war program, then the time of completion may be extended for such as may be

agreed upon by the County or Contractor. If there is insufficient time to grant such extensions prior to completion date of this Contract, the County may, at the time of acceptance of work waive liquidated damages, which may be accrued for failure to complete on time, due to any of the above, after hearing evidence as to the reasons for such delay and making a finding as to the cause of same.

2. On-Time Performance

In the event that the Contractor fails to meet any on-time performance standard, as specified in Exhibit E, Service Route, Schedule, and Fare, it is agreed that the County may, at its sole discretion, assess against the Contractor liquidated damages in the amount of $500 per incident, up to a maximum of $5,000 per month, if any of the following incidents listed below occur after two prior substantiated incidents during a 60-day period:

a. A Service trip departs in advance of schedule departure time at any designated time point, liquidated damages of $500 per occurrence will be assessed.

b. A Service trip departs more than five minutes following the time set forth for departure at any designated time point, liquidated damages of $500 per occurrence will be assessed.

c. A Service trip arrives at a timed stop five minutes before the next departure, liquidated damages of $500 per occurrence will be assessed.

3. Service Vehicles Not Available

If specified number of regular Service Vehicles, not including backup, are not in service, the liquidated damages will be $100 per Service Vehicle per hour, up to a maximum of $1,000 per Service Vehicle per day.

4. Excessive Complaints

In the event of any valid passenger's complaint, the liquidated damages shall be $250 per complaint, up to a maximum of $1,000 per month. County and Contractor shall jointly determine which complaints are valid (i.e., as a result of Contractor's actions which could have reasonably been prevented). However, the final decision on validity of passenger complaints will rest with the Contract Manager.

5. Reporting

Contractor shall submit monthly reports including ridership, on-time performance, driver logs, and safety in a form approved by County within 15 calendar days after the end of each month, unless Contract Manager

approves more time. Contractor shall submit the quarterly Controlled Substance and Alcohol Testing Program report within 15 days after the end of each quarter. National Transit Database Reports shall be submitted within 15 calendar days after the end of each month. Liquidated damages of $50 per day may be assessed for late reports.

6. Shutdown of Service Vehicles

If any Service Vehicle has been removed from Service as the result of an unsatisfactory rating by the CHP, the liquidated damages will be $200 per day per Service Vehicle, up to a maximum of $1,000 per Service Vehicle per month.

7. Preventive Maintenance

PMI shall be performed per the OEM or per Exhibit L, Preventative Maintenance. Inspections shall never exceed the specified intervals by 500 miles or more. Failure to meet this standard will result in nonpayment of Service miles or hours operated by Service Vehicles exceeding the PMI intervals or liquidated damages of $500 per Service Vehicle per day, whichever is higher.

8. Deficient Service Vehicle Condition

In the event Contract Manager rejects any Service Vehicle as a result of deficient mechanical condition or unacceptable Service Vehicle appearance, $200 per day per Service Vehicle in liquidated damages will be assessed until the condition is corrected to the satisfaction of Contract Manager. If Contractor has documentation indicating that the condition of the Service Vehicle cannot be corrected due to the unavailability of parts, then Contract Manager may waive the liquidated damages until the parts are available.

9. Engine Smoke

Each Service Vehicle shall fully comply with all applicable Federal, State, and local emissions rules, regulations, and requirements. If any Service Vehicle fails to pass a smog test, receives a complaint, or is cited for an engine emissions violation by the California Air Resources Board, South Coast Air Quality Management District, the CHP, or other governmental agency authorized to issue such citation, the Contractor shall be liable for the citation as well as liquidated damages. The Contractor shall notify the Contract Manager within one business day, and provide the Contract Manager with an action plan to verify and correct the deficiencies, as well as a timeline for completing the action plan. If the Contractor is found to be in violation, the Contractor shall be liable for liquidated damages for $500 per occurrence. If such complaint is found to be without merit, or

beyond the Contractor's control, the Contract Manager may waive the liquidated damages.

10. Permanent Service Vehicle Rejection

In the event any Service Vehicle is rejected permanently by Contract Manager as a result of Service Vehicle condition, Contractor shall replace Service Vehicle and will be assessed $200 per day per Service Vehicle in liquidated damages until Service Vehicle is replaced with a Service Vehicle that is satisfactory to Contract Manager.

11. Incorrectly Set Destination Signs

In the event any Service Vehicle displays an incorrect destination sign while in Service or if it fails to display the "Not in Service" sign when it is not in revenue Service, liquidated damages of $25 will be assessed for the first occurrence, $50 for the second occurrence, and $100 for each future occurrence within each contract year.

12. Service Vehicle Warranty

If due to the Contractor's negligence of Service Vehicle preventive maintenance program, as determined by the Contract Manager, any warranty coverage of the County Service Vehicles is lessened or invalidated, Liquidated damages of $200 per occurrence will be assessed.

13. Off Routing

If a regular scheduled Service Vehicle is identified as operating "off route," liquidated damages of $200 per occurrence shall be assessed.

14. Controlled Substance and Alcohol Testing

The Contractor shall report results of random testing and other associated tests to the County on a quarterly basis on the form shown in Exhibit J, Controlled Substance and Alcohol Testing Program. Such reports shall be submitted to the County within 15 days after the end of the quarter. Liquidated damages of $50 per calendar day (including non-business days, weekends, and holidays) may be assessed for late reports.

15. Maintenance Personnel

If Maintenance Personnel are not trained and/or ASE Certified as specified above in this Exhibit, liquidated damages of $200 per maintenance employee per month will be assessed.

a. In any case of the Contractor's failure to meet certain specified performance requirements, the County may, in lieu of other

remedies provided by law or this Contract, assess liquidated damages in specified sums and deduct them from any regularly scheduled payment to the Contractor. However, neither the provision of a sum of liquidated damages for nonperformance, untimely, or inadequate performance nor the County's acceptance of liquidated damages shall be construed to waive the County's right to reimbursement for damage to its property or indemnification against third-party claims.

b. The amount of liquidated damages have been set in recognition of the following circumstances existing at the time of the formation of this Contract.

c. All the time limits and acts required by both parties are of the essence of this Contract.

d. The parties are both experienced in the performance of the Contract work.

e. This Contract contains a reasonable statement of the work to be performed in order that the expectations of the parties to the Contract are realized. The expectation of the County is that the Service will be performed with due care in a workmanlike, competent, timely, and cost-efficient manner while the expectation of the Contractor is a realization of a profit through the ability to perform the Service in accordance with the terms and conditions of this Contract at the Proposal price.

f. The parties are not under any compulsion to contract.

g. The Contractor's acceptance of the assessment of liquidated damages against it for unsatisfactory and late performance is by Contract and willingness to be bound as part of the consideration being offered to the County for the award of this Contract.

h. It would be difficult for the County to prove the loss resulting from nonperformance or untimely, negligent, or inadequate performance of the Service; and

i. The liquidated sums specified represent a fair approximation of the damages incurred by the County resulting from the Contractor's failure to meet the performance standard as to each item for which an amount of liquidated damages is specified.

16. Unresolved Service Vehicle Claims

If a settlement is not made within 90 calendar days of the date of loss (DOL) for a Service Vehicle stolen, damaged, or lost by reason of

collision, fire, negligence, abuse, vandalism, or other like cause in accordance with this Exhibit's Section E, Equipment, the Contract Manager may, at his sole discretion, assess Liquidated Damages. Liquidated damages in the amount of $1,000 per week, up to a maximum of $4,000 per month, shall begin 120 calendar days after the DOL. However, in no event shall the Liquidated Damages exceed the total number of service hours times the actual cost differential between a Contractor-Provided Replacement Service Vehicle and the County Service Vehicle for a given month.

17. Service Vehicle Transfer Audit

At the discretion of the County, the Contractor may be required to transfer County Service Vehicles to another Service Contractor. The Contract Manager may schedule a pre-transfer inspection and a transfer inspection. The Contractor assuming responsibility for the Service (New Contractor) shall conduct both inspections. The current Contractor shall have appropriate staff on site to review work identified. It is the responsibility of the current Contractor to ensure that County Service Vehicles are in good mechanical condition and have good, clean appearances. The current Contractor must ensure that each Service Vehicle's brakes and tires meet the minimums specified in Exhibit L, Preventative Maintenance. Any and all mechanical defects identified during the pre-transfer and the transfer inspections are the responsibility of the current Contractor. Preventive Maintenance Inspections (PMI's) shall be current. PMI records of County Service Vehicles are County property and are to be turned over to the New Contractor. One week after the completion of the transfer of service, liquidated damages in the amount of $100 per County Service Vehicle per week may be assessed for PMI records that are not provided for any County Service Vehicle.

Repairs identified during these inspections not made by the current Contractor shall be performed by the New Contractor. Outstanding PMI's shall also be performed by the New Contractor and shall be prorated to reflect the number of Service days remaining of this Contract.

Contract Manager will review and validate repair costs (including internal and external body damage, preventative maintenance that was not performed as required, and other Service Vehicle repairs). To recover the cost of repairs and/or maintenance of County Service Vehicles, the Contract Manager may withhold up to two monthly Service invoice payments from the Contractor transferring County Service Vehicles.

Upon satisfactory completion of County Service Vehicle repairs, the balance of the invoice payments being withheld from monthly Service invoices will be released to the Contractor. If the repair costs exceed the

total balance withheld from the monthly Service invoices, the County will invoice the Contractor for the difference.

BB. Project Safety Official

The Contractor shall designate in writing a Project Safety Official who shall be thoroughly familiar with the Contractor's Injury and Illness Prevention Program and Code of Safe Practices. The Contractor's Project Safety Official shall be available at all times to abate any potential safety hazards and shall have the authority and responsibility to shut down an operation, if necessary. Failure by the Contractor to provide the required Project Safety Official shall be grounds for the County to direct the cessation of all work activities and operations at no cost to the County until such time as the Contractor is in compliance.

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SERVICE CONTRACT GENERAL REQUIREMENTS

SECTION 1

INTERPRETATION OF CONTRACT

A. Ambiguities or Discrepancies

Both parties have either consulted or had the opportunity to consult with counsel regarding the terms of this Contract and are fully cognizant of all terms and conditions. Should there be any uncertainty, ambiguity, or discrepancy in the terms or provisions hereof, or should any misunderstanding arise as to the interpretation to be placed upon any position hereof or the applicability of the provisions hereunder, neither party shall be deemed as the drafter of this Contract and the uncertainty, ambiguity, or discrepancy shall not be construed against either party.

B. Definitions

Whenever in the Request for Proposals, Contract, Scope of Work, Specifications, Terms, Requirements, and/or Conditions the following terms are used, the intent and meaning shall be interpreted as follows:

Agreement. The written, signed accord covering the performance of the requested service.

Board. The Board of Supervisors of County of Los Angeles and Ex-Officio Board of Supervisors of the Los Angeles County Flood Control District.

Contract. The written agreement covering the performance of the service and the furnishing of labor, materials, supervision, and equipment in the performance of the service. The contract includes the Agreement, Exhibit A - Scope of Work (Specifications), Exhibit B - Service Contract General Requirements, Exhibit C - Internal Revenue Service Notice 1015, Exhibit D - Safely Surrendered Baby Law Posters, and other appropriate exhibits and amendments. Included are all supplemental agreements amending or extending the service to be performed, which may be required to supply acceptable services specified herein.

Contractor. The person or persons, sole proprietor, partnership, joint venture, corporation, or other legal entity who has entered into an agreement with County to perform or execute the work covered by this Contract.

Contract Work or Work. The entire contemplated work of maintenance and repair to be performed, and services rendered as prescribed in this Contract.

County. Includes County of Los Angeles, County of Los Angeles Department of Public Works, Los Angeles County Road Department, and/or Los Angeles County Engineer.

Day. Calendar day(s) unless otherwise specified.

Direct Employee. Worker employed by Contractor under Contractor's state and federal taxpayer identification.

Director. The Director of Public Works, County of Los Angeles, as used herein, includes the Road Commissioner, County of Los Angeles; County Engineer, County of Los Angeles; Chief Engineer, Los Angeles County Flood Control District; and/or authorized representative(s).

District. Los Angeles County Flood Control District, or Los Angeles County Waterworks Districts, or Los Angeles County Consolidated Sewer Maintenance District.

Employee Leasing. Any agreement to employ any worker, at any tier, that is neither a subcontract nor a direct employee relationship.

Fiscal Year. The 12 month period beginning July 1st and ending the following June 30th.

Maximum Contract Sum. The Maximum Contract Sum is the aggregate total amount of compensation authorized by the Board.

Proposal. The written materials that a Proposer submits in response to a solicitation document (Request for Proposals).

Proposer. Any individual, person or persons, sole proprietor, firm, partnership, joint venture, corporation, or other legal entity submitting a Proposal for the work, acting directly or through a duly authorized representative.

Public Works. County of Los Angeles Department of Public Works.

Solicitation. Request for Proposals, Invitation for Bids, Request for Statement of Qualifications, or Request for Quotation.

Specifications. The directions, provisions, and requirements contained herein, as supplemented by such special provisions as may be necessary pertaining to method, manner, and place of performing the work under this Contract.

Subcontract. An agreement by the contractor to employ a subcontractor at any tier; to employ or agree to employ a subcontractor, at any tier.

Subcontractor. Any individual, person or persons, sole proprietor, firm, partnership, joint venture, corporation, or other legal entity furnishing supplies, services of any nature, equipment, and/or materials to Contractor in furtherance of the Contractor's performance of this Contract, at any tier, under oral or written agreement.

C. Headings

The headings herein contained are for convenience and reference only and are not intended to define or limit the scope of any provision thereof.

SECTION 2

STANDARD TERMS AND CONDITIONS PERTAINING TO CONTRACT ADMINISTRATION

A. Amendments

1. For any change which affects the scope of work, contract sum, payments, or any term or condition included in this Contract, an amendment shall be prepared and executed by Contractor and the Board or if delegated by the Board, the Director and Contractor.

2. The Board or County's Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in this Contract during the term of this Contract. County reserves the right to add and/or change such provisions as required by the Board or the Chief Executive Officer. To implement such changes, an amendment to this Contract shall be prepared by Public Works for execution by Contractor and the Director.

3. County may, at its sole discretion, authorize extensions of time to this Contract's term. Contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an amendment to this Contract shall be prepared and executed by Contractor and the Board or if delegated by the Board, the Director and Contractor. To the extent that extensions of time for Contractor performance do not impact either scope or amount of this Contract, Public Works may, at its sole discretion, grant Contractor extensions of time, provided the aggregate of all such extensions during the life of this Contract shall not exceed 120 days.

B. Assignment and Delegation

1. Contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, County consent shall require a written amendment to this Contract, which is formally approved and executed by Contractor and the Board or if delegated by the Board, the Director and Contractor. Any payments by County to any approved delegate or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims which Contractor may have against County.

2. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give

majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of this Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.

3. Any assumption, assignment, delegation, or takeover of any of Contractor's duties, responsibilities, obligations, or performance of same by any entity other than Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of this Contract, which may result in the suspension or termination of this Contract. In the event of such a termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default of Contractor.

C. Authorization Warranty

Contractor represents and warrants that the person(s) executing this Contract for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation of this Contract and that all requirements of Contractor have been fulfilled to provide such actual authority.

D. Budget Reduction

In the event that the Board adopts, in any fiscal year, a County budget which provides for reduction in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County contracts, County reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions) and the services to be provided by Contractor under this Contract shall also be reduced correspondingly. County's notice to Contractor regarding said reduction in payment obligation shall be provided within 30 days of the Board's approval of such actions. Except as set forth in the preceding sentences, Contractor shall continue to provide all of the services set forth in this Contract.

E. Complaints

Contractor shall develop, maintain, and operate procedures for receiving, investigating, and responding to any complaints by any individual.

1. Within 12 business days after this Contract's effective date, Contractor shall provide County with Contractor's policy for receiving, investigating, and responding to any complaints by any individual.

2. County will review Contractor's policy and provide Contractor with approval of said plan or with requested changes.

3. If County requests changes in Contractor's policy, Contractor shall make such changes and resubmit the plan within five business days for County approval.

4. If, at any time, Contractor wishes to change Contractor's policy, Contractor shall submit proposed changes to County for approval before implementation.

5. Contractor shall preliminarily investigate all complaints and notify the Contract Manager of the status of the investigation within five business days of receiving the complaint.

6. When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.

7. Copies of all written responses shall be sent to the Contract Manager within three business days of mailing to the complainant.

F. Compliance with Applicable Laws

1. Contractor shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, or directives, and all provisions required thereby to be included in this Contract are hereby incorporated by reference.

2. Contractor shall defend, indemnify, and hold County harmless from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees arising from or related to any violation on the part of Contractor or its employees, agents, or subcontractors of any such laws, rules, regulations, ordinances, or directives.

G. Compliance with Civil Rights Laws

Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e)(1) through 2000 (e)(17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical disability, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. Contractor shall comply with its EEO Certification (Form PW-7).

H. Confidentiality

1. Contractor shall maintain the confidentiality of all records obtained from County under this Contract in accordance with all applicable Federal, State, and local laws, ordinances, regulations, and directives relating to confidentiality.

2. Contractor shall inform all of its officers, employees, agents, and subcontractors providing services hereunder of the confidentiality provisions of this Contract.

I. Conflict of Interest

1. No County employee whose position with County enables such employee to influence the award of this Contract or any competing contract, and no spouse or economic dependent of such employee shall be employed in any capacity by Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of Contractor who may financially benefit from the performance of the work hereunder shall in any way participate in County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such work.

2. Contractor represents and warrants that it is aware of, and its authorized officers have read, the provisions of Los Angeles County Code, Section 2.180.010, "Certain Contracts Prohibited," and that execution of this Agreement will not violate those provisions. Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. Contractor warrants that it is not now aware of any facts that create a conflict of interest. If Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this paragraph shall be a material breach of this Contract subjecting Contractor to either contract termination for default or debarment proceedings or both. Contractor must sign and adhere to the "Conflict of Interest Certification" (Form PW-5).

J. Consideration of Hiring County Employees Targeted for Layoffs or Former County Employee on Reemployment List

Should Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, Contractor shall give first consideration for such employment openings to qualified permanent

County employees who are targeted for layoff or qualified, former County employees who are on a reemployment list during the life of this Contract.

K. Consideration of Hiring GAIN and GROW Participants

1. Should Contractor require additional or replacement personnel after the effective date of this Contract, Contractor shall give consideration for any such employment openings to participants in County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program and General Relief Opportunity for Work (GROW) Program who meet Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that Contractor will interview qualified candidates. County will refer GAIN and GROW participants by category to Contractor.

2. In the event that both laid-off County employees and GAIN and GROW participants are available for hiring, County employees shall be given first priority.

L. Contractor's Acknowledgment of County's Commitment to Child Support Enforcement

Contractor acknowledges that County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Contractor understands that it is County's policy to encourage all County contractors to voluntarily post County's L.A.'s Most Wanted: Delinquent Parents poster in a prominent position at Contractor's place of business. County's Child Support Services Department will supply Contractor with the poster to be used.

M. Contractor's Charitable Activities Compliance

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring contractors to complete the Charitable Contributions Certification (Form PW-12), County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law in order to protect County and its taxpayers. A contractor which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination for default or debarment proceedings or both. (Los Angeles County Code Chapter 2.202)

N. Contractor's Warranty of Adherence to County's Child Support Compliance Program

1. Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through contracts are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

2. As required by County's Child Support Compliance Program (Los Angeles County Code Chapter 2.200), and without limiting Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Contract maintain compliance with the employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family, or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

O. County's Quality Assurance Plan

County or its agent will evaluate Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with all this Contract's terms and conditions and performance standards. Contractor deficiencies which County determines are severe or continuing and that may place performance of this Contract in jeopardy, if not corrected, will be reported to the Board. The report will include improvement/corrective action measures taken by County and Contractor. If improvement does not occur consistent with the corrective action measures, County may suspend or terminate this Contract for default or impose other penalties as specified in this Contract.

P. Damage to County Facilities, Buildings, or Grounds

1. Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by Contractor or employees or agents of Contractor.

2. Such repairs shall be made immediately after Contractor has become aware of such damage, but in no event later than 30 days after the occurrence. If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment

upon demand. County may deduct from any payment otherwise due Contractor for costs incurred by County to make such repairs.

Q. Employment Eligibility Verification

1. Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all of its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. Contractor shall obtain, from all covered employees performing services hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99-603), or as they currently exist and as they may be hereafter amended. Contractor shall retain all such documentation for all covered employees for the period prescribed by law.

2. Contractor shall indemnify, defend, and hold harmless, County, its Board, agents, officers, and employees from employer sanctions and any other liability which may be assessed against Contractor or County or both in connection with any alleged violation of Federal or State statutes or regulations pertaining to the eligibility for employment of persons performing services under this Contract.

R. Facsimile Representations

At the discretion of County, County may agree to regard facsimile representations of original signatures of Contractor's authorized officers, when appearing in appropriate places on the change notices and amendments prepared pursuant to this Exhibit's Amendments, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to change notices and amendments to this Contract, such that the Contractor need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

S. Fair Labor Standards

Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless County and its Board, agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by Contractor's employees for which County may be found jointly or solely liable.

T. Governing Laws, Jurisdiction, and Venue

This Contract shall be governed by, and construed in accordance with the laws of the State of California. To the maximum extent permitted by applicable law, Contractor and County agree and consent to the exclusive jurisdiction of the courts of the State of California for all purposes concerning this Contract and further agree and consent that venue of any action brought in connection with or arising out of this Contract, shall be exclusively in the County of Los Angeles.

U. Nondiscrimination and Affirmative Action

1. Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State antidiscrimination laws and regulations.

2. Contractor shall certify to, and comply with, the provisions of Contractor's EEO Certification (Form PW-7).

3. Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State antidiscrimination laws and regulations. Such action shall include, but not be limited to, employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection of training, including apprenticeship.

4. Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.

5. Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.

6. Contractor shall allow County representatives access to Contractor's employment records during regular business hours to verify compliance with the provisions of this paragraph when so requested by County.

7. If County finds that any of the above provisions have been violated, such violation shall constitute a material breach of this Contract upon which County may terminate for default or suspend this Contract. While County reserves the right to determine independently that the antidiscrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated Federal or State antidiscrimination laws or regulations shall constitute a finding by County that Contractor has violated the antidiscrimination provisions of this Contract.

8. The parties agree that in the event Contractor violates any of the antidiscrimination provisions of this Contract, County shall, at its sole option, be entitled to a sum of $500 for each violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

V. Nonexclusivity

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with Contractor. This Contract shall not restrict County from acquiring similar, equal, or like goods and/or services from other entities or sources.

W. No Payment for Services Provided Following Expiration/Suspension/Termination of Contract

Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration, suspension, or other termination of this Contract. Should Contractor receive any such payment, it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/suspension/termination of this Contract shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration/suspension/termination of this Contract.

X. Notice of Delays

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one business day,

give notice thereof, including all relevant information with respect thereto, to the other party.

Y. Notice of Disputes

Contractor shall bring to the attention of the Contract Manager any dispute between County and Contractor regarding the performance of services as stated in this Contract. If the Contract Manager is not able to resolve the dispute, the Director will resolve it.

Z. Notice to Employees Regarding the Federal Earned Income Credit

Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015 (Exhibit C).

AA. Notices

Notices desired or required to be given under these Specifications, Conditions, or Terms herein or any law now or hereafter in effect may, at the option of the party giving the same, be given by enclosing the same in a sealed envelope addressed to the party for whom intended and by depositing such envelope with postage prepaid with the United States Post Office and any such notice and the envelope containing the same shall be addressed to Contractor at its place of business, or such other place as may be hereinafter designated in writing by Contractor. The notices and envelopes containing the same to County shall be addressed to:

Chief, Administrative Services Division
County of Los Angeles Department of Public Works
P.O. Box 1460
Alhambra, CA 91802-1460

In the event of suspension or termination of this Contract, notices may also be given upon personal delivery to any person whose actual knowledge of such suspension or termination would be sufficient notice to Contractor. Actual knowledge of such suspension or termination by an individual contractor or by a copartner, if contractor is a partnership; or by the president, vice president, secretary, or general manager, if contractor is a corporation; or by the managing agent regularly in charge of the work on behalf of said contractor shall in any case be sufficient notice.

BB. Publicity

Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by

law. However, in recognizing Contractor's need to identify its services and related clients to sustain itself, County shall not inhibit Contractor from publicizing its role under this Contract within the following conditions:

1. Contractor shall develop all publicity material in a professional manner.

2. During the term of this Contract, Contractor shall not, and shall not authorize another to, publish or disseminate commercial advertisements, press releases, feature articles, or other materials using the name of County without the prior written consent of the Contract Manager. County shall not unreasonably withhold such written consent.

3. Contractor may, without prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with County, provided that the requirements of this paragraph shall apply.

CC. Public Records Act

1. Any documents submitted by Contractor; all information obtained in connection with County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to this Exhibit's Record Retention and Inspection/Audit Settlement, of this Contract; as well as those documents which were required to be submitted in response to the RFP used in the solicitation process for this Contract, become the exclusive property of County. All such documents become a matter of public record and shall be regarded as public records, except those documents that are marked "trade secret," "confidential," or "proprietary" and are deemed excluded from disclosure under Government Code 6250 et seq. (Public Records Act). County shall not in any way be liable or responsible for the disclosure of any such records including, with limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

2. In the event County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret," "confidential," or "proprietary," Contractor agrees to defend and indemnify County from all costs and expenses, including reasonable attorney's fees, in connection with any requested action or liability arising under the Public Records Act.

DD. Record Retention and Inspection/Audit Settlement

Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract.

Contractor agrees that County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks, or other proof of payment, timecards, sign-in/sign-out sheets, and other time and employment records, and proprietary data and information, shall be kept and maintained by Contractor and shall be made available to County during the term of this Contract and for a period of five years thereafter unless County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by Contractor at a location in County, provided that if any such material is located outside County, then, at County's option, Contractor shall pay County for travel, per diem, and other costs incurred by County to examine, audit, excerpt, copy, or transcribe such material at such other location.

1. In the event that an audit of Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by Contractor or otherwise, then Contractor shall file a copy of such audit report with County's Auditor-Controller within 30 days of Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

2. Failure on the part of Contractor to comply with any of the provisions of this paragraph shall constitute a material breach of this Contract upon which County may terminate for default or suspend this Contract.

3. If, at any time during the term of this Contract or within five years after the expiration or termination of this Contract, representatives of County conduct an audit of Contractor regarding the work performed under this Contract, and if such audit finds that County's dollar liability for any such work is less than payments made by County to Contractor, then the difference shall be either: a) repaid by Contractor to County by cash payment upon demand or b) at the sole option of County's Auditor-Controller, deducted from any amounts due to Contractor from County, whether under this Contract or otherwise. If such audit finds that County's dollar liability for such work is more than the payments made by County to Contractor, then the difference shall be paid to Contractor by County by cash payment, provided that in no event shall County's maximum obligation for this Contract exceed the funds appropriated by County for the purpose of this Contract.

4. In addition to the above, Contractor agrees, should County or its authorized representatives determine, in County's sole discretion, that it is necessary or appropriate to review a broader scope of Contractor's records (including certain records related to non-County contracts) to enable County to evaluate Contractor's compliance with County's Living Wage Program,

Contractor shall promptly and without delay provide to County, upon the written request of County or its authorized representatives, access to and the right to examine, audit, excerpt, copy, or transcribe any and all transactions, activities, or records relating to any of its employees who have provided services to County under this Contract, including without limitation, records relating to work performed by said employees on Contractor's non-County contracts. Contractor further acknowledges that the foregoing requirement in this paragraph relative to Contractor's employees who have provided services to County under this Contract is for the purpose of enabling County in its discretion to verify Contractor's full compliance with and adherence to California labor laws and County's Living Wage Program. All such materials and information, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets, and other time and employment records, and proprietary data and information, shall be kept and maintained by Contractor and shall be made available to County during the term of this Contract and for a period of five years thereafter unless County's written permission is given to dispose of any such materials and information prior to such time. All such materials and information shall be maintained by Contractor at a location in County, provided that if any such materials and information is located outside County, then, at County's option, Contractor shall pay County for travel, per diem, and other costs incurred by County to examine, audit, excerpt, copy, or transcribe such materials and information at such other location.

EE. Recycled-Content Paper Products

Consistent with Board policy to reduce the amount of solid waste deposited at County landfills, Contractor agrees to use recycled-content paper to the maximum extent possible under this Contract.

FF. Subcontracting

The requirements of this Contract may not be subcontracted by Contractor without the advance written approval of County. Any attempt by Contractor to subcontract without the prior written consent of County may be deemed a material breach of this Contract and the County may suspend or terminate for this Contract default.

1. If Contractor desires to subcontract, Contractor shall provide the following information promptly at County's request:

   a. A description of the work to be performed by the subcontractor;

   b. A draft copy of the proposed subcontract; and

   c. Other pertinent information and/or certifications requested by County.

2. Contractor shall indemnify and hold County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were Contractor employees.

3. Contractor shall remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding County's approval of Contractor's proposed subcontract.

4. County's consent to subcontract shall not waive County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. Contractor is responsible to notify its subcontractors of this County right.

5. County's Contract Manager is authorized to act for and on behalf of County with respect to approval of any subcontract and subcontractor employees.

6. Contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding County's consent to subcontract.

7. Contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by County from each approved subcontractor. Contractor shall ensure delivery of all such documents to Administrative Services Division, P.O. Box 1460, Alhambra, California 91802-1460, before any subcontractor employee may perform any work hereunder.

8. Employee Leasing is prohibited.

GG. Validity

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

HH. Waiver

No waiver by County of any breach of any provision of this Contract shall constitute a waiver of any other breach of said provision or of any other provision of this Contract. Failure of County to enforce at anytime, or from time to time, any provision of this Contract shall not be construed as a waiver thereof.

II. Warranty Against Contingent Fees

1. Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon an agreement or

understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business.

2. For breach of this warranty, County shall have the right, in its sole discretion, to suspend or terminate this Contract for default, deduct from amounts owing to the Contractor, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

SECTION 3

TERMINATIONS

A. Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program

Failure of Contractor to maintain compliance with the requirements set forth in this Exhibit's Contractor's Warranty of Adherence to County's Child Support Compliance Program shall constitute a default under this Contract. Without limiting the rights and remedies available to County under any other provision of this Contract, failure of Contractor to cure such default within 90 calendar days of written notice shall be grounds upon which the County may suspend or terminate this Contract pursuant to this Exhibit's Termination/Suspension for Default, and pursue debarment of Contractor pursuant to Los Angeles County Code Chapter 2.202.

B. Termination/Suspension for Convenience

1. This Contract may be suspended or terminated, in whole or in part, from time to time, when such action is deemed by County, in its sole discretion, to be in its best interest. Suspension or termination of work hereunder shall be effected by notice of suspension or termination to Contractor specifying the extent to which performance of work is suspended or terminated and the date upon which such suspension or termination becomes effective. The date upon which such termination becomes effective shall be no less than 10 days after the notice is sent.

2. After receipt of a notice of suspension or termination and except as otherwise directed by County, Contractor shall:

   a. Stop work under this Contract on the date and to the extent specified in such notice; and

   b. Complete performance of such part of the work as shall not have been suspended or terminated by such notice.

3. All material including books, records, documents, or other evidence bearing on the costs and expenses of Contractor under this Contract shall be maintained by Contractor in accordance with this Exhibit's Record Retention and Inspection/Audit Settlement.

4. If this Contract is suspended or terminated, Contractor shall complete within the Director's suspension or termination date contain within the notice of suspension or termination, those items of work which are in various stages of completion, which the Director has advised the Contractor are necessary to bring the work to a timely, logical, and orderly

end. Reports, samples, and other materials prepared by Contractor under this Contract shall be delivered to County upon request and shall become the property of County.

C. Termination/Supension for Default

1. County may, by written notice to Contractor, suspend or terminate the whole or any part of this Contract, if, in the judgment of the County:

   a. Contractor has materially breached this Contract; or

   b. Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required under this Contract; or

   c. Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five working days (or such longer period as County may authorize in writing) after receipt of written notice from County specifying such failure.

2. In the event County suspends or terminates this Contract in whole or in part pursuant to this paragraph, County may procure, upon such terms and in such manner, as County may deem appropriate, goods and services similar to those so suspended or terminated. Contractor shall be liable to County for any and all excess costs incurred by County, as determined by County, for such similar goods and services. Contractor shall continue the performance of this Contract to the extent not suspended or terminated under the provisions of this paragraph.

3. Except with respect to defaults of any subcontractor, Contractor shall not be liable for any excess costs of the type identified in subparagraph "2" above, if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of Contractor. Such causes may include, but are not limited to, acts of God or of the public enemy, acts of County in either its sovereign or contractual capacity, acts of the Federal or State government in its sovereign capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both Contractor and subcontractor, and without the fault or negligence of either of them, Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor

were obtainable from other sources in sufficient time to permit Contractor to meet the required delivery schedule.

4. If, after County has given notice of termination under the provisions of this paragraph, it is determined that Contractor was not in default under the provisions of this paragraph or that the default was excusable under the provisions of this paragraph, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to this Exhibit's Termination for Convenience.

5. The rights and remedies of County provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

6. As used herein, the terms "subcontractor" and "subcontractors" mean subcontractor at any tier.

D. Termination for Improper Consideration

1. County may, by written notice to Contractor, immediately terminate the right of Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, extension of this Contract, or the making of any determinations with respect to Contractor's performance pursuant to this Contract. In the event of such termination, County shall be entitled to pursue that same remedies against Contractor as it could pursue in the event of default by Contractor.

2. Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to County manager charged with the supervision of the employee or to County Auditor-Controller's Employee Fraud Hotline at (800) 554-6861.

3. Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel, entertainment, or tangible gifts.

E. Termination/Suspension for Insolvency

1. County may suspend or terminate this Contract forthwith in the event of the occurrence of any of the following:

   a. Insolvency of Contractor. Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least 60 days in the ordinary

course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code, and whether or not Contractor is insolvent within the meaning of the Federal Bankruptcy Code;

b. The filing of a voluntary or involuntary bankruptcy petition relative to Contractor under the Federal Bankruptcy Code;

c. The appointment of a bankruptcy Receiver or Trustee for Contractor; or

d. The execution by Contractor of a general assignment for the benefits of creditors.

2. The rights and remedies of County provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

F. Termination for Nonadherence to County Lobbyists Ordinance

Contractor, and each County lobbyist or County lobbying firm as defined in Los Angeles County Code Section 2.160.010, retained by Contractor, shall fully comply with County's Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County Lobbyists or County Lobbying firm retained by Contractor to fully comply with County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which County may in its sole discretion, immediately suspend or terminate for default or suspend this Contract.

G. Termination/Suspension for Nonappropriation of Funds

Notwithstanding any other provision of this Contract, County shall not be obligated for Contractor's performance hereunder or by any provision of this Contract during any of County's future fiscal years unless and until the Board appropriates funds for this Contract in County's budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract may be suspended or terminated as of June 30 of the last fiscal year for which funds were appropriated. County will notify Contractor in writing of any such nonallocation of funds at the earliest possible date.

SECTION 4

GENERAL CONDITIONS OF CONTRACT WORK

A. Authority of Public Works and Inspection

The Director will have the final authority in all matters affecting the work covered by this Contract's Terms, Requirement, Conditions, and Specifications. On all questions relating to work acceptability or interpretations of these Terms, Requirements, Conditions, and Specifications, the decision of the Director will be final.

B. Cooperation

Contractor shall cooperate with Public Works' forces engaged in any other activities at the jobsite. Contractor shall carry out all work in a diligent manner and according to instructions of the Director.

C. Cooperation and Collateral Work

Contractor shall perform work as directed by the Director. The Director will be supported by other Public Works personnel in assuring satisfactory performance of the work under these Specifications and that satisfactory contract controls and conditions are maintained.

D. Equipment, Labor, Supervision, and Materials

All equipment, labor, supervision, and materials required to accomplish this Contract, except as might be specifically outlined in other sections, shall be provided by Contractor.

E. Gratuitous Work

Contractor agrees that should work be performed outside the Scope of Work indicated and without Public Works' prior written approval in accordance with this Exhibit's Amendments, such work shall be deemed to be a gratuitous effort by Contractor, and Contractor shall have no claim, therefor, against County.

F. Jobsite Safety

Contractor shall be solely responsible for ensuring that all work performed under this Contract is performed in strict compliance with all applicable Federal, State, and local occupational safety regulations. Contractor shall provide at its expense all safeguards, safety devices, and protective equipment and shall take any and all actions appropriate to providing a safe jobsite.

G. Labor

No person shall be employed on any work under this Contract who is found to be intemperate, troublesome, disorderly, or is otherwise objectionable to Public Works. Any such person shall be reassigned immediately and not again employed on Public Works' projects or providing services.

H. Labor Law Compliance

Contractor, its agents, and employees shall be bound by and shall comply with all applicable provisions of the Labor Code of the State of California as well as all other applicable Federal, State, and local laws related to labor. Contractor shall comply with Labor Code Section 1777.5 with respect to the employment of apprentices.

I. Overtime

Eight hours labor constitutes a legal day's work. Work in excess thereof, or greater than 40 hours during any one week, shall be permitted only as authorized by and in accordance with Labor Code Section 1815 et seq.

J. Permits/Licenses

Contractor shall be fully responsible for possessing or obtaining all permits/licenses, except as might be specifically outlined in other sections, from the appropriate Federal, State, or local authorities relating to work to be performed under this Contract.

K. Prohibition Against Use of Child Labor

1. Contractor shall:

   a. Not knowingly sell or supply to County any products, goods, supply, or other personal property manufactured in violation of child labor standards set by the International Labor Organization through its 1973 Convention Concerning Minimum Age for Employment;

   b. Upon request by County, identify the country/countries of origin of any products, goods, supplies, or other personal property Contractor sells or supplies to County;

   c. Upon request by County, provide to County the manufacturer's certification of compliance with all international child labor conventions; and

   d. Should County discover that any products, goods, supplies, or other personal property sold or supplied by Contractor to County

are produced in violation of any international child labor conventions, Contractor shall immediately provide an alternative, compliant source of supply.

2. Failure by Contractor to comply with provisions of this paragraph will constitute a material breach of this Contract and will be grounds for immediate suspension or termination of this Contract for default.

L. Public Convenience

Contractor shall conduct operations to cause the least possible obstruction and inconvenience to public traffic or disruption to the peace and quiet of the area within which the work is being performed.

M. Public Safety

It shall be Contractor's responsibility to maintain security against public hazards at all times while performing work at Public Works' jobsites.

N. Quality of Work

Contractor shall provide the County high and consistent quality work under this Contract and which is at least equivalent to that which Contractor provides to all other clients it serves. All work shall be executed by experienced and well-trained workers. All work shall be under supervision of a well-qualified supervisor. Contractor also agrees that work shall be furnished in a professional manner and according to these Specifications.

O. Quantities of Work

Contractor shall be allowed no claims for anticipated profits or for any damages of any sort because of any difference between the work estimated by Contractor in responding to County's solicitation and actual quantities of work done under this Contract or for work decreased or eliminated by County.

P. Safety Requirements

Contractor shall be responsible for the safety of equipment, material, and personnel under Contractor's jurisdiction during the work.

Q. Storage of Material and Equipment

Contractor shall not store material or equipment at the jobsite, except as might be specifically authorized by this Contract. County will not be liable or responsible for any damage, by whatever means, or for the theft of Contractor's material or equipment from any jobsite.

R. Transportation

County will not provide transportation to and from the jobsite and will not provide travel around the limits of the jobsite.

S. Work Area Controls

1. Contractor shall comply with all applicable laws and regulations. Contractor shall maintain work area in a neat, orderly, clean, and safe manner. Contractor shall avoid spreading out equipment excessively. Location and layout of all equipment and materials at each jobsite will be subject to the Contract Manager's approval.

2. Contractor shall be responsible for the security of any and all of Public Works/County facilities in its care. Contractor shall provide protection against vandalism and accidental and malicious damage, both during working and nonworking hours.

SECTION 5

INDEMNIFICATION AND INSURANCE REQUIREMENTS

A. Independent Contractor Status

1. This Contract is by and between County and Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

2. Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of Contractor.

3. Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of Contractor and not employees of County. Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of Contractor pursuant to this Contract.

B. Indemnification

Contractor shall indemnify, defend, and hold harmless County, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including, but not limited to, demands, claims, actions, fees, costs, and expenses of any nature whatsoever (including attorney and expert witness fees), arising from or connected with Contractor's acts and/or omissions arising from and/or relating to this Contract.

C. Workplace Safety Indemnification

In addition to and without limiting the indemnification required by this Exhibit's Section 5.B (above), and to the extent allowed by law, Contractor agrees to defend, indemnify, and hold harmless County, its Board, Special Districts, officers, employees, and agents from and against any and all investigations, complaints, citations, liability, expense (including defense costs and legal fees), claims, and/or causes of action for damages of any nature whatsoever, including, but not limited to, injury or death to employees of Contractor, its subcontractors or County, attributable to any alleged act or omission of Contractor and/or its subcontractors

which is in violation of any Cal/OSHA regulation. The obligation to defend, indemnify, and hold harmless County includes all investigations and proceedings associated with purported violations of Section 336.10 of Title 8 of the California Code of Regulations pertaining to multiemployer worksites. Contractor shall not be obligated to indemnify for liability and expenses arising from the active negligence of County. County may deduct from any payment otherwise due Contractor any costs incurred or anticipated to be incurred by County, including legal fees and staff costs, associated with any investigation or enforcement proceeding brought by Cal/OSHA arising out of the work being performed by Contractor under this Contract.

D. General Insurance Requirements

1. Without limiting Contractor's indemnification of County and during the term of this Contract, Contractor shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this Contract. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by County. Such coverage shall be provided and maintained at Contractor's own expense.

2. Evidence of Insurance - Certificate(s) or other evidence of coverage satisfactory to County shall be delivered to Administrative Services Division, P.O. Box 1460, Alhambra, California 91802-1460, prior to commencing work under this Contract. Such certificates or other evidence shall:

   a. Specifically identify this Contract;

   b. Clearly evidence all coverage required in this Contract;

   c. Contain the express condition that County is to be given written notice by mail at least 30 days in advance of cancellation for all policies evidenced on the certificate of insurance;

   d. Include copies of the additional insured endorsement to the commercial general liability policies, adding County, its Special Districts, its officials, officers, and employees as insureds for all activities arising from this Contract; and

   e. Identify any deductibles or self-insured retentions for County's approval. County retains the right to require Contractor to reduce or eliminate such deductibles or self-insurance retentions as they apply to County, or require Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be

executed by a corporate surety licensed to transact business in the State of California.

3. Insurer Financial Rating: Insurance is to be provided by an insurance company acceptable to County with an A. M. Best rating of not less than A:VII, unless otherwise approved by County.

4. Failure to Maintain Coverage: Failure by Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to County, shall constitute a material breach of this Contract upon which County may immediately terminate or suspend this Contract. County, at its sole option, may obtain damages from Contractor resulting from said breach. Alternatively, County may purchase such required insurance coverage, and without further notice to Contractor, County may deduct from sums due to Contractor any premium costs advanced by County for such insurance.

5. Notification of Incidents, Claims, or Suits: Contractor shall report to County's Contract Manager:

   a. Any accident or incident relating to work performed under this Contract which involves injury or property damage which may result in the filing of a claim or lawsuit against Contractor and/or County. Such report shall be made in writing within 24 hours of occurrence.

   b. Any third-party claim or lawsuit filed against Contractor arising from or related to services performed by Contractor under this Contract.

   c. Any injury to a Contractor's employee which occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to the Contract Manager.

   d. Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies, or securities entrusted to Contractor under the terms of this Contract.

E. Compensation for County Costs

In the event that Contractor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to County, Contractor shall pay full compensation for all costs incurred by County.

F. Insurance Coverage Requirements for Subcontractors

Contractor shall ensure any and all subcontractors performing services under this Contract meet the insurance requirements of this Contract by either:

1. Contractor providing evidence of insurance covering the activities of subcontractor; or

2. Contractor providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

G. Insurance Coverage Requirements

1. General Liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following. (Can be met by a combination of primary and excess insurance coverage):

a.	General Aggregate:	$2 million
b.	Products/Completed Operations Aggregate:	$1 million
c.	Personal and Advertising Injury:	$1 million
d.	Each Occurrence:	$1 million

2. Automobile Liability written on ISO policy form CA 00 01 or its equivalent. Such insurance shall include coverage for all "owned," "nonowned," and "hired" vehicles, or coverage for "any auto," in an amount as recommended by the Public Utilities Commission, but not less than the following (Can be met by a combination of primary and excess insurance coverage):

   a. Seating capacity of 16 passengers or more (including driver), $5 million.

   b. Seating capacity of 15 passengers or less (including driver), $1.5 million.

   c. Taxicabs as defined by Vehicle Code Section 27908, a minimum of $100,000 per person, $300,000 per occurrence, and $50,000 property damage or a combined single limit of $300,000.

3. As certificate evidencing such insurance coverage and an endorsement naming the County as additional insured thereunder shall be filed with the Director prior to Contractor providing Service hereunder.

4. Workers' Compensation and Employers' Liability insurance providing workers' compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which Contractor is responsible. If Contractor's employees will be engaged in maritime employment, coverage shall provide workers' compensation benefits as required by the U.S.

Longshore and Harbor Workers' Compensation Act, Jones Act, or any other Federal law for which Contractor is responsible.

In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

a.	Each Accident:	$1 million
b.	Disease - policy limit:	$1 million
c.	Disease - each employee:	$1 million

As a condition precedent to its performance pursuant to this Contract, Contractor, by and through its execution of this Contract, certifies that it is aware of, and understands, the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability of Workers' Compensation or to undertake self-insurance in accordance with those provisions before commencing the performance of work under this Contract, and agrees to fully comply with said provisions.

5. Property Coverage: Such insurance shall be endorsed naming County as loss payee, provide deductibles of no greater than five percent of the property value, and shall include:

   a. Personal Property: Automobiles and Mobile Equipment - Special form (all risk) coverage for the actual cash value of County-owned or leased property.

   b. Real Property and All Other Personal Property - Special form (all risk) coverage for the full replacement value of County-owned or leased property.

SECTION 6

CONTRACTOR RESPONSIBILITY AND DEBARMENT

A. Responsible Contractor

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness as well as quality, fitness, capacity, and experience to satisfactorily perform the contract. It is County's policy to conduct business only with responsible contractors.

B. Chapter 2.202 of County Code

Contractor is hereby notified that, in accordance with Chapter 2.202 of County Code, if County acquires information concerning the performance of Contractor on this or other contracts which indicates that Contractor is not responsible, County may, in addition to other remedies provided in this Contract, debar Contractor from bidding or proposing on, being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and suspend or terminate any or all existing contracts Contractor may have with County.

C. Nonresponsible Contractor

County may debar a contractor if the Board finds, in its discretion, that Contractor has done any of the following: (1) violated any term of a contract with County or a nonprofit corporation created by County; (2) committed an act or omission which negatively reflects on Contractor's quality, fitness, or capacity to perform a contract with County, any other public entity, or a nonprofit corporation created by County, or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or offense which indicates a lack of business integrity or business honesty; or (4) made or submitted a false claim against County or any other public entity.

D. Contractor Hearing Board

1. If there is evidence that Contractor may be subject to debarment, Public Works will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before Contractor Hearing Board.

2. Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, Contractor Hearing Board will prepare a tentative proposed decision, which shall contain a recommendation

regarding whether Contractor should be debarred, and, if so, the appropriate length of time of the debarment. Contractor and Public Works shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board.

3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of Contractor Hearing Board shall be presented to the Board. The Board shall have the right to modify, deny, or adopt the proposed decision and recommendation of Contractor Hearing Board.

4. If a contractor has been debarred for a period longer than five years, that contractor may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of County.

5. Contractor Hearing Board will consider a request for review of a debarment determination only where (1) Contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by Contractor Hearing Board pursuant to the same procedure as for a debarment hearing.

6. Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. Contractor Hearing Board shall present its proposed decision and recommendation to the Board. The Board shall have the right to modify, deny, or adopt the proposed decision and recommendation of Contractor Hearing Board.

E. <u>Subcontractors of Contractor</u>

These terms shall also apply to subcontractors of County contractors.

SECTION 7

COMPLIANCE WITH COUNTY'S JURY SERVICE PROGRAM

A. Jury Service Program

This Contract is subject to the provisions of County's ordinance entitled Contractor Employee Jury Service (Jury Service Program) as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

B. Written Employee Jury Service Policy

1. Unless Contractor has demonstrated to County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of County Code), Contractor shall have and adhere to a written policy that provides that its Employees shall receive from Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employee deposit any fees received for such jury service with Contractor or that Contractor deduct from the Employee's regular pay the fees received for jury service.

2. For purposes of this Section, "Contractor" means a person, partnership, corporation, or other entity which has a contract with County or a subcontract with a County contractor and has received or will receive an aggregate sum of $50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for County under this Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

3. If Contractor is not required to comply with the Jury Service Program when this Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the

Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. County may also require, at any time during this Contract and at its sole discretion, that Contractor demonstrate to County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Jury Service Program.

4. Contractor's violation of this Section of this Contract may constitute a material breach of this Contract. In the event of such material breach, County may, in its sole discretion, suspend or terminate this Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

SECTION 8

SAFELY SURRENDERED BABY LAW PROGRAM

A. Contractor's Acknowledgment of County's Commitment to the Safely Surrendered Baby Law

Contractor acknowledges that County places a high priority on the implementation of the Safely Surrendered Baby Law. Contractor understands that it is County's policy to encourage all County contractors to voluntarily post County's "Safely Surrendered Baby Law" poster in a prominent position at Contractor's place of business. Contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. County's Department of Children and Family Services will supply Contractor with the poster to be used. Information on how to receive the poster can be found on the Internet at www.babysafela.org.

B. Notice to Employees Regarding the Safely Surrendered Baby Law

Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit D of this Contract and is also available on the Internet at www.babysafela.org for printing purposes.

SECTION 9

COMPLIANCE WITH COUNTY'S LIVING WAGE PROGRAM

A. Living Wage Program

This Contract is subject to the provisions of County's ordinance entitled Living Wage Program as codified in Sections 2.201.010 through 2.201.100 of the Los Angeles County Code, a copy of which is attached hereto as Form LW-1 and incorporated by reference into and made a part of this Contract.

B. Payment of Living Wage Rates

1. Unless Contractor has demonstrated to County's satisfaction either that Contractor is not an "Employer" as defined under the Living Wage Program (Section 2.201.020 of County Code) or that Contractor qualifies for an exception to the Living Wage Program (Section 2.201.090 of County Code), Contractor shall pay its Employees no less than the applicable hourly living wage rate, as set forth immediately below, for the Employees' services provided to County, including, without limitation, "Travel Time" as defined below in subsection 5 of this Section 9.B under this Contract:

   a. Not less than $11.84 per hour if, in addition to the per-hour wage, Contractor contributes less than $2.20 per hour towards the provision of bona fide health care benefits for its Employees and any dependents; or

   b. Not less than $9.64 per hour if, in addition to the per-hour wage, Contractor contributes at least $2.20 per hour towards the provision of bona fide health care benefits for its Employees and any dependents. Contractor will be deemed to have contributed $2.20 per hour towards the provision of bona fide health care benefits if the benefits are provided through County Department of Health Services Community Health Plan. If, at any time during this Contract, Contractor contributes less than $2.20 per hour towards the provision of bona fide health care benefits, Contractor shall be required to pay its Employees the higher hourly living wage rate.

2. For purposes of this Section, "Contractor" includes any subcontractor engaged by Contractor to perform services for County under this Contract. If Contractor uses any subcontractor to perform services for County under this Contract, the subcontractor shall be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract and a copy of the Living Wage Program shall be attached to the subcontract. "Employee" means any individual who is an employee of Contractor under the laws of California, and who is providing full-time services to Contractor, some or all of which are provided to County under this Contract. "Full-time"

means a minimum of 40 hours worked per week, or a lesser number of hours, if the lesser number is a recognized industry standard and is approved as such by County; however, fewer than 35 hours worked per week will not, in any event, be considered full-time.

3. If Contractor is required to pay a living wage when this Contract commences, Contractor shall continue to pay a living wage for the entire term of this Contract, including any option period.

4. If Contractor is not required to pay a living wage when this Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exemption status" from the living wage requirement. Contractor shall immediately notify County if Contractor at any time either comes within the Living Wage Program's definition of "Employer" or if Contractor no longer qualifies for an exception to the Living Wage Program. In either event, Contractor shall immediately be required to commence paying the living wage and shall be obligated to pay the living wage for the remaining term of this Contract, including any option period. County may also require, at any time during this Contract and at its sole discretion, that Contractor demonstrate to County's satisfaction that Contractor either continues to remain outside of the Living Wage Program's definition of "Employer" and/or that Contractor continues to qualify for an exception to the Living Wage Program. Unless Contractor satisfies this requirement within the time frame permitted by County, Contractor shall immediately be required to pay the living wage for the remaining term of this Contract, including any option period.

5. For purposes of Contractor's obligation to pay its Employees the applicable hourly living wage rate under this Contract, "Travel Time" shall have the following two meanings, as applicable: 1) With respect to travel by an Employee that is undertaken in connection with this Contract, Travel Time shall mean any period during which an Employee physically travels to or from a County facility if Contractor pays the Employee any amount for that time or if California law requires Contractor to pay the Employee any amount for that time; and 2) With respect to travel by an Employee between County facilities that are subject to two different contracts between Contractor and County (of which both contracts are subject to the Living Wage Program), Travel Time shall mean any period during which an Employee physically travels to or from, or between such County facilities if Contractor pays the Employee any amount for that time or if California law requires Contractor to pay the Employee any amount for that time.

C. <u>Contractor's Submittal of Certified Monitoring Reports</u>

Contractor shall submit to County certified monitoring reports at a frequency instructed by County. The certified monitoring reports shall list all of Contractor's

Employees during the reporting period. The certified monitoring reports shall also verify the number of hours worked, the hourly wage rate paid, and the amount paid by Contractor for health benefits, if any, for each of its Employees. The certified monitoring reports shall also state the name and identification number of Contractor's current health care benefits plan, and Contractor's portion of the premiums paid as well as the portion paid by each Employee. All certified monitoring reports shall be submitted on forms provided by County, or any other form approved by County which contains the above information. County reserves the right to request any additional information it may deem necessary. If County requests additional information, Contractor shall promptly provide such information. Contractor, through one of its officers, shall certify under penalty of perjury that the information contained in each certified monitoring report is true and accurate.

D. Contractor's Ongoing Obligation to Report Labor Law/Payroll Violations and Claims

During the term of this Contract, if Contractor becomes aware of any labor law/payroll violations or any complaint, investigation, or proceeding ("claim") concerning any alleged labor law/payroll violation (including, but not limited to, any violation or claim pertaining to wages, hours, and working conditions, such as minimum wage, prevailing wage, living wage, the Fair Labor Standards Act, employment of minors, or unlawful employment discrimination), Contractor shall immediately inform County of any pertinent facts known by Contractor regarding the same. This disclosure obligation is not limited to any labor law/payroll violation or claim arising out of Contractor's contract with County, but instead applies to any labor law/payroll violation or claim arising out of any of Contractor's operation in California.

E. County Auditing of Contractor Records

Upon a minimum of 24 hours' written notice, County may audit, at Contractor's place of business, any of Contractor's records pertaining to this Contract, including all documents and information relating to the certified monitoring reports. Contractor is required to maintain all such records in California until the expiration of five years from the date of final payment under this Contract. Authorized agents of County shall have access to all such records during normal business hours for the entire period that records are to be maintained.

F. Notifications to Employees

Contractor shall place County-provided living wage posters at each of Contractor's place of business and locations where Contractor's Employees are working. Contractor shall also distribute County-provided notices to each of its Employees at least once per year. Contractor shall translate posters and handouts into Spanish and any other language spoken by a significant number of Employees.

G. Enforcement and Remedies

If Contractor fails to comply with the requirements of this Section, County shall have the rights and remedies described in this Section in addition to any rights and remedies provided by law or equity.

1. Remedies for Submission of Late or Incomplete Certified Monitoring Reports: If Contractor submits a certified monitoring report to County after the date it is due or if the report submitted does not contain all of the required information or is inaccurate or is not properly certified, any such deficiency shall constitute a breach of this Contract. In the event of any such breach, County may, in its sole discretion, exercise any or all of the following rights/remedies:

   a. Withholding of Payment: If Contractor fails to submit accurate, complete, timely, and properly certified monitoring reports, County may withhold from payment to Contractor up to the full amount of any invoice that would otherwise be due, until Contractor has satisfied the concerns of County, which may include required submittal of revised certified monitoring reports or additional supporting documentation.

   b. Liquidated Damages: It is mutually understood and agreed that Contractor's failure to submit an accurate, complete, timely, and properly certified monitoring report will result in damages being sustained by County. It is also understood and agreed that the nature and amount of the damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein are the nearest and most exact measure of damages for such breach that can be fixed at this time; and that the liquidated damages are not intended as a penalty or forfeiture for Contractor's breach. Therefore, in the event that a certified monitoring report is deficient, including, but not limited to, being late, inaccurate, incomplete, or uncertified, it is agreed that County may, in its sole discretion, assess against Contractor liquidated damages in the amount of $100 per monitoring report for each day until County has been provided with a properly prepared, complete, and certified monitoring report. County may deduct any assessed liquidated damages from any payments otherwise due to Contractor.

   c. Termination/Suspension: Contractor's failure to submit an accurate, complete, timely, and properly certified monitoring report may constitute a material breach of this Contract. In the event of such material breach, County may, in its sole discretion, suspend or terminate this Contract.

2. Remedies for Payment of Less Than the Required Living Wage: If Contractor fails to pay any Employee at least the applicable hourly living

wage rate, such deficiency shall constitute a breach of this Contract. In the event of any such breach, County may, in its sole discretion, exercise any or all of the following rights/remedies:

a. Withholding Payment: If Contractor fails to pay one or more of its Employees at least the applicable hourly living wage rate, County may withhold from any payment otherwise due to Contractor the aggregate difference between the living wage amounts Contractor was required to pay its Employees for a given pay period and the amount actually paid to the Employees for that pay period. County may withhold said amount until Contractor has satisfied County that any underpayment has been cured, which may include required submittal of revised certified monitoring reports or additional supporting documentation.

b. Liquidated Damages: It is mutually understood and agreed that Contractor's failure to pay any of its Employees at least the applicable hourly living wage rate will result in damages being sustained by County. It is also understood and agreed that the nature and amount of the damages will be extremely difficult and impractical to fix, that the liquidated damages set forth herein are the nearest and most exact measure of damages for such breach that can be fixed at this time, and that the liquidated damages are not intended as a penalty or forfeiture for Contractor's breach. Therefore, it is agreed that County may, in its sole discretion, assess against Contractor liquidated damages of $50 per Employee per day for each and every instance of an underpayment to an Employee. County may deduct any assessed liquidated damages from any payments otherwise due to Contractor.

c. Termination/Suspension: Contractor's failure to pay any of its Employees the applicable hourly living wage rate may constitute a material breach of this Contract. In the event of such material breach, County may, in its sole discretion, suspend or terminate this Contract.

3. Debarment: In the event Contractor breaches a requirement of this Section, County may, in its sole discretion, bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach, in accordance with Los Angeles County Code Section 2.202, Determinations of Contractor Nonresponsibility and Contractor Debarment.

H. <u>Use of Full-Time Employees</u>

Contractor shall assign and use full-time Employees of Contractor to provide services under this Contract unless Contractor can demonstrate to the satisfaction of County that it is necessary to use non-full-time Employees based on staffing

efficiency or County requirements for the work to be performed under this Contract. It is understood and agreed that Contractor shall not, under any circumstance, use non-full-time Employees for services provided under this Contract unless and until County has provided written authorization for the use of same. Contractor submitted with its proposal a full-time-Employee staffing plan. If Contractor changes its full-time-Employee staffing plan, Contractor shall immediately provide a copy of the new staffing plan to County.

I. Contractor Retaliation Prohibited

Contractor and/or its Employees shall not take any adverse action which would result in the loss of any benefit of employment, any contract benefit, or any statutory benefit for any Employee, person, or entity who has reported a violation of the Living Wage Program to County or to any other public or private agency, entity, or person. A violation of the provisions of this paragraph may constitute a material breach of this Contract. In the event of such material breach, County may, in its sole discretion, suspend or terminate this Contract.

J. Contractor Standards

During the term of this Contract, Contractor shall maintain business stability, integrity in employee relations, and the financial ability to pay a living wage to its employees. If requested to do so by County, Contractor shall demonstrate to the satisfaction of County that Contractor is complying with this requirement.

K. Neutrality in Labor Relations

Contractor shall not use any consideration received under this Contract to hinder, or to further, organization of, or collective bargaining activities by or on behalf of Contractor's employees, except that this restriction shall not apply to any expenditure made in the course of good faith collective bargaining, or to any expenditure pursuant to obligations incurred under a bona fide collective bargaining agreement, or which would otherwise be permitted under the provisions of the National Labor Relations Act.

SECTION 10

TRANSITIONAL JOB OPPORTUNITIES PREFERENCE PROGRAM

This Contract is subject to the provisions of the County's ordinance entitled Transitional Job Opportunities Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.

Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Transitional Job Opportunity vendor.

Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Transitional Job Opportunities vendor.

If Contractor has obtained County certification as a Transitional Job Opportunities vendor by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Contract to which it would not otherwise have been entitled, shall:

1. Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;

2. In addition to the amount described in subdivision (1), be assessed a penalty in the amount of not more than ten percent of the amount of this Contract; and

3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Nonresponsibility and Contractor Debarment).

The above penalties shall also apply to any entity that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify Public Works of this information prior to responding to a solicitation or accepting a contract award.

SECTION 11

LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM

A. This Contract is subject to the provisions of County's ordinance entitled Local Small Business Enterprise Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.

B. Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise.

C. Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.

D. If Contractor has obtained County certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Contract to which it would not otherwise have been entitled, shall:

1. Pay to County any difference between this Contract amount and what County's costs would have been if this Contract had been properly awarded;

2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent of the amount of this Contract; and

3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Nonresponsibility and Contractor Debarment).

E. The above penalties shall also apply if Contractor is no longer eligible for certification as a result of a change of its status and Contractor failed to notify the State and County's Office of Affirmative Action Compliance of this information.

SECTION 12

PROPRIETARY CONSIDERATIONS

A. Ownership of County Materials

Contractor and County agree that all materials, including, but not limited to, designs, specifications, techniques, plans, reports, deliverables, data photographs, diagrams, maps, images, graphics, text, videos, advertising, software, source codes, website plans and designs, interactive media, drafts, working papers, outlines, sketches, summaries, edited and/or unedited versions of deliverables, and any other materials or information developed under this Contract and any and all Intellectual Property rights to these materials, including any copyrights, trademarks, service marks, trade secrets, trade names, unpatented inventions, patent applications, patents, design rights, domain rights, know-how, and any other proprietary rights and derivatives thereof, is and shall be the sole property of County (hereafter collectively, "County Materials"). Contractor hereby assigns and transfers to County all Contractor's rights, titles, and interest in and to all such County Materials developed under this Contract.

Notwithstanding such County ownership in the County Materials, Contractor may retain possession of working papers and materials prepared by Contractor under this Contract. During and for a minimum of five years subsequent to the term of this Contract, County shall have the right to inspect any and all such working papers and materials, make copies thereof and use the working papers and materials and the information contained therein.

B. Transfer to County

Contractor shall execute all documents requested by County and shall perform all other acts requested by County to assign and transfer to, and vest in County, all Contractor's rights, titles, and interest in and to the County Materials, including, but not limited to, any and all copyrights, trademarks, service marks, trade names, unpatented inventions, patent applications, patents, design rights, domain name rights, know-how, and any other proprietary rights and derivatives thereof resulting from this Contract. County shall have the right to register all applicable copyrights, trademarks and patents in the name of the County of Los Angeles. Further, County shall have the right to assign, license, or otherwise transfer any and all County's rights, titles, and interest, including, but not limited to copyrights, trademarks, and patents, in and to the County Materials.

C. Indemnity

Contractor represents and warrants that the County Materials prepared herein under this Contract, is the original work of Contractor and does not infringe upon any Intellectual Property or proprietary rights of third parties. For those portions of the County Materials that are not the original work of Contractor, Contractor

represents and warrants that it has secured all appropriate licenses, rights, and/or permission from appropriate third parties to include such materials in the County Materials.

Contractor shall defend, indemnify and hold County harmless against any claims by third parties based on infringement of copyright, patent, trade secret, trademark, or any other claimed Intellectual Property or proprietary right, arising from County's use of County Materials created and/or prepared by Contractor. Contractor will also indemnify and defend at its sole expense, any action brought against County based on a claim that County Materials furnished hereunder by Contractor and used within the scope of this Contract infringe any copyright, patent, trade secret, trademark, or any other claimed intellectual property or proprietary right of third parties, and Contractor shall pay any costs, damages and attorney's fees incurred by County. County will notify Contractor promptly and in writing of any such action or claim and will permit Contractor to fully participate in the defense thereof.

D. Copyright Notices

Contractor shall affix the following notice to all County Materials: "@ Copyright 2007 (or such other appropriate date of first publication), County of Los Angeles. All Rights Reserved." Contractor shall affix such notice on the title page of all images, photographs, documents and writings; and otherwise as County may direct.

E. Acknowledgement/Attribution

County shall also have the sole right to control the preparation, modification and revisions to, all acknowledgment and/or attribution language for all County Materials resulting from this Contract. County will however, exercise reasonable efforts to honor requests by Contractor seeking removal of all acknowledgment and/or attribution language relating to the Contractor, should Contractor no longer wish to receive attribution for its work on the County Materials.

SECTION 13
DISPLACED TRANSIT EMPLOYEE PROGRAM

A. In accordance with Labor Code Section 1072(c)(1), if the County informs the Contractor that the County intends to issue a new solicitation for these services, Contractor shall, within 14 calendar days thereafter, provide to the County the number of employees who are performing services under this Contract and the wage rates, benefits, and job classifications of those employees. In addition, the Contractor shall make this information available to any entity that the County has identified as a bona fide proposer for the successor contract. If the successor service contract is awarded to a new contractor, the Contractor shall provide the names, addresses, dates of hire, wages, benefit levels, and job classifications of employees to the successor contractor.

The following provision applies if the Contractor declared that the Contractor is willing to retain employees of previous contractor and signed PW-16, Displaced Transit Employee Declaration indicating that they will do so in their proposal.

B. If the Contractor has declared in Form PW-16, Displaced Transit Employee Declaration that the Contractor will retain employees of the prior contractor or subcontractor for a period of not less than 90 days, the Contractor shall retain employees who have been employed by the prior contractor or subcontractors, except for reasonable and substantiated cause as specified in California Labor Code Section 1072(c)(2). That cause is limited to the particular employee's performance or conduct while working under the prior contract or the employee's failure of any controlled substances and alcohol test, physical examination, criminal background check required by law as a condition of employment, or other standard hiring qualification lawfully required by the contractor and/or subcontractor.

C. In accordance with California Labor Code Section 1072(c)(3), the Contractor shall make a written offer of employment to each employee to be rehired. That offer shall state the time within which the employee must accept that offer, but in no case less than 10 days. California Labor Code 1072(c)(3) does not require the Contractor and/or subcontractor to pay the same wages or offer the same benefits provided by the prior contractor or subcontractor.

D. If, at any time, the Contractor or subcontractor determines that fewer employees are required than were required under the prior contract or subcontract, the Contractor or subcontractor shall retain qualified employees by seniority within the job classification. In determining those employees who are qualified, the Contractor or subcontractor may require an employee to possess any license that is required by law to operate the equipment that the employee will operate as an employee of the Contractor or subcontractor.

E. Termination for Breach

1. In accordance to California Labor Code Section 1074(a), upon its motion or upon the request of any member of the public, the County may terminate this Contract if both of the following occur:

   a. The Contractor or subcontractor has substantially breached this Contract.

   b. The County holds a public hearing within 30 days of the receipt of the request or its announcement of its intention to terminate.

2. Contractor or subcontractor terminated pursuant to this provision shall be ineligible to submit proposal on or be awarded a service contract or subcontract with the County for a period of not less than one year and not more than three years, to be determined by the County.

3. Nothing herein is intended nor shall be construed as creating any exclusive provision for termination of this Contract. This provision shall not limit the County's right to terminate or debar contractors under any other provisions of this Contract or under any other provision of the law.

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EXHIBIT C

Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. December 2006)

Have You Told Your Employees About the Earned Income Credit (EIC)?

What Is the EIC?

The EIC is a refundable tax credit for certain workers.

Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

Note. You are encouraged to notify each employee whose wages for 2006 are less than $38,348 that he or she may be eligible for the EIC.

How and When Must I Notify My Employees?

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2007.

You must hand the notice directly to the employee or send it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice from the IRS website at *www.irs.gov* or by calling 1-800-829-3676.

How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see the 2006 instructions for Form 1040, 1040A, 1040EZ, or Pub. 596, Earned Income Credit (EIC).

How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2006 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2006 and owes no tax but is eligible for a credit of $824, he or she must file a 2006 tax return to get the $824 refund.

How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2007 can get part of the credit with their pay during the year by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EIC payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxes. Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15 (Circular E), Employer's Tax Guide.

Printed on recycled paper

EXHIBIT D.1

No shame.

No blame.

No names.

Newborns can be safely given up at any Los Angeles County hospital emergency room or fire station.

In Los Angeles County:
1-877-BABY SAFE
1-877-222-9723
www.babysafela.org

State of California
Gray Davis, Governor

Health and Human Services Agency
Grantland Johnson, Secretary

Department of Social Services
Rita Saenz, Director

Los Angeles County Board of Supervisors
Gloria Molina, Supervisor, First District
Yvonne Brathwaite Burke, Supervisor, Second District
Zev Yaroslavsky, Supervisor, Third District
Don Knabe, Supervisor, Fourth District
Michael D. Antonovich, Supervisor, Fifth District

This initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

Does the parent have to call before bringing in the baby?

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

Does a parent have to tell anything to the people taking the baby?

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

What happens to the baby?

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

What happens to the parent?

Once the parent(s) has safely turned over the baby, they are free to go.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

A baby's story

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.

It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.

EXHIBIT D.3

Sin pena.
Sin culpa.
Sin peligro.

Los recién nacidos pueden ser entregados en forma segura en la sala de emergencia de cualquier hospital o en un cuartel de bomberos del Condado de Los Angeles.

En el Condado de Los Angeles:
1-877-BABY SAFE
1-877-222-9723
www.babysafela.org

Estado de California
Gray Davis, Gobernador

Agencia de Salud y Servicios Humanos
(Health and Human Services Agency)
Grantland Johnson, Secretario

Departamento de Servicios Sociales
(Department of Social Services)
Rita Saenz, Directora

Consejo de Supervisores del Condado de Los Angeles
Gloria Molina, Supervisora, Primer Distrito
Yvonne Brathwaite Burke, Supervisora, Segundo Distrito
Zev Yaroslavsky, Supervisor, Tercer Distrito
Don Knabe, Supervisor, Cuarto Distrito
Michael D. Antonovich, Supervisor, Quinto Distrito

Esta iniciativa tambien esta apoyada por First 5 LA y INFO LINE de Los Angeles.

¿Qué es la Ley de Entrega de Bebés Sin Peligro?

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura, dentro de los tres días del nacimiento. El bebé debe ser entregado a un empleado de una sala de emergencias o de un cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre recibirá un brazalete igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden empezar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles, al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

¿Los padres deben llamar antes de llevar al bebé?

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

¿Es necesario que el padre/madre diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

¿Qué ocurrirá con el bebé?

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

¿Qué pasará con el padre/madre?

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

¿Por qué California hace esto?

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adonde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

Historia de un bebé

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

Cada recién nacido merece una oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele qué otras opciones tiene.

Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarles a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.

EXHIBIT E

SERVICE ROUTE, SCHEDULE, AND FARE

EXHIBIT E

Avocado Heights, Bassett, West Valinda Shuttle

Monday - Saturday *(lunes a sabados)* **7 am to 7 pm**

The last bus departs at 6 p.m.

Él ultimo microbús sale a las 6 p.m.

East Bound / *oriente este* Shuttle Stops/ Cross Street	Time
AVOCADO HEIGHTS PARK	:00
PROCTOR AV & 4TH AV	
PROCTOR AV & 3RD AV	
3RD AV & DON JULIAN RD	
DON JULIAN RD & WORKMAN MILL RD	
DON JULIAN RD & COBERTA AV	
DON JULIAN RD & AVOCADO CREEK	
SAN ANGELO AV & PROCTOR AV (SAN ANGELO PARK)	:15
SAN ANGELO AV & ARILLO ST	
VALLEY BLVD & SAN ANGELO AVE	
VALLEY BL & COVINA BL	
VALLEY BL & ORANGE BLOSSOM AV	
VINELAND AV & NELSON AV	
BASSETT PARK	:20
VINELAND AV & TEMPLE AV	
AMAR RD & VINELAND AV	
AMAR RD & MILLBURY AV	
AMAR RD & PUENTE AV	
AMAR RD & ADILLO	
AMAR RD & WILLOW	
SUNKIST AV & BLACKWOOD ST	:28
EDGEWOOD ACADEMY	

Times that buses depart at the timed-stop after each hour.

Horario de partida para el microbús a cada hora o minutos pasados cada hora para las paradas indicadas.

West Bound / *poniente oeste* Shuttle Stops/ Cross Street	Time
SUNKIST AV & BLACKWOOD ST	:28
EDGEWOOD ACADEMY	
WILLOW AV & RAGUS	
AMAR RD & WILLOW AVE	
AMAR RD & ADILLA AV	:30
AMAR RD & PUENTE AV	
AMAR RD & MILLBURY AVE	
VINELAND AV & AMAR RD	
VINELAND AV & TEMPLE AV	
BASSETT PARK	:35
VINELAND AV & NELSON AV	
VALLEY BL & ORANGE BLOSSOM AV	
VALLEY BL & COVINA BL	
SAN ANGELO AV & VALLEY BL	
SAN ANGELO PARK	:40
DON JULIAN RD & AVOCADO CREEK	
DON JULIAN RD & COBERTA AV	
DON JULIAN RD & WORKMAN MILL RD	
3RD AV & DON JULIAN RD	
3RD AV & PROCTOR AV	
PROCTOR AV & 4TH AV	
AVOCADO HEIGHTS PARK	:55

Fare / *Tarifa*: General Public / *Publico General* 25 Cents

Free:

Seniors (60 years and older)

Persons with disabilities

Metro Pass Holders

Children under 5*.

***Children under 12 must be accompanied by an adult.**

Gratis:

Personas de edad avanzada (60 años o más)

Personas incapacitadas

Portadores de pases Metro

Niño menores de 5 años*

***Niños menores de doce años de edad deben ser acompañados por un adulto.**

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EXHIBIT F

MINIMUM REQUIRED CONTRACTOR VEHICLE SPECIFICATIONS

SECTION I

- 2003 or newer standard 25-ft Class 3 vehicle
- Propane (LPG), or Compressed Natural Gas (CNG)
- Minimum 14,000 LB GVWR
- 7,000 lbs. front axle (GAWR)
- 10,000 lbs. rear axle (GAWR)
- Spring suspension front and rear (option for rear air)
- 159 to 178 inch wheelbase
- Four (4) Wheel Disc Brakes
- 22 passengers or 16 passengers with two (2) wheelchair positions
- Folding seats are provided in the wheelchair area, which cannot be used while wheelchairs are on board
- Vertical stanchions throughout perimeter seating
- 86,000 BTU passenger area air-conditioning system
- 24,500 BTU driver area air-conditioning system
- 35,000 BTU passenger area heater
- Passenger pull cord system
- "Stop Requested" sign
- Public address system with gooseneck microphone
- Backup alarm
- Ricon model S-2005 fully automatic wheelchair lift to include: manual backup, handrails, California brake interlock, lift pad kit, lift lighting, all ADA
- ADA-compliment securement system for two (2) wheelchair passengers
- 10 lbs. ABC Fire Extinguisher, first-aid kit, reflector kit
- Inside and outside signage
- Fare box

SECTION II

- If Section I vehicle type is not available, then gasoline-powered cutaway vehicle may be used in substitution.
- 2003 or newer, standard 25-ft Class 3 vehicle
- 22 passengers or 16 passengers with two (2) wheelchair positions
- Minimum 14,000 LB GVWR
- 159 to 178 inch wheelbase
- Four (4) Wheel Disc Brakes, 14.75' diameter
- 7,000 lbs. front axle (GAWR)
- 10,000 lbs. rear axle (GAWR)
- Spring suspension front and rear (option for rear air)
- Folding seats are provided in the wheelchair area, which cannot be used while wheelchairs are on board
- Vertical stanchions throughout perimeter seating
- 86,000 BTU passenger area air-conditioning system
- 24,500 BTU driver area air-conditioning system
- 35,000 BTU passenger area heater
- Passenger pull cord system
- "Stop Requested" sign
- Public address system with gooseneck microphone
- Backup alarm

- Ricon model S-2005 fully automatic wheelchair lift to include: manual backup, handrails, California brake interlock, lift-pad kit, lift lighting, meeting all ADA requirements, or Director approved equal.
- ADA-compliant securement system for two (2) wheelchair passengers
- 10 lbs. ABC Fire Extinguisher, first-aid kit, reflector kit, body fluid kit
- Inside and outside signage
- Fare box

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EXHIBIT G

COUNTY-OWNED VEHICLE SPECIFICATIONS

- 2008 Model El Dorado National E-Z Rider II
- 102" Exterior width
- 30' 11" Overall length
- 160" Wheelbase
- Mechanical fan drive with spring-loaded idler
- Kneeling front suspension system
- Air valve below front bumper
- ABS air brake system
- 200 AMP alternator
- Stainless steel battery tray, six (6) group 31 batteries
- Cummins B Plus (5.9L) Propane (LPG), 195 HP
- 169 gallon usable fuel capacity
- Spare tire and wheel (one for each vehicle)
- Tilt and telescopic steering column
- 5-Speed Allison B300R transmission
- High-idle assembly
- Backup alarm warning
- Hubodometer (curbside/rightside)
- Air-operated door, slide glide type with three (3) position control
- Hydraulic wheelchair ramp at front door
- Deceleration alert rear lights
- Floor-mounted directional signals
- Air compressor, engine mounted
- Seating for twenty-nine (29) passengers, with six (6) flip-up-type seats
- American Seating model #6468 with VR-50 inserts, fiberglass
- ADA compliant securement system for two (2) wheelchair passengers
- Intermittent wipers
- Rear collision avoidance light
- Fluorescent interior lighting
- Twinvision LED front and side destination signs
- Internal public address system with gooseneck microphone
- Radio two-way, prewire with antenna
- Ribbed isle flooring, rubber
- Carpeted kick panels
- Driver's barrier, top and bottom sections
- Rear view interior mirror
- Motorized and heated exterior mirror
- Passenger assist handrails, left and right side of aisle at front door
- Eight (8) vertical stanchions throughout perimeter seating
- New View blind for driver's window
- Six (6) ceiling grab rails with hand straps
- 32" Transom tip-in passenger windows
- Transit care graffiti guard window inserts on passenger windows
- Passenger pull cord signal system with chime and dash light
- Front assembly heating and air conditioning
- Thermo King Model R134A heating and ventilation system
- Amerex fire suppression system with methane detection
- Remote control transpec roof hatch
- Main Treasury farebox
- First aid kit, fire extinguisher, body fluid kit, and tri-reflectors

EXHIBIT H

AVOCADO HEIGHTS, BASSETT, AND WEST VALINDA SHUTTLE SERVICES

VEHICLE APPEARANCE/CLEANLINESS CHECKLIST

Date/Time_____ Vehicle No._____

Checked BY_____

EXTERIOR	VERY GOOD	ACCEPTABLE	UNACCEPTABLE
Windshield	_____	_____	_____
Windows	_____	_____	_____
Body–Front and Sides	_____	_____	_____
Body–Rear	_____	_____	_____
Fuel Filter Area	_____	_____	_____
Wheels	_____	_____	_____
Rubber/Vinyl Parts	_____	_____	_____
Destination Sign Area	_____	_____	_____
INTERIOR			
Entry/Driver Area	_____	_____	_____
Windshield	_____	_____	_____
Floor/Aisle	_____	_____	_____
Seats	_____	_____	_____
Seat Backs	_____	_____	_____
Windows	_____	_____	_____
Lift or Exit Door Area	_____	_____	_____
Sidewall Panels	_____	_____	_____
Modesty Panels	_____	_____	_____
Stanchions/Grab Rails	_____	_____	_____
Information Display Area	_____	_____	_____
Schedule Holder(s)	_____	_____	_____
Subtotal	_____	_____	_____
Total	_____	_____	_____

OVERALL RATING

_____ VERY GOOD

_____ ACCEPTABLE

_____ UNACCEPTABLE

EXHIBIT I

MONTHLY RIDERSHIP FORM (MR-20) FOR LACMTA CONSOLIDATED NTD REPORT FOR FY __

Agency LADPW - AVOCADO HEIGHTS SHUTTLE

Mode **MB**

Month	Total Boarding	Revenue Hours	Revenue Miles	# of Vehicles Operated	* Due to MTA
July					August 25th
Aug					September 25th
Sept					October 25th
Oct					November 25th
Nov					December 25th
Dec					January 25th
January					February 25th
February					March 25th
March					April 25th
April					May 25th
May					June 25th
June					July 25th
Total :	0	0	0		

Mode **DR**

Month	Total Boarding	Revenue Hours	Revenue Miles	# of Vehicles Operated	* Due to MTA
July					August 25th
Aug					September 25th
Sept					October 25th
Oct					November 25th
Nov					December 25th
Dec					January 25th
January					February 25th
February					March 25th
March					April 25th
April					May 25th
May					June 25th
June					July 25th
Total :	0	0	0		

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EXHIBIT J

CONTROLLED SUBSTANCE AND ALCOHOL TESTING PROGRAM

1. Substance Abuse Testing

It shall be the duty of Contractor to take all steps feasible to ensure that those employed personnel, independent contractors' or subcontractors' employees servicing or operating Service Vehicles pursuant to this Scope of Work do not perform those functions under the influence of alcohol, controlled substances, or medication which impairs their judgment or physical ability.

In meeting this duty, Contractor shall, at a minimum, do the following:

a. Promulgate and Distribute to All Personnel a Written Policy Statement Prohibiting Servicing and/or Operating Service Vehicles While Under the Influence of Alcohol, Controlled Substances, or Any Medication Which Impairs Judgment or Physical Ability

The written policy statement shall indicate Contractor's intention to: (1) initiate substance abuse testing as described herein below; (2) immediately suspend any personnel testing "positive" for substance abuse from servicing or operating Service Vehicles pending review pursuant to the procedure described herein below; and (3) absent overruling on review to permanently prohibit such person from servicing or operating Service Vehicles.

b. Institute a Comprehensive Program for Substance Abuse Testing for All Personnel Entailing Urinalysis and/or Blood Tests

1. Pre-employment testing of job applicants, independent contractors' and subcontractors' employees all as part of the pre-employment physical examination

Urine and/or blood samples will be taken as part of the pre-employment physical examination process and will be subjected to recognized testing procedures employed by duly licensed clinical laboratory technicians to determine the presence of alcohol and/or any controlled substance as that term is used in the Health and Safety Code, Section 11054, including, but not limited to, marijuana and its derivatives, opium and its derivatives, methaqualone, methamphetamine, lysergic acid diethylamide, psilocybin, or mescaline. Evidence of controlled substance presence in urine or blood of any job applicant shall require denial of the job application. Evidence of a blood alcohol level at the time of testing of greater than **0.04** percent shall likewise require denial of the job application.

If Contractor at any time during the period of this Contract uses or contemplates usage of independent contractors' or subcontractors'

employees to service or operate the Service Vehicles, the individuals who would perform such functions under such contractual arrangement shall be tested in the fashion described hereinabove and shall be prohibited from performing said functions upon testing "positive" for controlled substance use or blood alcohol concentration in excess of 0.04 percent.

2. Mandatory drug testing within three hours of a traffic accident or incident giving rise to a suspicion of substance abuse

The Provider shall make the necessary arrangements for and require substance abuse testing of all personnel, independent contractors' or subcontractors' employees involved in a traffic accident while operating a Service Vehicle within as short a time as possible following the accident and in no event to exceed three hours thereafter.

The Provider shall make the necessary arrangements for and require substance abuse testing of all personnel, independent contractors' or subcontractors' employees servicing or operating a Service Vehicle as to whom a report has been received from the public or from coworkers or supervisors as to involvement in a physical altercation, being verbally abusive or otherwise acting in a bizarre manner. The Provider shall make arrangements to provide for continued public transportation service prior to ordering the subject individual to report for drug testing, but shall make every effort to have the testing occur within three hours of the reported incident.

In addition to the testing required under Subsection 1.b.1 hereinabove, the testing required pursuant to this subsection shall include testing for the presence of prescription drugs and other over-the-counter medications which are known, on occasion, to cause drowsiness, impairment of judgment, and/or impairment of physical coordination and activity. This classification of substance is intended to include among other things: antihistamines, tranquilizers, painkillers, mood elevators, and psychotropics.

All persons testing "positive" for controlled substance abuse or showing blood-alcohol concentration in excess of **0.04** percent shall be immediately suspended from servicing or operating Service Vehicles pending review pursuant to the review procedure set forth herein below. In the absence of an overruling of the suspension pursuant to the review procedure, the Provider shall permanently prohibit these individuals from servicing or operating Service Vehicles pursuant to this Scope of Work.

All persons whose tests indicate a blood-alcohol concentration greater than 0.00 percent but less than **0.04** percent or show the presence of a medication known on occasion to cause drowsiness, impairment of judgment, and/or impairment of coordination, and other physical abilities shall be immediately suspended from servicing or operating a Service Vehicle for a period of twenty-four hours. These individuals shall be given oral explanation and warning confirmed in writing and noted in the personnel file with respect to the potential safety hazard posed by the involved substance.

3. Non-discretionary, Random Substance Abuse Testing

The Provider shall identify all personnel, independent contractors', or subcontractors' employees scheduled to service or operate Service Vehicles pursuant to this Scope of Work and place their names in a data pool susceptible to truly random accessibility either physically as by placement of cards in a tumbler or by programming of an information retrieval system.

Names of individuals shall be chosen for random testing on a schedule designed to test 25 percent of the relevant personnel and affected other personnel quarterly which schedule shall be set forth in a public statement distributed quarterly to all personnel and affected other persons. In no event shall the employee have more than six hours notice prior to his or her appointment for the test.

The testing shall take place on company time at a location that does not require the person tested to expend more personal time in traveling to or from the testing site than would otherwise be expended in traveling to or from a work location.

The testing shall be as to controlled substance abuse and/or blood-alcohol concentration as set forth in Subsection 1.b.1. Upon evidence of a blood-alcohol level in excess of **0.04** percent or of the presence of any controlled substance in any tested individual, the Provider shall immediately suspend that individual from servicing or operating a Service Vehicle pursuant to this Scope of Work.

If the finding of substance abuse is not overruled upon review, the Provider shall permanently prohibit any such individual from servicing or operating Service Vehicles pursuant to this Scope of Work.

4. Double Testing

All urine and/or blood samples taken for the testing described hereinabove which test positive shall be processed twice for each

subject substance. In those cases where it is necessary to perform a second test on a urine sample, the second test shall use a different methodology to assure the validity of the results.

No disciplinary action set forth herein shall be taken unless the urine or blood tests "positive" for the subject substance in each test.

5. Notification of Suspension and Intent to Prohibit Servicing or Operating Vehicles or Performance of Function with Potential Impact upon Public Safety

The Provider shall, upon receipt of substance abuse test results warranting action hereinunder, notify the subject individual of his immediate suspension and of the Provider's intention to prohibit performance of specified duties. The Provider is not required hereby to terminate employment of the individual altogether.

c. Institute A Review Procedure

The Provider shall provide use of a meeting room and, as to the employee Board member, paid time for the convening of a drug-testing Review Board on an as-needed basis.

An individual must request a review in writing and must deliver that request to any superior within two business days of receipt of the notice of suspension or forfeit his right of review. The superior shall deliver the request to any Board member.

The Board shall consist of a member appointed by the Provider, an employee representative (who shall be an employee of the Provider), and a third party chosen by the other two.

The Board shall decide upon the consequences of the substance testing set forth in Subsection 1.b above within one week of receipt of the request for review.

The Board shall hold short hearings at which the individual tested shall have the opportunity to dispute the fact of substance abuse and present evidence of extenuating circumstances.

The rules of evidence need not be applied. The fact of substance abuse will be presumed from the results of the substance test. Anticipated as the factual basis for rebutting that presumption would be a contrary test result obtained by the individual voluntarily in a relevant time frame from a competent disinterested laboratory.

The Board may make ex parte inquiries to County Health officials with respect to any review proceeding.

The Board has absolute discretion to question extenuating circumstances.

The Board shall vote on whether to sustain or overrule the prohibition intended to be imposed within one week of the hearing. A two-thirds vote is required to overrule the Provider's intended work prohibition.

The decision shall be written but need not be a formal document.

1. Confidentiality

   The substance test results and any material presented to the Review Board shall be maintained in a confidential file by the Provider. The confidentiality shall be of a limited nature. The files will not be available for public inspection and the information therein shall not be otherwise published. The County shall have access thereto, however. Statistics generated without specific reference to individuals may be published or made available for public inspection; and the Provider will not refuse to honor a criminal or civil subpoena relative thereto.

2. Liability

   The County shall indemnify, defend, and hold harmless the Provider, its officers, agents, and employees, from and against any and all liability, expense, including defense costs and legal fees, and claims for damages arising from the institution of legal proceedings challenging the right of the Provider to subject its employees to mandatory random drug and alcohol abuse testing, or to require its subcontractors to do the same.

LOS ANGELES COUNTY MANDATORY CONTROLLED SUBSTANCE AND ALCOHOL TESTING PROGRAM QUARTERLY REPORT

Provider: **Reporting Period:**

Agreement/Contract No. **Project:**

A requirement of the subject Agreement or Scope of Work is the mandatory quarterly drug testing program. Please complete and submit one of these forms no later than 15 days after the end of each quarter.

FAX to: (626) 979-5359

		DRIVERS	MECH.	OTHER	TOTAL
I.	**RANDOM TESTING**				
a.	Number of drivers and mechanics assigned to project this quarter.	_____	_____	_____	_____.
b.	Number of random test (25% minimum)	_____	_____	_____	_____.
c.	Number of positive tests results	_____	_____	_____	_____.
d.	Number of positive second tests	_____	_____	_____	_____.
e.	Action taken due to second positive tests	_____			
II.	**PRE-EMPLOYMENT TESTING**				
a.	Number of potential employees tested	_____	_____	_____	_____.
b.	Number of positive tests results	_____	_____	_____	_____.
c.	Action taken on positive tests				
III.	**INCIDENT-RELATED TESTING**				
a.	Number of employees tested	_____	_____	_____	_____.
b.	Number of positive tests results	_____	_____	_____	_____.
c.	Number of positive second tests	_____	_____	_____	_____.
d.	Action taken due to second positive tests				

Prepared By Date

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EXHIBIT K

TRANSIT SECURITY

Homeland Security Presidential Directive-3

For Immediate Release
Office of the Press Secretary
March 12, 2002

Purpose

The Nation requires a Homeland Security Advisory System to provide a comprehensive and effective means to disseminate information regarding the risk of terrorist acts to Federal, State, and local authorities and to the American people. Such a system would provide warnings in the form of a set of graduated "Threat Conditions" that would increase as the risk of the threat increases. At each Threat Condition, Federal departments and agencies would implement a corresponding set of "Protective Measures" to further reduce vulnerability or increase response capability during a period of heightened alert.

This system is intended to create a common vocabulary, context, and structure for an ongoing national discussion about the nature of the threats that confront the homeland and the appropriate measures that should be taken in response. It seeks to inform and facilitate decisions appropriate to different levels of government and to private citizens at home and at work.

Homeland Security Advisory System

The Homeland Security Advisory System shall be binding on the executive branch and suggested, although voluntary, to other levels of government and the private sector. There are five Threat Conditions, each identified by a description and corresponding color. From lowest to highest, the levels and colors are:

Low	=	Green;
Guarded	=	Blue;
Elevated	=	Yellow;
High	=	Orange;
Severe	=	Red.

The higher the Threat Condition, the greater the risk of a terrorist attack. Risk includes both the probability of an attack occurring and its potential gravity. Threat Conditions shall be assigned by the Attorney General in consultation with the Assistant to the President for Homeland Security. Except in exigent circumstances, the Attorney General shall seek the views of the appropriate Homeland Security Principals or their subordinates, and other parties as appropriate, on the Threat Condition to be assigned. Threat Conditions may be assigned for the entire Nation, or they may be set for a particular geographic area or industrial sector. Assigned Threat Conditions shall be reviewed at regular intervals to determine whether adjustments are warranted.

For facilities, personnel, and operations inside the territorial United States, all Federal departments, agencies, and offices other than military facilities shall conform their existing threat advisory systems to this system and henceforth administer their systems consistent with the determination of the Attorney General with regard to the Threat Condition in effect.

The assignment of a Threat Condition shall prompt the implementation of an appropriate set of Protective Measures. Protective Measures are the specific steps an organization shall take to reduce its vulnerability or increase its ability to respond during a period of heightened alert. The authority to craft and implement Protective Measures rests with the Federal departments and agencies. It is recognized that departments and agencies may have several preplanned sets of responses to a particular Threat Condition to facilitate a rapid, appropriate, and tailored response. Department and agency heads are respon-sible for developing their own Protective Measures and other antiterrorism or self-protection and continuity plans, and resourcing, rehearsing, documenting, and maintaining these plans. Likewise, they retain the authority to respond, as necessary, to risks, threats, incidents, or events at facilities within the specific jurisdiction of their department or agency, and, as authorized by law, to direct agencies and industries to implement their own Protective Measures. They shall continue to be responsible for taking all appropriate proactive steps to reduce the vulnerability of their personnel and facilities to terrorist attack. Federal department and agency heads shall submit an annual written report to the President, through the Assistant to the President for Homeland Security, describing the steps they have taken to develop and implement appropriate Protective Measures for each Threat Condition. Governors, mayors, and the leaders of other organizations are encouraged to conduct a similar review of their organizations Protective Measures.

The decision whether to publicly announce Threat Conditions shall be made on a case-by-case basis by the Attorney General in consultation with the Assistant to the President for Homeland Security. Every effort shall be made to share as much information regarding the threat as possible, consistent with the safety of the Nation. The Attorney General shall ensure, consistent with the safety of the Nation, that State and local government officials and law enforcement authorities are provided the most relevant and timely information. The Attorney General shall be responsible for identifying any other information developed in the threat assessment process that would be useful to State and local officials and others and conveying it to them as permitted consistent with the constraints of classification. The Attorney General shall establish a process and a system for conveying relevant information to Federal, State, and local government officials, law enforcement authorities, and the private sector expeditiously.

The Director of Central Intelligence and the Attorney General shall ensure that a continuous and timely flow of integrated threat assessments and reports is provided to the President, the Vice President, Assistant to the President and Chief of Staff, the

Assistant to the President for Homeland Security, and the Assistant to the President for National Security Affairs. Whenever possible and practicable, these integrated threat assessments and reports shall be reviewed and commented upon by the wider interagency community.

A decision on which Threat Condition to assign shall integrate a variety of considerations. This integration will rely on qualitative assessment, not quantitative calculation. Higher Threat Conditions indicate greater risk of a terrorist act, with risk including both probability and gravity. Despite best efforts, there can be no guarantee that, at any given Threat Condition, a terrorist attack will not occur. An initial and important factor is the quality of the threat information itself. The evaluation of this threat information shall include, but not be limited to, the following factors:

1. To what degree is the threat information credible?
2. To what degree is the threat information corroborated?
3. To what degree is the threat specific and/or imminent?
4. How grave are the potential consequences of the threat?

Threat Conditions and Associated Protective Measures

The world has changed since September 11, 2001. We remain a Nation at risk to terrorist attacks and will remain at risk for the foreseeable future. At all Threat Conditions, we must remain vigilant, prepared, and ready to deter terrorist attacks. The following Threat Conditions each represent an increasing risk of terrorist attacks. Beneath each Threat Condition are some suggested Protective Measures, recognizing that the heads of Federal departments and agencies are responsible for developing and implementing appropriate agency-specific Protective Measures:

1. **Low Condition (Green)**. This condition is declared when there is a low risk of terrorist attacks. Federal departments and agencies should consider the following general measures in addition to the agency-specific Protective Measures they develop and implement:

    a. Refining and exercising as appropriate preplanned Protective Measures;

    b. Ensuring personnel receive proper training on the Homeland Security Advisory System and specific preplanned department or agency Protective Measures; and

    c. Institutionalizing a process to assure that all facilities and regulated sectors are regularly assessed for vulnerabilities to terrorist attacks, and all reasonable measures are taken to mitigate these vulnerabilities.

2. **Guarded Condition (Blue)**. This condition is declared when there is a general risk of terrorist attacks. In addition to the Protective Measures taken in the previous Threat Condition, Federal departments and agencies should consider the following general measures in addition to the agency-specific Protective Measures that they will develop and implement:

   a. Checking communications with designated emergency response or command locations;

   b. Reviewing and updating emergency response procedures; and

   c. Providing the public with any information that would strengthen its ability to act appropriately.

3. **Elevated Condition (Yellow)**. An Elevated Condition is declared when there is a significant risk of terrorist attacks. In addition to the Protective Measures taken in the previous Threat Conditions, Federal departments and agencies should consider the following general measures in addition to the Protective Measures that they will develop and implement:

   a. Increasing surveillance of critical locations;

   b. Coordinating emergency plans as appropriate with nearby jurisdictions;

   c. Assessing whether the precise characteristics of the threat require the further refinement of preplanned Protective Measures; and

   d. Implementing, as appropriate, contingency and emergency response plans.

4. **High Condition (Orange)**. A High Condition is declared when there is a high risk of terrorist attacks. In addition to the Protective Measures taken in the previous Threat Conditions, Federal departments and agencies should consider the following general measures in addition to the agency-specific Protective Measures that they will develop and implement:

   a. Coordinating necessary security efforts with Federal, State, and local law enforcement agencies or any National Guard or other appropriate armed forces organizations;

   b. Taking additional precautions at public events and possibly considering alternative venues or even cancellation;

   c. Preparing to execute contingency procedures, such as moving to an alternate site or dispersing their workforce; and

d. Restricting threatened facility access to essential personnel only.

5. **Severe Condition (Red)**. A Severe Condition reflects a severe risk of terrorist attacks. Under most circumstances, the Protective Measures for a Severe Condition are not intended to be sustained for substantial periods of time. In addition to the Protective Measures in the previous Threat Conditions, Federal departments and agencies also should consider the following general measures in addition to the agency-specific Protective Measures that they will develop and implement:

   a. Increasing or redirecting personnel to address critical emergency needs;

   b. Assigning emergency response personnel and pre-positioning and mobilizing specially trained teams or resources;

   c. Monitoring, redirecting, or constraining transportation systems; and

   d. Closing public and government facilities.

Comment and Review Periods

The Attorney General, in consultation and coordination with the Assistant to the President for Homeland Security, shall, for 45 days from the date of this directive, seek the views of government officials at all levels and of public interest groups and the private sector on the proposed Homeland Security Advisory System.

One hundred thirty-five days from the date of this directive the Attorney General, after consultation and coordination with the Assistant to the President for Homeland Security, and having considered the views received during the comment period, shall recommend to the President in writing proposed refinements to the Homeland Security Advisory System.

Top 20 Security Program Action Items for Transit Agencies

The following Action Items identify the most important elements that transit agencies should incorporate into their System Security Program Plans. These top twenty (20) items are based on good security practices identified through FTA's Security Assessments and Technical Assistance provided to the largest transit agencies. Specific information on these elements may be found in FTA's Transit System Security Program Planning Guide. FTA is working with transit agencies to encourage them to incorporate these practices into their programs.

Management and Accountability

1. Written security program and emergency management plans are established.
2. The security and emergency management plans are updated to reflect anti-terrorist measures and any current threat conditions.
3. The security and emergency management plans are an integrated system program, including regional coordination with other agencies, security design criteria in procurements and organizational charts for incident command and management systems.
4. The security and emergency management plans are signed, endorsed and approved by top management.
5. The security and emergency management programs are assigned to a senior level manager.
6. Security responsibilities are defined and delegated from management through to the front line employees.
7. All operations and maintenance supervisors, forepersons, and managers are held accountable for security and emergency management issues under their control.

Security Problem Identification

8. A threat and vulnerability assessment resolution process is established and used.
9. Security sensitive intelligence information sharing is improved by joining InfraGuard, the FBI Regional Task Force and the Surface Transportation Intelligence Sharing & Analysis Center (ISAC); security information is reported through the National Transit Database (NTD).

Employee Selection

10. Background investigations are conducted on all new front-line operations and maintenance employees (i.e., criminal history, motor vehicle records, credit history).

11. Criteria for background investigations are established.

Training

12. Security orientation or awareness materials are provided to all front-line employees.

13. Ongoing training programs on safety, security and emergency procedures by work area are provided.

14. Public awareness materials are developed and distributed on a system wide basis.

Audits and Drills

15. Periodic audits of security and emergency management policies and procedures are conducted.

16. Tabletop and functional drills are conducted at least once every six months and full-scale exercises, coordinated with regional emergency response providers, are performed at least annually.

Document Control

17. Access to documents of security critical systems and facilities are controlled.

18. Access to security sensitive documents is controlled.

Access Control

19. Background investigations are conducted of contractors or others who require access to security critical facilities, and ID badges are used for all visitors, employees and contractors to control access to key critical facilities.

Homeland Security

20. Protocols have been established to respond to the Office of Homeland Security Threat Advisory Levels.

Federal Transit AdministrationTransit Threat Level Response Recommendation

FTA Policy Statement

The Federal Transit Administration (FTA) has developed a National Transit Response Model that supports the initiatives of the Office of Homeland Security (OHS). The plan is a guide for the FTA's response to the OHS Homeland Security Advisory System (HSAS). The Transit Threat Level Response Recommendation, in turn, provides guidance to the U.S. transit industry in responding to the various OHS threat level designations.

Introduction and Background

The Federal Transit Administration (FTA), in response to the Office of Homeland Security (OHS), has defined the following plan to guide transit response to the HSAS as defined in Homeland Security Presidential Directive #3. The plan establishes a consistent and coordinated transit response to potential threats in order to protect transit passengers, employees, and infrastructure, and to support community emergency response efforts. Further, the plan is compatible with the way transit operates:

- Transit relies on an inherently open architecture, allowing free movement of passengers in public facilities and vehicles. This freedom of movement must be maintained to permit transit to perform its basic functions.
- Transit is geographically widespread, often operating on public infrastructure and requiring important interagency cooperation to ensure protection.
- There is great diversity in how police and security forces are provided and deployed at different transit systems. There is no national mandate to standardize this facet of transit operations and security force policies will remain a local agency decision.
- Transit functions include substantial differences in equipment, infrastructure, operations and security practices from agency to agency. While this plan provides general guidance for response to individual threat conditions, the details of specific implementation vary substantially throughout these agencies.
- Transit systems are routinely under surveillance by their operating staff (e.g., drivers, supervisors, station attendants, and controllers), security employees, and, with increasing frequency, transit passengers. This normal level of vigilance, supplemented by appropriate awareness training

and the protective measures identified under threat condition green/blue, may be sufficient vigilance for some systems.

Threat Level/Attack/Recovery Systems Approach

The FTA National Transit Response Model supplements the existing HSAS Threat Condition model with Black and Purple designations to further define appropriate transit industry activities when an attack is in progress and during the post-event recovery of transit services and facilities.

Color	Condition
Green	Low threat level
Blue	General threat level
Yellow	Elevated threat level
Orange	High threat level
Red	Severe threat level
Black	Actual Attack
Purple	Recovery

The Black and Purple designations are interpreted as follows.

- Black indicates that an attack is underway against a specific transit agency or within the agency's immediate geographic area. The Black state is entered only when an attack has occurred. Black includes the immediate post-attack time period when the transit agency may be responding to casualties, assisting in evacuations, inspecting and securing transit facilities, or helping with other tasks directed by the local emergency management authority.

- Purple indicates the recovery of transit service after an attack has occurred. Purple includes restoration of levels of service, routes, and schedules, repairing or reopening facilities, adjustment of staff work schedules and duty assignments, responding to customer inquiries about services, and other activities necessary to restore transit service. The Purple state follows the Black state and may also exist for short time periods when the agency is transitioning from a higher threat condition to a lower threat condition (e.g., from Red to Orange). The Purple state will coexist with the prevailing threat condition. In other words, business recovery (Purple) will be accomplished while maintaining the prevailing readiness status (e.g., Orange protective measures).

Threat Level Information

The Attorney General makes the decision to change the OHS threat level. Changes in threat levels typically will be in sequential stepwise order. As conditions warrant, elevated threat levels will typically progress in order from lowest (green) to highest (red). Likewise, as conditions warrant, returning from higher to lower threat levels will typically progress sequentially.

Transit response posture may vary depending on the nature of the threat level. For example, threat guidance focused on the northeastern region may dictate that transit agencies in that region maintain a higher response posture than other regions of the country. If the guidance is modal-based, for example a threat to subways and transit agencies with subway modes may maintain a higher response posture than agencies without subways. In fact, large multi-modal transit agencies may operate their different modes with different response postures.

However, based on information and conditions, transit agencies should be prepared for the distinct possibility of a non-sequential threat level advisory. For example, if information and conditions warrant, a current threat advisory level of "Yellow" could be directly elevated to "Red."

Transit agencies must work collaboratively with their local and regional emergency management organizations, joint terrorism task force, police agencies, and other organizations. Each transit agency is responsible for determining its own appropriate response posture, based on an assessment of the guidance received from all sources and the response posture of the communities where the agency provides service.

FTA Recommended Protective Measures/Activities for Transit Agencies

The FTA recommends the threat level protective measures and activities for transit agencies as suggested or recommended actions, not required actions. While each transit agency should implement measures/activities appropriate to its own operating environment, the following general guidelines apply:

- The threat/risk goes up with each successive level.
- Responses are additive; each level incorporates all activities from the previous levels.

- Threat information may be general or indicated for different geographical regions of the country, metro areas, cities, transit agencies, industries, facility types (e.g., subway, tunnel, bus, control center, etc.), or for a specific facility.
- Specific implementation must be determined by the transit agency in light of actual events; protective measures for a higher level than officially designated may be implemented by the transit agency. For example, if the threat advisory level is elevated from "Yellow" to "Orange" a transit agency may elect to implement not only "Orange" level suggested protective measures, but also some "Red" level protective measures.

The following list presents specific transit industry protective measures in response to the HSAS threat level conditions, as well as for the actual attack and post-attack/recovery phases.

FTA Recommended Transit Protective Measures: GREEN

Low Condition (Green): This condition is declared when there is a low risk of terrorist attacks.

Measure 1. Refining and exercising as appropriate preplanned Protective Measures.

Measure 2. Ensuring personnel receive proper training on the Homeland Security Advisory System and specific preplanned department or agency Protective Measures.

Measure 3. Institutionalizing a process to assure that all facilities and regulated sectors are regularly assessed for vulnerabilities to terrorist attacks, and all reasonable measures are taken to mitigate these vulnerabilities.

Measure 4. All contractors and visitors must check or sign in and out of designated facilities or areas within the facility that are considered key command, control or communications centers or areas.

Measure 5. Ensure existing security measures are in place and functioning such as fencing, locks, camera surveillance, intruder alarms, and lighting. Identify those additional security measures and resources that can enhance the security at the higher Threat Condition levels, e.g., increased surveillance.

Measure 6. Establish local, regional and system-wide threat and warning dissemination process, emergency communications capability, and contact information with law enforcement and security officials, including local FBI Field Offices, first responders, regional and district US DOT and FTA representatives. Emergency communications

should have redundancy in both hardware and means to contact security officials, law enforcement agencies, and mobile field command centers.

Measure 7. Develop terrorist and security awareness and provide information and educate employees on security standards and procedures. Caution employees not to talk with outsiders concerning their facility or related issues.

Measure 8. Advise all personnel at each facility to report the presence of unknown personnel, unidentified vehicles, vehicles operated out of the ordinary, abandoned parcels or packages, and other suspicious activities.

Measure 9. Develop procedures for shutting down and evacuation of the facility. Facilities located near critical community assets should be especially vigilant of security measures.

Measure 10. Incorporate security awareness and information into public education programs and notifications to emergency response organizations.

Measure 11. Survey surrounding areas to determine those activities that might increase the security risks that could affect the facility, e.g., airports, government buildings, industrial facilities, pipelines, etc.

Measure 12. Ensure contingency and business continuity plans are current and include a response to terrorist threats.

Measure 13. Develop and implement hardware, software, and communications security for computer based operational systems.

FTA Recommended Transit Protective Measures: BLUE

Guarded Condition (Blue): This condition is declared when there is a general risk of terrorist attacks.

Measure 14. Establish liaison with each station or facility served to coordinate measures that may be necessary if the Threat Condition increases.

Measure 15. Ensure that a response can be mobilized and review facility security plans and procedures including bomb threat, chemical, biological or radiological threat and evacuation procedures. Ensure plans incorporate EOD and tactical teams as necessary, including accessibility to explosive detection capabilities such as K-9 teams or electronic sniffers.

Measure 16. Inspect perimeter fencing and repair all fence breakdowns. In addition, review all outstanding maintenance and capital project work that could affect the security of facilities.

Measure 17. Review all operations plans, personnel details, and logistics requirements that pertain to implementing higher Threat Condition levels.

Measure 18. Inspect all CCTV/Video Camera/VCR equipment and intercom systems where applicable to ensure equipment is operational.

Measure 19. Review and ensure adequacy of personnel and ID issuance and control procedures.

Measure 20. Require each visitor to check in at a designated facilities or areas within the facility that are consider key command, control or communications centers or areas and verify their identification - be especially alert to repeat visitors or outsiders who have no apparent business at the facility and are asking questions about the facility or related issues including the facility's personnel. Be familiar with vendors who service the facility and investigate changes in vendor personnel.

Measure 21. Inspect emergency supplies to ensure equipment is in good working order.

Measure 22. Provide the public with any information that would strengthen its ability to act appropriately.

Measure 23. At regular intervals, remind all personnel to be suspicious and inquisitive about strangers, particularly those carrying suitcases or other containers. Watch for unidentified vehicles on or in the vicinity of facilities. Watch for abandoned parcels or suitcases and any unusual activity.

FTA Recommended Transit Protective Measures: YELLOW

Elevated Condition (Yellow): An Elevated Condition is declared when there is a significant risk of terrorist attacks.

Measure 24. Inform all law enforcement and security officials with an operational need to know of the increased threat. Communicate this information to agency employees who have an operational need to know. Reinforce awareness of responsibilities with employees.

Measure 25. Test security and emergency communications procedures and protocols. Post Security Alert if appropriate. Check communications with designated emergency response or command locations.

Measure 26. Secure all buildings and storage areas not in regular use. Increase frequency of inspection and patrols within the facility including the interior of buildings and along the facility perimeter. Increase surveillance in areas considered key command, control or communications centers and areas such as truck docks, taxi lanes, parking lots, bridges, tunnels, and interlockings, as applicable.

Measure 27. Check designated unmanned and remote sites at more frequent intervals for signs of unauthorized entry, suspicious packages, or unusual activities.

Measure 28. Reduce the number of access points for vehicles and personnel to minimum levels and periodically spot check the contents of vehicles at the access points. Be alert to vehicles parked for an unusual length of time in or near a facility.

Measure 29. Inspect all mail and packages coming into a facility. Do not open suspicious packages. Review the USPS "Suspicious Mail Alert" and the "Bombs by Mail" publications with all personnel involved in receiving mail and packages.

Measure 30. Network with local law enforcement intelligence units, i.e. FBI field offices, and liaison, as appropriate, with other departments.

Measure 31. Ensure that personnel with access to building plans and area evacuation plans be available at all times. Personnel should be able to seal off an area immediately. The Director of Safety and Security and staff required to implement security plans should be on call and readily available.

Measure 32. Increase security spot checks of vehicles and persons entering facilities.

Measure 33. Review and implement security measures for high-risk personnel, as appropriate.

Measure 34. Increase the frequency of warnings by Low Condition (Green) and Guarded Condition (Blue) and inform personnel of additional threat information as available. Implement procedures to provide periodic updates on security measures being implemented.

Measure 35. Ensure that a company or facility response can be mobilized appropriate for the increased security level. Review communications procedures and back-up plans with all concerned.

Measure 36. Review with all facility employees the operations plans, personnel safety, security details, and logistics requirements that pertain to implementing increased security levels. Review notification/recall lists.

Measure 37. Confirm availability of security resources that can assist with 24/7 coverage as applicable.

Measure 38. Step up routine checks of unattended vehicles, scrutiny of packages and vehicles, and monitor critical facilities and key infrastructure (e.g., directed patrol checks of hatches, traction power substations, signal equipment, tracks, switches, rail yards and shops, rights-of-way, parking lots, etc.) are properly secured.

Measure 39. Limit visitor access to key security areas and confirm that the visitor has a need to be and is expected. All unknown visitors should be escorted while in these areas.

Measure 40. Advise local police agencies that the facility is at Elevated Condition (Yellow) and advise the measures being employed. Coordinate emergency plans as appropriate with nearby jurisdictions.

Measure 41. Resurvey the surrounding area to determine if activities near the facility could create emergencies and other incidents that could affect the facility, e.g., airports, government buildings, industrial facilities, railroads, other pipelines, etc.

Measure 42. Instruct employees working alone at remote locations or on the ROW to check-in on a periodic basis.

Measure 43. Check to ensure all emergency telephone, radio, intercom, and satellite communication devices are in place and they are operational.

Measure 44. Direct all personal, company, and contractor vehicles at the facility are secured by locking the vehicles. Remind Bus drivers to lock vehicles and check vehicles before entering or driving.

Measure 45. Interface with vendors and contractors to heighten awareness and report suspicious activity. Post signs or make routine public announcements that emphasize the need for all passengers to closely control baggage and packages to avoid transporting items without their knowledge.

Measure 46. Assign canines to visible patrols in stations where applicable.

Measure 47. Alert bus and helicopter units, if applicable.

Measure 48. Increase special foot patrols, bicycle patrol, and bus and train boardings as appropriate. Use canine patrols if available.

Measure 49. Develop and implement a schedule for increasing the frequency of inspection including specific areas and item such as: telephone booths, garbage containers, and all public areas.

Measure 50. Assessing whether the precise characteristics of the threat require that further refinement of preplanned Protective Measures.

Measure 51. Implementing, as appropriate, contingency and emergency response plans.

Measure 52. Keep all personnel involved in implementing antiterrorist contingency plans on call.

Measure 53. Secure and regularly inspect all buildings, rooms, and storage areas not in regular use.

Measure 54. At the beginning and end of each workday and at other regular and frequent intervals, inspect the interior and exterior of buildings in regular use for suspicious packages.

Measure 55. Examine mail (above the regular examination process) for letter or parcel bombs.

Measure 56. Check all deliveries to facility and loading docks.

Measure 57. Make staff and dependents aware of the general situation in order to stop rumors and prevent unnecessary alarm.

Measure 58. At an early stage, inform members of local security committees of actions being taken. Explain reasons for actions.

Measure 59. Operate random patrols to check vehicles, people, and buildings.

Measure 60. Implement additional security measures for high-risk personnel as appropriate.

FTA Recommended Transit Protective Measures: ORANGE

High Condition (Orange): A High condition is declared when there is a high risk of terrorist attacks.

Measure 61. Move cars and objects (e.g., crates, trash containers) at least 25 meters from buildings (Where possible) particularly highly populated, mission related, or high profile buildings. Consider centralized parking. Move automobiles and other non-

stationary items from station and terminal perimeters and other sensitive buildings or areas. Identify areas where explosive devices could be hidden.

Measure 62. Close and lock gates and barriers except those needed for immediate entry and egress. Inspect perimeter fences on a regular basis. Ensure that other security systems are functioning and are available.

Measure 63. Increase security manpower for additional surveillance, to act as a deterrent and prevent unauthorized access to secure areas, deploy specialty/technical resources, and enact local tactical plans, if applicable. The areas recommended for additional patrols should include railroad terminals, on trains and busses, at bus stops, parking areas, loading docks, ticket counters, secure areas, bridges, tunnels and interlockings. Increasing surveillance of critical locations.

Measure 64. Arrange for and deploy plainclothes law enforcement or security officials for surveillance in terminals, stations and other location as appropriate.

Measure 65. Physically inspect visitors and randomly inspect their suitcases, parcels, and other containers.

Measure 66. Continue Low, Guarded and Elevated measures or introduce those that have not already been implemented.

Measure 67. Activate emergency response plans.

Measure 68. Reduce facility access points to the absolute minimum necessary for continued operation. Restrict threatened facility access to essential personnel only.

Measure 69. Advise local police agencies that the facility is at a High Condition (Orange) and advise the measures being employed.

Measure 70. Consult with local authorities about control of public roads and accesses that might make the facility more vulnerable to terrorist attack if they were to remain open. Take additional precautions at public events and possibly consider alternative venues or even cancellation.

Measure 71. Erect barriers and obstacles to control direction of traffic flow and protect that terminal, station or other key area/facility from an attack by a parked or moving vehicle - company vehicles may be used for this purpose. Implement centralized parking and shuttle bus service where feasible.

Measure 72. Schedule more frequent visits to remote sites and other locations that are potentially impacted.

Measure 73. Increase the frequency of call-ins from remote locations. Employees should not work alone in remote areas.

Measure 74. Check all security systems such as lighting and intruder alarms to ensure they are functioning. Install additional, temporary lighting if necessary to adequately light all suspect areas or decrease lighting to detract from the area.

Measure 75. Identify the owner of all vehicles parked at key command, control, or communications areas or other critical areas/facilities/ and have all vehicles removed which are not identified.

Measure 76. Strictly enforce control of entry. Inspect all vehicles entering key areas/facilities including the vehicle's cargo areas, undercarriage, glove boxes, and other areas where dangerous items could be concealed.

Measure 77. Limit access to designated facilities to those personnel who have a legitimate and verifiable need to enter the facility. Implement positive identification of all personnel - no exceptions. Evacuate all non-essential personnel.

Measure 78. Implement frequent inspection of key areas or facilities including the exterior and roof of all buildings and parking areas. Increase patrolling at night and ensure all vulnerable critical points are fully illuminated and secure.

Measure 79. If threat is region specific, alert connecting region(s) of potential need for additional manpower and/or equipment; commanding officers of connecting region(s).

Measure 80. Review procedures and make necessary preparations to establish Command Center(s) where applicable; make necessary preparations to dispatch Mobile Command Centers and/or Air Wings in the event of an actual emergency; prepare to initiate an incident command system or similar incident management structure for organizing the response to emergencies. Prepare to execute contingency procedures, such as moving to an alternate site or dispersing the workforce.

Measure 81. Disable all baggage lockers where applicable.

Measure 82. Restrict access to boarding areas to ticketed passengers only.

Measure 83. Coordinate necessary security efforts with Federal, State, and local law enforcement agencies or any National Guard or other appropriate armed forces organizations.

Measure 84. Keep all personnel responsible for implementing antiterrorist plans on call.

Measure 85. Enforce centralized parking of vehicles away from buildings.

Measure 86. Increase patrolling of the facilities.

Measure 87. Protect all designated vulnerable points.

FTA Recommended Transit Protective Measures: RED

Severe Condition (Red): A Severe Condition reflects a sever risk of terrorist attacks.

Measure 88. Increase security patrol activity to the maximum level sustainable. Increase perimeter patrols and inspections of facility.

Measure 89. Cancel or delay all non-vital facility work conducted by contractors, or continuously monitor their work with company personnel as applicable.

Measure 90. Continue all Low, Guarded, Elevated and High Condition measures or introduce those that have not already been implemented.

Measure 91. Implement emergency and continuity plans as appropriate. Reduce restricted area access points to an operational minimum.

Measure 92. Augment security forces to ensure absolute control of key command, control or communications centers or areas and other potential target areas. Establish surveillance points and reporting criteria and procedures.

Measure 93. Limit schedule or routing.

Measure 94. Remove unattended, unauthorized vehicles parked within 300 feet of a terminal building or station where passengers load or unload.

Measure 95. Increase or redirect personnel to address critical emergency needs.

Measure 96. Assign emergency response personnel and pre-position and mobilize specially trained teams or resources.

Measure 97. Monitor, redirect, or constrain transportation systems.

Measure 98. Close public and government facilities.

Measure 99. Identify all vehicles within operational or mission support areas.

Measure 100. Search all vehicles and their contents before allowing entrance to facilities.

Measure 101. Control access and implement positive identification of all personnel.

Measure 102. Search all suitcases, briefcases, packages, etc., brought into the facility.

Measure 103. Frequent checks of building exteriors and parking areas.

Measure 104. Minimize all administrative journeys and visits.

Measure 105. Coordinate the possible closing of public roads and facilities with local authorities.

FTA Recommended Transit Activities: BLACK

A Black (Attack) condition means that a terrorist attack has occurred.

Measure 106. Activate Immediate Action Drills (IAD) and Emergency Responses to a Terrorist Attack (there are 10 essential IAD's).

Measure 107. Report the attack immediately to all emergency response organizations

Measure 108. Provide for security of the site and other transit system assets during the emergency and be alert to possible secondary attacks.

Measure 109. Assist response to any Casualties.

Measure 110. Activate measures to Mitigate the effects of the Attack.

Measure 111. Assess immediately impact of the attack on transit service and facilities and adjust or terminate services as required.

Measure 112. Advise FTA and FBI immediately of all know information regarding the nature of the attack so that FTA, FBI and others may immediately disseminate that information to other transit properties nationwide.

Measure 113. Provide Internal and Public Information as soon as possible.

Measure 114. Designate the Incident Commander and Activate Transit Emergency Response (or Operations) Center and/or dispatch representatives to appropriate Emergency Operations Centers.

Measure 115. Mobilize and provide transit assets (communications links, equipment, facilities and personnel) in support of the overall incident response effort.

Measure 116. Identify Attackers for Responders if witnesses and/or surveillance can provide timely and relevant information.

Measure 117. Activate "on-call" external contractors or other special support as required.

FTA Recommended Transit Activities: PURPLE

A Purple condition designates business recovery activities after an attack.

Measure 118. Activate (or hastily develop) Business Recovery Plan

Measure 119. Restore Transit System capabilities.

Measure 120. Restore the Scene of Attack to functionality.

Measure 121. Guard against secondary Attacks.

Measure 122. Evaluate why Attack succeeded and update Threat and Vulnerability Analysis.

Measure 123. Identify and implement corrective measures.

Measure 124. Restore Public confidence by announcing new measures.

Measure 125. Return to an appropriate preventative level of GREEN thru RED.

Measure 126. Coordinate funding and other needs for transit system restoration with FTA.

Measure 127. Identify Short and Long Term Capital replacement needs, develop plans and detailed designs.

Measure 128. Complete an After Action report.

EXHIBIT K

TRANSIT SECURITY PLAN

To be provided by Contractor.

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EXHIBIT L

PREVENTIVE MAINTENANCE

PREVENTIVE MAINTENANCE

INTRODUCTION

The Contractor, at its sole cost and expense, shall provide all fuel, lubricants, repairs, cleaning, parts, supplies, labor, maintenance, major components, and component rebuilding and replacement, along with the necessary service facilities to provide the maintenance required for the operation of all equipment and Service Vehicles pursuant to this Contract.

Routine preventive maintenance and servicing is required on all Service Vehicles for this Service as recommended by their Original Equipment Manufacturer(s) (OEM), or as listed below (whichever is the most stringent). Adherence to a preventive maintenance schedule shall not be regarded as cause for deferred repairs. Non-safety repairs may be scheduled and must be made within one week of being identified.

SECTION 1 - SERVICE PROVISIONS

The Preventive Maintenance Inspection (PMI) services to be provided by the Contractor shall consist of levels hereinafter referred to as "DVIR," "I," "J/A," "B," and "C" PMI Services. These inspections shall be conducted at vehicle mileage or time intervals as described herein.

A. PMI Service Sequencing

1. Daily Vehicle Inspection Report (DVIR) is a legally required document prepared each day by the Service Vehicle operator regarding the Service Vehicle operated. Copies are to be retained by the Contractor. Any and all repairs identified shall be documented.

2. "I" inspections occur a minimum of once per week. More frequent "I" service may be required by the Contract Manager depending upon demonstrated Service Vehicle condition and/or reliability. This inspection shall be documented and shall indicate all problems found, maintenance/repair required, and maintenance or repairs performed.

3. "J/A" inspection occurs every 30 days regardless of mileage. The "J/A" service occurs as part of every "B," and "C" Service inspection.

4. "B" service occurs every 24,000 vehicle miles or 8 months, whichever occurs first. "B" service occurs as part of every "C" Service inspection.

5. "C" service occurs every 48,000 vehicle miles or every 16 months, whichever occurs first.

6. PMI service sequencing (repeats each 48,000 miles).

PMI Service	Service Miles	Or Maximum Days	Joint PMI Services
DVIR	N/A	Daily	
I	N/A	Weekly	
J/A	3,000	30 Days maximum	
B	24,000	240 Days maximum	I and J/A
C	48,000	480 Days maximum	I, J/A and B

DVIR – Daily Pre-Trip Inspection by operator

B. Inspections/PMI Services

1. Daily Pre-Trip and Post-Trip Vehicle Inspection Report (DVIR)

Contractor shall ensure that their Service Vehicle operators perform the DVIR in accordance with 13 CCR Section 1215(a) and California Vehicle Code Section 34500.

Contractor's Service Vehicle operators shall conduct the mandatory "Pre-Trip" and "Post-Trip" inspections of their assigned Service Vehicle prior to, and immediately after, operating the Service Vehicle on a given day. These inspections must be performed each day the vehicle is used. The DVIR report must be signed by the assigned Service Vehicle operator of the Service Vehicle. The DVIR report is required as a matter of record, whether or not any defects are found. When defects are identified and listed, the DVIR must be routed to the Contractor's Repair Facility. The Contractor must maintain and retain these inspection/service records as required by law.

These Pre-Trip and Post-Trip inspections are both a maintenance inspection and an operational inspection of the Service Vehicle by the operator. Further details of the DVIR inspection are set forth in Exhibit A, Scope of Work; Section G, Vehicle and Equipment Maintenance; Subsection 4, Daily Pre-Trip and Post-Trip Vehicle Inspection and Servicing; Section O, Service Records and Reports; Subsection 2.c, Daily Pre-Trip Service Vehicle Inspection Reports.

2. The Contractor shall perform the PMI service level "I" in accordance with 13 CCR Section 1234(f) and California Vehicle Code Section 34500. The inspection must be a matter of record. The "I" inspection is to be performed at least every 7 calendar days utilizing qualified and certified maintenance personnel. PMI service Level "I" shall include, but is not be limited to the following:

- Inspect engine accessory drive
- Inspect, measure and record drive belts condition and belt tension
- Inspect the engine and accessories for leaks
- Check and top up engine oil level
- Check and top up engine coolant level
- Check and top up transmission fluid level
- Check and top up power steering and master brake cylinder (if equipped with hydraulic brakes)
- Check all directional signals and flashers
- Check headlights, marker, stop, turn, tail lamps, and reflectors
- Replace lights, lens, and/or reflectors as necessary
- Check and replace interior lights and lens as necessary
- Check brake operation
- Check parking brake operation
- Check the functioning of instrument cluster gauges and warning lights
- Check tire pressure and adjust to specification
- Check tire tread, remove debris, and check for damage and uneven wear
- Check tires for sidewall damage
- Inspect wheels and fasteners
- Check for wheel bearing oil or grease leaks
- Check horn operation
- Check "back-up" alarm and safety device operation
- Check condition and mounting of fire extinguisher, first aid kit, bodily fluids kit(s) and wheel chair tie downs and record
- Check operation of all doors
- Check wheelchair lift operation
- Check wheelchair lift interlock operation
- Check operation of all emergency escape windows and alarms
- Check windshield wiper and windshield washer operation
- Check and record AC system operation effectiveness
- Check under vehicle for any fluid leaks
- Check cleanliness of the vehicle's exterior and note any body and/or decal damage
- Check cleanliness and condition of vehicle interior

Plus other additional items deemed appropriate.

3. The Contractor shall perform the PMI service level "J/A" in accordance with 13 CCR Section 1232(b). The inspection must be a matter of record.

The "J/A" inspections are to be performed simultaneously at least every 30 calendar days. These services shall include but are not limited to the following items:

- Change engine oil
- Replace engine oil filter(s)
- Check, adjust, and record engine idle speed
- Check engine throttle linkage operation
- Check transmission fluid level
- Pressure test radiator and radiator cap
- Check and record coolant percentage, protection, and condition
- Clean radiator of bugs and debris
- Check or inspect all hoses and lines for condition
- Inspect accessory and drive belts for condition
- Measure belt tensions and record
- Inspect and lubricate chassis, front and rear suspension components
- Inspect shock absorbers for damage or leaks
- Inspect suspension
- Lubricate front axle spindles
- Check and tighten spring axle bolts as necessary
- Check exhaust system for damage and/or leaks, and correct deficiencies
- Inspect steering box and steering box mounting
- Inspect and lubricate steering u-joints
- Check steering linkage for wear or damage
- Lube steering linkage
- Road test for steering and suspension
- Inspect brakes for operation
- Check brake fluid level or test air brake system
- Check disc brakes for wear and record percentage of remaining pad and/or lining
- Adjust brakes as necessary
- Inspect brake system for leaks, check air or brake fluid levels
- Check and service slack adjusters (if equipped with air brakes)
- Check and adjust parking brake, as needed
- If equipped with air brakes, check, clean or replace air compressor filter
- Inspect and lubricate driveline and u-joints
- Check differential oil level
- Inspect vehicle safety devices and/or equipment

- Inspect vehicle wiper/washer operation and fluid level
- Check battery mounting and hold down(s)
- Check battery terminals and clean or replace as necessary
- Load test battery(s) and record reading
- Check and record battery(s) specific gravity
- Clean battery surface and terminal connections
- Check battery water level
- Check accessory drive belt tension, measure, record and adjust as necessary
- Inspect accessory drive belts for wear and tension; record result and adjust as necessary
- Inspect tires and rims, for damage, wear, cracks, missing lug nuts, broken studs, etc.
- Inspect tires, for damage, wear, and/or debris; if irregular wear present, perform alignment
- Measure and record tire tread depth (including spare tire)
- Check and record tire pressures (including spare tire)
- Torque and record tire bolt mounting
- Inspect exterior lamps for operation
- Inspect exterior mirrors and check operation
- Inspect interior lamps for operation
- Inspect dash panel and check operation of all switches, gauges and lamps
- Inspect upper (overhead) panel for operation of all switches gauges and lamps
- Inspect all doors for adjustment and smoothness of operation
- Inspect and lubricate door hinges, pins and/or bushings
- Inspect wheelchair lift for operation and adjustment; including interlock device
- Cycle wheelchair lift in manual (emergency) and check hydraulic fluid level mode
- Clean and lubricate wheelchair lift
- Inspect window glazing and windows for operation and/or cracks
- Operate emergency escape windows and test alarm
- Inspect seats for damage, soiling
- Inspect floor covering and step treads for damage
- Test and record HVAC - Measure and record A/C output temperature front and rear
- Clean immediate area surrounding rear heater unit
- Inspect fire extinguisher
- Inspect other vehicle safety devices/equipment

- Inspect wiper, washer operation, fluid level

Plus other additional items deemed appropriate.

Note: "A/J" inspection/service repeats with each "B" and "C" service inspection.

4. "B" inspection/service (24,000 miles/8 months) includes but is not limited to the following items:

- "A/J" inspection;
- Engine fuel filter, replace (primary)
- Engine fuel filter, replace filter element (secondary)
- Replace engine air filter
- Replace spark plugs (non-diesel powered engines)
- Replace transmission filter and fluid
- Replace power steering fluid and filter
- Balance and rotate tires
- Perform a full "four wheel" alignment
- Replace brake fluid (hydraulic)
- Replace air dryer filter (air brakes)
- Repack front wheel bearings
- Check all fuel lines for leaks
- Check fuel line attachment points to chassis
- Inspect tank and lines for damage, fractures, and/or rust
- Check fuel tank valves and fittings for leaks and operation
- Check spark plugs for excessive gap, heavy deposits on electrodes and/or electrode damage

Plus other additional items deemed appropriate.

5. "C" inspection/service (48,000 miles/16 months) includes but is not limited to the following items:

- "A/J" inspection
- "B" inspection
- Inspect differential, change oil
- Replace in-tank propane fuel pump filter
- Replace in-line fuel filter
- Inspect and replace spark plugs
- Inspect spark plug wires

Plus other additional items deemed appropriate.

6. Every Third "C" Inspection or service (144,000 miles/48 months) includes but is not limited to the following items:

   - Every third "C" inspection, replace spark plug wires with OEM spark plug wires
   - Replace engine coolant
   - Flush engine block
   - Replace engine coolant thermostat
   - Replace coolant hoses, clamps
   - Replace accessory and drive belts
   - Change differential oil

Plus other additional items deemed appropriate.

C. Services Not Included

The following services shall be performed as required and may or may not be part of the Contractor's regularly scheduled maintenance.

- Tire replacement
- Tire repairs
- Non-PMI, scheduled or unscheduled repairs
- Mechanical failure(s) and/or "Road Calls"
- Damage to mechanical components due to abuse, vandalism or accident
- Damage to body/cosmetic appearance
- Service Vehicle washing and cleaning (exterior and interior)
- Re-charging the fire extinguisher and/or fire suppression items or systems
- Labor and/or materials required to transport Service Vehicles for the purpose of service or repairs
- All manufacturer's recalls and/or repairs covered under warranty.

D. Parts Not Included In PMI Service

(Contractor Supplied)

The following parts shall be maintained and replaced as needed on a day-to-day basis by the Contractor's sole expense.

- Head lamps
- Clearance lamps
- Turn signal lamps
- Reflectors
- Interior lamps

- Dashboard and all indicator lamps
- Windshield wiper blades
- Mirrors
- Other consumables, except as covered by warranty
- Fire extinguisher
- First Aid Kits
- Seatbelts, latches, Q-Straints, Torso Pads, etc.
- Methane Detection Systems
- Vehicle Fire Suppression Systems (Alternatively-Fueled Vehicles)
- Wheelchair tie-down belt replacements
- Tires
- Cleaning materials

E. Parts Included

The following parts shall be provided under either PMI Service or regular maintenance services performed by the Contractor:

Engine:	Engine oil filter(s) Air filter element Fuel filter element(s) Replacement oil Replacement coolant and filter(s)
Miscellaneous:	Power steering fluid and filter(s) Brake fluid
Transmission:	Transmission oil filter(s) Replacement oil
Differential:	Replacement oil
Wheel Bearing:	Grease seals and/or hubcaps Grease or oil
	Antifreeze Lubrication grease Silicone Battery(s) Battery water (distilled) Battery terminal spray/protectant Windshield wipers and washer fluid

Miscellaneous hoses/flex lines and washer that have a replacement requirement as part of the PMI Service schedule

Miscellaneous seals and gaskets that have a replacement requirement as part of the PMI Service schedule

Miscellaneous engine accessory drive belts as part of PMI services schedule.

The following parts shall be provided by Contractor only as part of a PMI service:

A/C Compressor lube oil and Freon #R-134a refrigerant

SECTION 2 - OIL ANALYSIS

A sample will be taken by the Contractor utilizing personnel and sample-taking processes that have been approved by the Contract Manager. Within one business day of taking the sample, the sample must be delivered to a Contract Manager-approved analysis facility for processing according to the following schedule:

Engine Oil: Sample requirement is one week or 500 miles prior to each "J/A" service/inspection (each oil change).

Transmission Oil: Sample requirement is one week or 500 miles prior to each "B" inspection/service, not to exceed 24,000 miles between samplings.

The Contractor shall inform the Contract Manager, at least seven calendar days in advance of the Engine Oil and Transmission Oil sampling dates. At Contract Manager's option, County personnel may be on-site to observe the Contractor's sampling procedures.

The Contractor shall provide or shall cause to have provided to the Contract Manager a copy of each analysis generated within one business day after results of said analysis are known or returned to Contractor by the oil analysis vendor.

SECTION 3 - RECORDS

Individual PMI Service records shall be maintained and retained by Contractor. The records shall be maintained in a manner consistent with CHP terminal inspection requirements. Records small be maintained for all "DVIR," "I," "J/A", "B," and "C" inspections and/or services plus any maintenance/repair conducted.

The contractor may be required to provide a copy of each PMI inspection/service activity to the County at the following address:

County of Los Angeles

Department of Public Works
Programs Development Division
Attention Transit Manager
P.O. Box 1460
Alhambra, CA 91802-1460

SECTION 4 - TRANSFER OF COUNTY VEHICLES

The following applies if there is a change of Contractor and if there are County Service vehicles:

- The maintenance and repair records of each County Vehicle are County property. A legible copy of all maintenance and/or repair records shall be provided by the Contractor to the County when the vehicle(s) is/are released to the new Contractor who will be providing the Service.

- The tires on each vehicle shall average a minimum tread depth of 8/32 of an inch of tread. No one tire shall have less than 5/32 of an inch of tread at any point. The tread depth of each tire will be measured at three points and averaged.

- Tires with less than 5/32 of tread depth will be replaced and the County shall deduct the cost from the Contractor's final invoice(s).

- The brakes shall have a minimum of 30% of their lining shoes or pads at each wheel position. The brake material grade shall be County approved vehicle OEM or better. Brake drums and/or rotors shall not be excessively worn, grooved or discolored from excessive heat. Drums and rotors shall be within their manufacturer's acceptable use guidelines.

- If any or all of a vehicle's brake shoes or brake pads, or if any or all drums and/or rotors do not meet the minimum standards listed above, the item or items will be replaced and the cost to repair or replace any of these components will be deducted from the Contractor's final invoice(s).

Sample Calculation of the Fuel Adjustment

Sample Calculations for Purchasing Fuel at Market Prices

Following sample data will be used to calculate sample calculation of fuel adjustment
Hourly Rate from PW-2, Schedule of Prices: $35.00
Proposal due date: August 2005
Contract start date: July 2006

Fuel Adjustment (FA) Component for Diesel price:

Diesel (On-Highway) - May 2005	245.02 cents per gallon
Diesel (On-Highway) - April 2006	293.23 cents per gallon
Percent change in Diesel (On-Highway)	19.7% increase*

Adjusted Hourly Rate (FA component):
= (10% of hourly rate) x (Percent change in Diesel Price)
= [(10%) x ($35.00)] x (19.7%)
= ($3.50) x (19.7%)
= $0.69 Fuel Adjustment (increase)

Adjusted Hourly Rate for July 2006
$35.00 + $0.69 = $35.69

Sample Calculation for Purchasing Fuel Under Long-Term Fuel Supply Agreement

Following sample data will be used to calculate sample calculation of fuel adjustment
Hourly Rate from PW-2, Schedule of Prices: $35.00
Proposal due date: August 2005 (Long-Term Fuel Price : $2.00 per gallon)
Contract start date: July 2006
Renegotiation of Fuel Price: September 2006 (renegotiated price is $2.25 per gallon)

Fuel Adjustment (FA) Component for Contract price:

August 2005	200.00 cents per gallon
Renegotiated Price in September 2006	225.00 cents per gallon
Percent change in Diesel (long-term price)	12.5% increase*

Adjusted Hourly Rate (FA component):
= (10% of hourly rate) x (Percent change in price)
= [(10%) x ($35.00)] x (12.5%)
= ($3.50) x (12.5%)
= $0.44 Fuel Adjustment (increase)

Adjusted Hourly Rate for September 2006
$35.00 + $0.44 = $35.44

Southland Transit Inc.

Setting the Standard for Community Transit in California

Proposal to Operate Avocado Heights, Bassett & West Valinda Shuttle Services

ORIGINAL

Southland Transit, Inc.
3650 Rockwell Avenue
El Monte, CA 91731

July 21, 2008

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Southland Transit Inc.

July 21, 2008

Jeanette Arismendez
Los Angeles County Department of Public Works
Administrative Services Division – 9th Floor
900 South Fremont Avenue
Alhambra, CA 91803

Re: Proposal – Avocado Heights, Bassett, and West Valinda Shuttle Services (2008-PA033)

Dear Ms. Arismendez:

It has been our great privilege to provide these services to the County of Los Angeles as the current contractor. We believe that we are the best qualified firm to continue operating this service for several reasons:

- We have a superior track record for providing community based transit service in Southern California.
- Our high vehicle maintenance standards will provide the best possible reliability for your fleet.
- Our company has established a strong corporate support network for its operations in Los Angeles County. This means that your Project Manager would have additional resources available anytime they were needed.
- We have a superior facility in excellent proximity to the service area from which we can provide rapid response in the case of any potential service interruption.
- County audits have found that our payroll and personnel practices meet the County's high standards.

As the Company's Chief Operating Officer I am authorized to submit this proposal and to represent the Company throughout this process (see attached corporate resolution.) We have made a thorough analysis of the specifications as well as the informational update and have taken no exception to those requirements in our proposal. We look forward to working with Department staff as the selection process continues.

Sincerely,

David Daley
Chief, Operating Officer

SETTING THE STANDARD FOR COMMUNITY TRANSIT IN SOUTHERN CALIFORNIA
3650 Rockwell Avenue, El Monte, CA 91731
* 626-488-3927 * FAX 626-258-1329 *

ACTION by UNANIMOUS WRITTEN CONSENT of DIRECTORS of
Southland Transit, Inc.
A California Corporation

The undersigned, constituting all of the Officers of Southland Transit, Inc., a California corporation, hereby adopt the following resolution pursuant to the authority of the California Corporations Code and the Bylaws of this corporation:

Resolved

- to authorize David Daley, Chief Operating Officer, Southland Transit, Inc., to sign the necessary forms to bind the company as to the proposal submitted to the Los Angeles County Department of Public Works for Management and Operation of the Avocado Heights, Bassett, and West Valinda Shuttle Services (2008-PA033) submitted July 21, 2008; and

- to authorize David Daley to bind Southland Transit in any negotiations with LA County DPW personnel pursuant to and following that proposal submission.

Timmy Mardirossian, President	7/21/08 Date
Carol Story, Chief Financial Officer	7/21/08 Date
Sedik Mardirossian, Secretary	7/21/08 Date

State of California
Secretary of State

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, DEBRA BOWEN, Secretary of State of the State of California, hereby certify:

That on the **1st day of June, 2001, SOUTHLAND TRANSIT, INC.** became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of June 13, 2008.

Debra Bowen

DEBRA BOWEN
Secretary of State

kh

OSP 06 99731

NP-25 (REV 1/2007)

S

State of California
Kevin Shelley
Secretary of State
STATEMENT OF INFORMATION
(Domestic Stock Corporation)

FEES (Filing and Disclosure): $25.00. If amendment, see instructions.

IMPORTANT — READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

2007

1. **CORPORATE NAME** (Please do not alter if name is preprinted.)

C2313654
SOUTHLAND TRANSIT, INC.
3650 ROCKWELL AVE.
EL MONTE, CA 91731

This Space For Filing Use Only

CALIFORNIA CORPORATE DISCLOSURE ACT (Corporations Code section 1502)

2. ☐ Check here if the corporation is publicly traded. If publicly traded, complete this form and the Corporate Disclosure Statement (Form SI-PTSUPP). See Item 2 of instructions.

COMPLETE ADDRESSES FOR THE FOLLOWING (Do not abbreviate the name of the city. Items 3 and 4 cannot be P.O. Boxes.)

	CITY AND STATE		ZIP CODE
3. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE 3650 ROCKWELL AVENUE	EL MONTE, CA		91731
4. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA, IF ANY 3650 ROCKWELL AVENUE	CITY EL MONTE	STATE CA	ZIP CODE 91731

NAMES AND COMPLETE ADDRESSES OF THE FOLLOWING OFFICERS (The corporation must have these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

	ADDRESS	CITY AND STATE	ZIP CODE
5. CHIEF EXECUTIVE OFFICER/ TIMMY MARDIROSSIAN	3650 ROCKWELL AVE.	EL MONTE, CA	91731
6. SECRETARY/ SEDA MARDIROSSIAN	3650 ROCKWELL AVE.	EL MONTE, CA	91731
7. CHIEF FINANCIAL OFFICER/ CAROL STORY	3650 ROCKWELL AVE.	EL MONTE, CA	91731

NAMES AND COMPLETE ADDRESSES OF ALL DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (The corporation must have at least one director. Attach additional pages, if necessary.)

	ADDRESS	CITY AND STATE	ZIP CODE
8. NAME TIMMY MARDIROSSIAN	3650 ROCKWELL AVE.	EL MONTE, CA	91731
9. NAME SEDA MARDIROSSIAN	3650 ROCKWELL AVE.	EL MONTE, CA	91731
10. NAME CAROL STORY	3650 ROCKWELL AVE.	EL MONTE, CA	91731

11. NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY:

AGENT FOR SERVICE OF PROCESS (If the agent is an individual, the agent must reside in California and Item 13 must be completed with a California address. If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1505 and Item 13 must be left blank.)

12. NAME OF AGENT FOR SERVICE OF PROCESS
TIMMY MARDIROSSIAN

	CITY	STATE	ZIP CODE
13. ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL 3650 ROCKWELL AVE.	EL MONTE	CA	91731

TYPE OF BUSINESS

14. DESCRIBE THE TYPE OF BUSINESS OF THE CORPORATION
TRANSPORTATION SERVICES

15. BY SUBMITTING THIS STATEMENT OF INFORMATION TO THE SECRETARY OF STATE, THE CORPORATION CERTIFIES THE INFORMATION CONTAINED HEREIN, INCLUDING ANY ATTACHMENTS, IS TRUE AND CORRECT.

CAROL STORY	Carol Story	CFO	6-13-07
TYPE OR PRINT NAME OF PERSON COMPLETING THE FORM	SIGNATURE	TITLE	DATE

APPROVED BY SECRETARY OF STATE

SI-200 C (REV 08/2004)

State of California
Secretary of State

STATEMENT OF INFORMATION
(Domestic Stock and Agricultural Cooperative Corporations)

FEES (Filing and Disclosure): $25.00. If amendment, see instructions.

IMPORTANT — READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

This Space For Filing Use Only

S

1. **CORPORATE NAME** (Please do not alter if name is preprinted.)
C2313654
SOUTHLAND TRANSIT, INC.
3650 ROCKWELL AVE
EL MONTE CA 91731

DUE DATE: 06-30-08

NO CHANGE STATEMENT (Not applicable if agent address of record is a P.O. Box address. See instructions.)

2. ☑ If there has been no change in any of the information contained in the last Statement of Information filed with the California Secretary of State, check the box and proceed **to Item 16.**
If there have been any changes to the information contained in the last Statement of Information filed with the California Secretary of State, or no statement has been previously filed, this form must be completed in its entirety.

COMPLETE ADDRESSES FOR THE FOLLOWING (Do not abbreviate the name of the city. Items 3 and 4 cannot be P.O. Boxes.)

	CITY	STATE	ZIP CODE
3. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE			
4. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA, IF ANY		CA	
5. MAILING ADDRESS OF CORPORATION, IF DIFFERENT THAN ITEM 3			

NAMES AND COMPLETE ADDRESSES OF THE FOLLOWING OFFICERS (The corporation must have these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

	ADDRESS	CITY	STATE	ZIP CODE
6. CHIEF EXECUTIVE OFFICER/				
7. SECRETARY/				
8. CHIEF FINANCIAL OFFICER/				

NAMES AND COMPLETE ADDRESSES OF ALL DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (The corporation must have at least one director. Attach additional pages, if necessary.)

	ADDRESS	CITY	STATE	ZIP CODE
9. NAME				
10. NAME				
11. NAME				

12. NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY:

AGENT FOR SERVICE OF PROCESS (If the agent is an individual, the agent must reside in California and Item 14 must be completed with a California street address (a P.O. Box address is not acceptable). If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1505 and Item 14 must be left blank.)

13. NAME OF AGENT FOR SERVICE OF PROCESS

	CITY	STATE	ZIP CODE
14. STREET ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL		CA	

TYPE OF BUSINESS

15. DESCRIBE THE TYPE OF BUSINESS OF THE CORPORATION

16. BY SUBMITTING THIS STATEMENT OF INFORMATION TO THE CALIFORNIA SECRETARY OF STATE, THE CORPORATION CERTIFIES THE INFORMATION CONTAINED HEREIN, INCLUDING ANY ATTACHMENTS, IS TRUE AND CORRECT.

DATE	TYPE/PRINT NAME OF PERSON COMPLETING FORM	TITLE	SIGNATURE
6-11-08	Timmy Mardirossian	President	

APPROVED BY SECRETARY OF STATE

SI-200 N/C (REV 01/2008)

020706S

II. Experience

A. Company Background

Southland Transit, Inc. is one of California's most experienced community transit companies operating eighteen demand response services and sixteen fixed-route services. These operations are provided under contract with twelve Los Angeles County cities, the County of Los Angeles Department of Public Works, Riverside Transit Agency, Los Angeles Metropolitan Transit Authority, the San Diego Metropolitan Transit System, Access Services, Inc., two Regional Centers, and two private employers.

The company traces its roots to two firms that merged their transit operations on June 1, 2001.

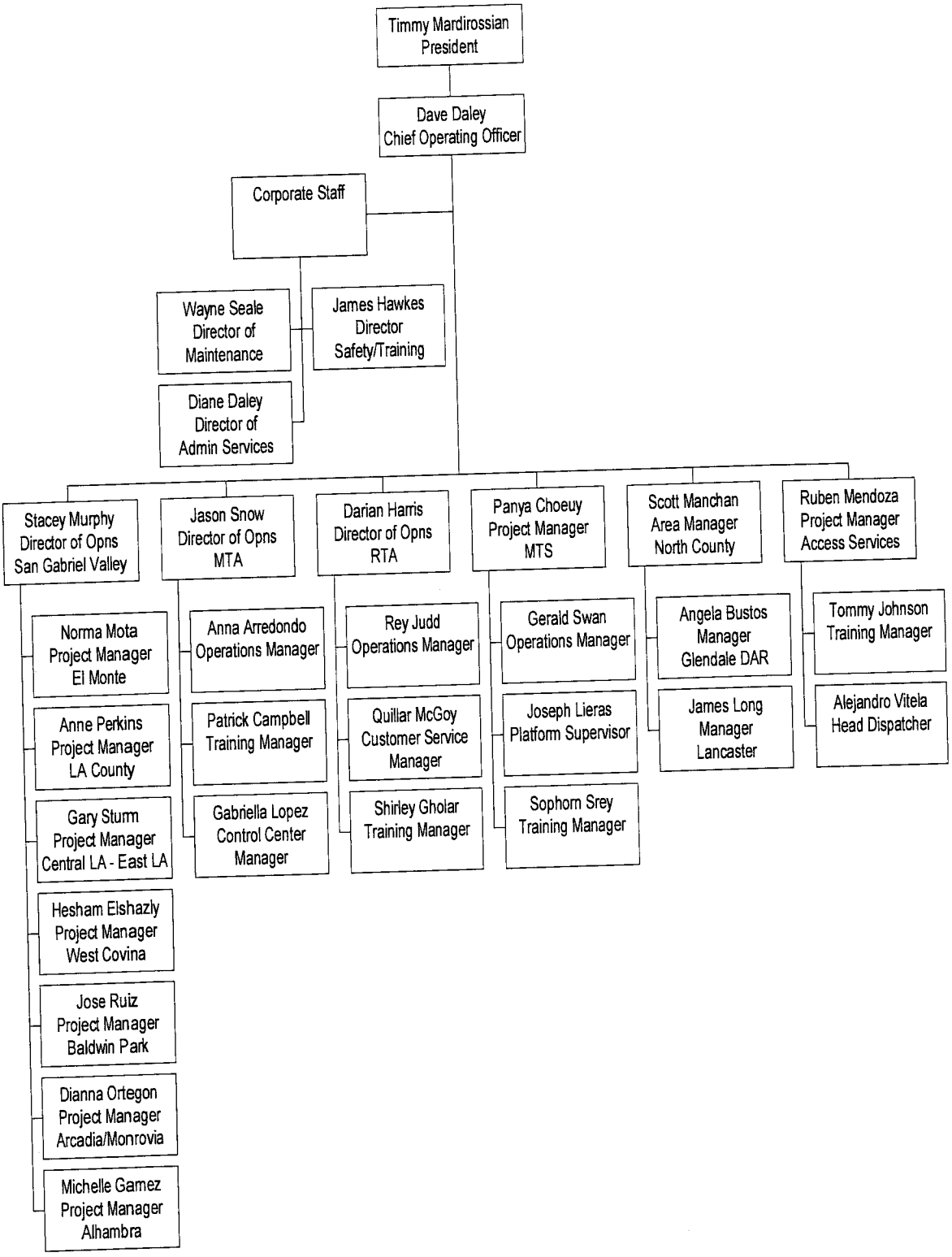
- Founded in 1953, San Gabriel Transit, Inc. was one of the first companies to provide public paratransit services in Southern California and has built a strong reputation by effectively operating some of the most difficult demand response operations in the industry. The countywide ADA Access service contracts the company operates have consistently been the best performing segment of the Access Service network. The company has also performed well on multiple fixed-route and dial-a-ride contracts.
- R&D Transportation Services, LLC was founded in 1997 and specialized in providing effective community transit services in Southern California. By concentrating on the use of high technology automated dispatching and the effective maintenance of increasingly more sophisticated fixed-route vehicles, the company established a strong track record for improving service quality, productivity and fixed-route ridership.

Our commitment as a company is to treat every project in a unique manner that addresses the particular needs of that service. We emphasize availability to our clients, and a cooperative effort in addressing the clients' concerns and issues. As the corporate offices are located in the San Gabriel Valley of Southern California, our clients have unparalleled access to not only project staff but also to corporate personnel.

Southland is a California sub-S corporation. Timmy Mardirossian is President and Dave Daley is the Chief Operating Officer. Timmy and Dave are the former chief executives of the two firms that merged to form Southland. As President, Timmy provides strategic direction to all of the company's operations and has retained direct operational control of our contracts with Access Services. As Chief Operating Officer, Dave directs all of the company's other operations including all of our municipal and public transit contracts. Together the two officers bring over 50 years of transportation operations experience to the task of providing excellent service to our customers. With this structure our managers report directly to senior corporate managers. We believe that this flat organization makes us much more able to respond to our customers.

As required by the County we have disclosed that Southland is in the process of evaluating the feasibility of joining the TecTrans family of companies. The effect of this change would be minimal to our clients. Dave Daley and the Southland Corporate team would remain in place and Southland would be affiliated with TecTrans rather than with San Gabriel Transit. With either affiliation, Southland would be fully capable of operating this contract.

B. Company Organization Chart



C. Service Experience Information

Southland Transit is Los Angeles County's foremost provider of community based transit services. Our community transit experience began in 1975 with the start of services for the City of Arcadia and has grown to the point where we have achieved a leadership position in this marketplace. Many of our community operations are directly comparable to that specified in this request for proposals, and we are the incumbent contractor on the service.

The best testament to the quality of our service comes directly from these clients. We invite staff to make inquiries of our clients. We also have experience operating in this area, as the current operator of this shuttle.

D. Resumes of Firm Principals & Managing Employees

On the following pages are resumes for the company principal with responsibility for this contract, as well as the Directors of Maintenance, Safety and Training, and Administrative Services and the Director of Operations with oversight of this operation. Each of these people will have ongoing interaction with the project staff on a regular basis.

DAVE DALEY

SENIOR TRANSIT OPERATIONS EXECUTIVE with proven success in providing highly effective contracted services to public agencies. Significant experience with all phases of passenger transportation including fixed route, ADA paratransit, senior/disabled transportation, and services to the developmentally disabled. Successful experience in multiple engagements with the implementation of advanced technology automated dispatching in the paratransit sector. Highly experienced at management of performance in multi site operations.

PROFESSIONAL EXPERIENCE

Southland Transit, Inc. (formerly R&D Transportation Services, LLC) **1996 to present**

Chief Operating Officer

Established a new transit operations company to provide service to public agencies searching for a highly responsive transit management alternative. Developed and executed the strategic approach for establishing the Company's initial operating contracts in both the public transit and pupil transportation markets. Have personally supervised each service implementation including ADA systems for San Luis Obispo Regional Transit Authority, ASI Antelope Valley and the Riverside Transit Agency.

American Medical Response of Illinois, Inc. **1995 to 1996**

Chief Executive Officer

Responsible for the integration of seven ambulance companies acquired in Illinois and Indiana. This project included complete redesign and consolidation of computerized dispatch and customer reservation systems. Established comprehensive MEDICARE compliance program to assure medical necessity for transportation in accordance with legal standards.

Laidlaw Transit, Inc. **1981 to 1994**

Regional Vice President, Southwest Region (1989 to 1994)

Senior Executive in charge of all operations in Southern California and Texas for the nation's largest passenger transportation company. Established significant new market share in Public Transit, including major contractual relationships with the Los Angeles Department of Transportation and the Foothill Transit Zone. Served as Chairman of the Private Sector Forum of the Los Angeles County Transportation Commission. Included operation of the Omnitrans ADA system.

Regional Vice President, Mid Atlantic Region (1986 to 1989)

Senior operations responsibility with heavy emphasis on acquisitions. Established several new public transit initiatives, including the shuttle system at the Philadelphia Airport and a segment of the Access ADA System for the Pittsburgh transit authority. Also operated a private transit system, completely funded by fares, transporting subscribers from Northern New Jersey into Manhattan.

Director of Operations, Northwest District (1981 to 1986)

Responsible for all operations in Oregon, Washington and Alaska. Previous positions included Shop Manager, Operations Manager, and Regional Maintenance Director. Operated the first ADA system for the Anchorage, Alaska People Mover system.

EDUCATION AND TRAINING

B.A., Education, Benedictine College, Atchinson, Kansas, 1969
Executive Program in Strategy and Organization, Stanford University, 1994
Professional courses in Environmental Management, Negotiations, Fleet Management, Organizational Behavior, Time Management, Service Excellence and Leadership

STACEY MURPHY

TRANSIT/PARATRANSIT OPERATIONS MANAGER with proven success in managing effective passenger transportation systems to support community objectives. Has experience with every level of operations from dispatch/scheduling through recruitment and training to project management. Strong positive motivator of drivers and dispatch staff. Significant experience with operations supported by customer service call centers.

PROFESSIONAL EXPERIENCE

2007 to present

Southland Transit, Inc.
Director of Operations, San Gabriel Valley
Responsible for all operations provided for client cities and the County of Los Angeles in the San Gabriel Valley. Worked closely with staff from each project to establish compensation, recruitment and training systems for drivers resulting in a full complement of drivers for the first time in the recent past. Provided direction and support for Project Managers to insure that contractual requirements are met in each operation. Facilitated communication between operations and maintenance departments to streamline and improve maintenance support. Improved front line support for drivers to insure schedule compliance on fixed route systems. Improved reporting to enhance accountability for operational results.

2000 to 2007

San Gabriel Transit, Inc. (Southland Affiliate)
Assistant to the President and Operations Director
Started as a part time employee in accounting and human resources, was part of a team that managed the establishment of a new taxi franchise in the City of Los Angeles. Handled a steadily increasing level of responsibility and was by 2002 responsible for all driver recruitment/training, reservations, routing, dispatching, and managing back-up taxi services for Access Services. Managed all financial reporting functions for five taxi and airport shuttle operations.

1997 to 2005

City of Burbank
City Council Member
As a member of the City Council served as the representative to the Transportation Task Force. Responsibilities included lobbying elected representatives in Sacramento for Surface Transportation Program (STP) and California Transportation Commission funding for road and highway infrastructure improvements. Also served as the representative to the San Fernando Valley Governance Council, a service sector of the Metropolitan Transit Authority. Instituted low-cost City run fixed route transit program from Metrolink stations to Burbank businesses to promote public transit.

1984 to 2000

Helping Hands
Owner/Manager
Provided computer support and transcription services, primarily for businesses taking their initial steps into computer supported operation.

EDUCATION AND TRAINING

Cal State Northridge – Computer Sciences
Multiple Workshops on Transportation Systems and Infrastructure

WAYNE SEALE

FLEET MAINTENANCE MANAGER with proven success in managing effective maintenance of passenger transportation vehicles operated under contract with municipalities and public transit agencies. Significant experience with all facets of establishing an effective preventive maintenance system, planning for the maintenance of alternate fueled vehicles and maintaining publicly owned vehicles operated by the contractor.

PROFESSIONAL EXPERIENCE

Southland Transit (formerly San Gabriel Transit) **1989 – Present**

Director of Maintenance

Starting as a Shop Manager has progressed to the current position with full responsibility for the maintenance of over 300 vehicles providing service on 18 separate transit or paratransit contracts. Manages foremen and lead mechanics in six facilities throughout Southern California. Has been responsible for the equipment and maintenance side of seven service implementation projects over the past two years. Established highly effective programs for the maintenance of wireless data technology in company owned shops to insure the reliability of core communications technologies. Has built an excellent alternate fuel vehicle maintenance program since the assignment of the first vehicles over 8 years ago. Established ASE certification programs for technicians, including incentive programs for newly certified personnel. Has worked closely with Access Services, Inc. to become the model maintenance operation in the ASI network.

Autospec **1981 – 1989**

Proprietor, Bellflower, CA

Owner of a specialty automotive business which provided restoration and rebuilding services for classic, collector and special interest vehicles. Provided full restoration services including mechanical retrofitting as well as body and painting services. Developed a high level of expertise in specialized high performance suspension systems.

Fiat Motors of North America **1974 – 1980**

Technical Parts Analyst

Researched problems with serviceability of OEM parts. Implemented identification procedures to correct and maintain accountability of parts defects. Generated technical bulletins to advise dealers of parts problems. Assisted field representatives with part related problems.

Education and Certifications

ASE Certified Master Auto Technician - ASE Certified Alternate Fuels Technician -
ASE Certified in Six Areas of the Medium/Heavy Truck Category -
ASE Certified in the Drive Train and Suspension/Steering
Areas of the Transit Bus Specialist Category -
R134/Macs AC Certification - AA Harbor Community College

JAMES HAWKES

EXPERIENCED SAFETY & TRAINING MANAGER with proven success in oversight of all elements of safety and training programs in a public contract transportation environment.

PROFESSIONAL EXPERIENCE

November 2003 – present

Southland Transit, Inc.
Director, Safety & Training
Responsible for the oversight and direction of the company driver training facility in Baldwin Park. Reviews and revises training policy and direction to insure safety in operations and that all training meets the requirements of the law, regulations and contracts. Responsible for the selection and training of behind-the-wheel trainers at every facility to insure the quality of initial training on the contract as well as continuing assessment of service after starting service. Oversight of the Drug and Alcohol Policy, including training of the supervisor/management personnel regarding their responsibilities under the same. Oversees OSHA compliance issues.

1996 to 2003

First Transit, Inc.
Training Manager, Pomona California (2000 – 2003)
Responsibilities included total oversight of the training department, including interviewing and hiring of drivers, coordination and conducting of classroom and behind-the-wheel training. Also oversaw the monitoring of ongoing job performance of the trainers in the department as well as the progress of the trainees. Processed all DMV forms. Oversaw and managed the training budget.
Trainer, Pomona California (1998 – 2000)
Working within the training department that serviced the contract for Foothill Transit, was responsible for the conduct of training classes and doing behind-the-wheel training of classroom graduates.
Coach Operator (1996 – 1998)
Operated a 40-foot transit vehicle on service in Los Angeles County with an accident free record.

1995 to 1996

Laidlaw Transit
Coach Operator, Upland California
Operated a 40-foot transit vehicle on service in Los Angeles County with an accident free record.

1992 to 1995

Quaker City Plating, Whittier California
Oversight of all warehouse operations, including hiring of employees, coordination of deliveries, monitoring shipments, and responding to customer issues. Assisted in transition of company to computer processing system.

EDUCATION AND TRAINING

Transportation Safety Institute-Substance Abuse Management &Compliance, January 2005
Transportation Safety Institute Staff Member, January 2003
USDOT Certified Mass Transit Instructor, 1998
USDOT Certified Bus Operator Training, Recertified 1999
California DMV Employer Testing Program, 1999
AA Degree Rio Hondo College, 1980

DIANE DALEY

SENIOR HUMAN RESOURCES EXECUTIVE with proven success in developing proactive human resource policies that allow the company to both attract quality employees and conduct its operations in strict compliance with state and federal law.

PROFESSIONAL EXPERIENCE

Southland Transit, Inc. (formerly R&D Transportation Services) **1996 to present**
Director, Administrative Services

Established all human resource policies and procedures for a transportation operations company. Also assisted in planning and development of the company's initial insurance portfolio to provide for effective risk management. Oversight of all company personnel policies and practices, including writing handbooks, setting up records compliance processes, keeping all policies current with changes in federal and state law. Develops and maintains all of the company's employee benefit plans. Wrote and maintains a company manager's guide for human resources issues and trains all supervisors and managers as to legal requirements, company policies, and personnel management best practices.

Faulkner, Banfield, Doogan & Holmes **1983 to 1991**
Partner

Attorney in an insurance litigation and general legal practice. Specialized in insurance and employee relations litigation, including worker's compensation and wage and hour compliance. Developed all case support materials for one of the largest class action wage and hour compliance settlements in Alaska history.

United States District Court **1981 to 1983**
Law Clerk

Law Clerk for a Federal Magistrate, Seattle Washington. Provided research support including preparation of rough drafts of rulings and decisions in all areas of federal litigation.

EDUCATION AND TRAINING

J.D. with honors, University of Iowa College of Law, Iowa City, Iowa, 1981
B.A. Summa cum Laude, Creighton University, Omaha, Nebraska, 1978
Over 150 Hours of Continuing Legal Education
Professional Human Resources Training in Benefit Plan Design, Wage and Hour Compliance, Risk Management, Personnel Law, COBRA Administration, FMLA Administration, Workers Compensation and Unemployment Law

E. Resumes of Project Staff

Anne Perkins and Jose Valles Ochoa are the proposed Project Manager and Maintenance Foreman for this project. These two professionals are the incumbent management team for this service and each brings directly relevant experience to the project as a result of the current high level of service being provided on this contract.

Anne worked closely with County Staff when this service was added to our existing Whittier Fixed Route contract in early 2007. Our implementation went very well and the service has grown in ridership from about 500 patrons the first month to the point where it now serves just over 4,000 patrons per month. Anne has worked closely with Jose to provide effective maintenance support to the operation. Wayne Seale, who is also housed at this facility and works directly with our maintenance staff on a daily basis, carries the required ASE certifications for this project. Wayne is working diligently with his maintenance staff to get some additional technicians ASE certified as well.

Another team member worthy of mention is Carlos Mejia, our proposed field supervisor. Carlos was promoted to field supervisor as a result of his very distinguished service on the Whittier contract and has continued to contribute to our performance in his role as supervisor. He brings an outgoing and positive attitude to his work exhibiting a great customer oriented attitude in his interaction with customers, and an open and positive relationship with employees under his supervision.

ANNE PERKINS

TRANSIT AND PARATRANSIT PROJECT MANAGER with proven success in managing effective demand response systems and community fixed route systems under contract with municipalities and other governmental entities. Significant experience with the operation and development of new community based fixed route service in county unincorporated areas.

PROFESSIONAL EXPERIENCE

2005 to present

Southland Transit, Inc.
Project Manager, LA County Whittier
Handle operational and management responsibility for the company's contracts in the unincorporated county areas around Whittier. Responsible for all phases of contract/service management including driver recruitment, operational reporting, general maintenance supervision, accident/incident investigation, quality assurance and financial control. Worked closely with county staff to establish new fixed route services, including verification of all driver schedules and participation with County staff in promotional opportunities. Managed the call center providing Trapeze dispatch coverage for three Los Angeles County Dial-a-Ride projects.

2004 to 2005

Moonlight Sleep Lab
Outreach Coordinator
Called on local clinics and medical offices in the San Fernando Valley to promote the use of the Sleep Lab as therapy for sleep apnea. Also handled some patient charting and assisted with billings to insurance plans.

2003 to 2004

Southland Transit, Inc.
Customer Service Team Leader
Started as a reservationist and moved rapidly to Team Leader on the City of West Covina dial-a-ride system at the Company's San Gabriel Valley central call center. Scheduled all transportation requests in Trapeze Software, made changes to driver and trip assignments throughout the day to maintain on time performance. Provided fixed route information to the general public. Maintained radio control over on-time performance on the City's three transit lines.

1999 to 2003

Medical Office, Dr. Jacob Rispler
Office Assistant
Started as front desk person assigned to meet and greet patients. Progressed to responsibilities for patient charting and billing of health plans. Worked extensively on telemarketing and placement of media and newspaper advertising. Planned special events and promotions.

EDUCATION AND TRAINING

Drug & Alcohol Awareness
STI Basic Supervision Course
Trapeze Dispatch Software Training
Sexual Harassment Prevention Workshop
MTA NTD Reporting Workshop

JOSE VALLES-OCHOA

MAINTENANCE MANAGER with a demonstrated record of effectiveness in organizing and participating in the maintenance of fleet equipment, including extensive experience with transit vehicles. Has demonstrated technical leadership with every type of vehicle operated in these services from taxis through MTA transit coaches. His experience includes vehicles operating on gasoline, diesel fuel, propane, compressed natural gas and hybrid vehicles.

PROFESSIONAL EXPERIENCE

Southland Transit, Inc./San Gabriel Transit, Inc. **2001 to the present**
Maintenance Foreman, El Monte facility ***July 2004 to present***
Maintenance foreman for a crew of technicians providing maintenance to vehicles in service to the Cities of Alhambra, Arcadia, El Monte, Baldwin Park, Pico-Rivera, La Puente and Monrovia as well as the County of Los Angeles. Responsible for all maintenance scheduling, preventive maintenance and repairs for a fleet of 91 transit and paratransit vehicles. Also responsible for coordination with central warehouse facility to plan for appropriate inventory to support all equipment assigned at this facility. Works closely with drivers on response to daily vehicle inspection reports. Provided start up support as maintenance manager for a new operation started by the company for MTA in Baldwin Park involving 50 heavy transit coaches.

Lead Mechanic, Baldwin Park facility ***June 2001 to July 2004***
Lead mechanic providing, since June 2001, all repair services for the Company's operations in support of the Access Services (ASI), the ADA paratransit operator for eastern Los Angeles County. This responsibility initially included the 120 vehicles assigned to ASI and was later expanded to include the vehicles operating for the Cities of West Covina and Baldwin Park.

Basura's Towing **1993 to 2001**
Lead Mechanic
Provided maintenance support for a fleet of 30 tow trucks, including heavy and light duty vehicles as well as flatbed tractor trailer type vehicles. This work was done at the same facility which was taken over by Southland/San Gabriel.

Pete's Transmissions **1991 to 1993**
Transmission Technician
Line technician for this Azusa based transmission repair shop.

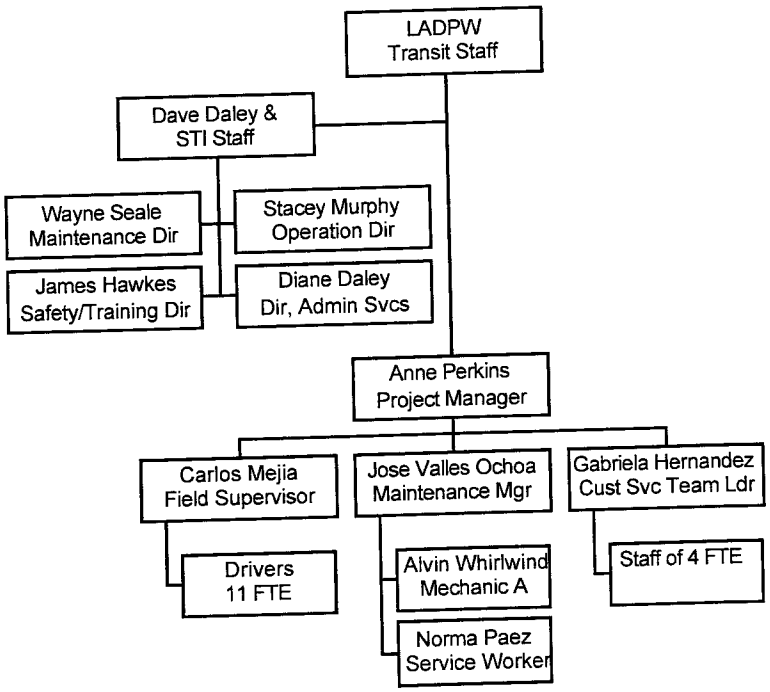
EDUCATION & CERTIFICATION

Cummins Engine Diagnostic Course
GM and Ford Electronic Engine Diagnosis
Mobile Air Conditioning Recycling and Service Procedure Course

III. Work Plan

A. Project Staffing

1. Organization Chart



2. Staff Positions & Tasks

This is a very small project and as a result we have shared some positions with other projects in order to make the service cost effective. Any sharing will be specifically disclosed below, and further explained on the LW-8 form, which can be found in the Form Appendix.

- As Project Manager Anne Perkins is responsible for the Whittier DAR and fixed-route system as well as our current operation of the Avocado Heights et al Shuttle services.
- As the road supervisor, Carlos Mejia will be responsible for on street operation of the service on all of the same projects with Ms. Perkins. As required by the specifications Carlos will be available to DPW staff at all times either in the field or via cellular telephone.
- As Maintenance Supervisor, Jose Valles-Ochoa is responsible for maintenance supervision of all transit operations run out of the El Monte facility. We estimate that it will require .2 FTE of total technician support for this project, which meets the standard set forth in the RFP. We will provide that level of support through a combination of the applicable portion of Jose's time as working foreman and other

hours as required by the other twelve full time technicians and service workers at that facility. We listed Alvin Whirlwind on the organization chart because does most of the preventive maintenance work on our existing County vehicles.

- Radio control and phone duties of scheduling and dispatching buses, receiving complaints and answering questions for this project will be handled by our existing LA County call center. This center has been providing these services for our existing DPW contracts, including this shuttle service. This dispatch center has five full time positions dedicated to these projects.

As stated above a full description of all FTE to be furnished is provided on the LW-8 form.

B. Personnel

The staff and personnel on a service are a key component of the success and quality of the operations. At Southland we keep this as the focus, in the hiring and training process, as well as throughout an employee's tenure with the company. Our hiring and training of employees for this service will comply in all respects with the legal requirements as well as standards required by the County.

As we are the current contractor providing this service we intend to maintain current staff on the service. These individuals understand the area, know many of the passengers, and this knowledge and commitment is an invaluable resource. As such we are requesting the 10% preference under California Labor Code §§ 1070-1074.

1. Drivers

a. Hiring/Recruitment

The hiring and recruitment of drivers will meet all legal and contract specifications. At the completion of their training all drivers will meet the State of California VTT (Verification of Transit Training) standard which is required for service as a fixed-route transit driver. The VTT standard requires certain levels of initial classroom and behind-the-wheel instruction as well as refresher training requirements. In all instances our program meets or exceeds the VTT requirement.

We will use three primary sources for recruiting drivers:

- Qualified current drivers who wish to continue providing service to the service riders. We have always recruited the current drivers on any service we have taken over. These drivers frequently provide the best level of continuity for riders, and are an invaluable resource. Although we extend preferential consideration to current drivers, each driver will be required to make application and to pass Southland screening and training requirements.
- Drivers who are looking for a career upgrade. We have had excellent success with recruiting school bus drivers. For these drivers transit service is a more reliable year-round job with better benefits than a seasonal school bus driving job. The County Living Wage is such that it give these school drivers a higher daily wage.
- New hire drivers with no prior passenger transportation experience. It is critical to our overall success that a viable program be established for training individuals without

experience. It allows us to maintain balance in our recruitment efforts and be less dependent on the actions of other employers in filling our positions.

Driver applicants must either possess a California CDL with appropriate endorsements, or meet the requirements for entry into CDL training. All applicants undergo a DOT medical examination and a pre-employment drug screen that must be negative. The drug screen is done in accordance with the terms of federal law. At a minimum a candidate must pass the following criteria

- 5 years driving experience;
- a DMV record with not more than three moving violations in the previous 5 years;
- no rail crossing convictions;
- no reckless driving violations, DWI/DUI or drug abuse convictions or license suspensions due to such convictions in the last ten years.

We seek drivers who are able to read, write and communicate in English. However, we fully appreciate the skills and versatility brought to the service by those who are able to communicate in more than one language.

At Southland we are not satisfied with hiring those minimally qualified but seek those people who are most qualified and most motivated to drive. We go beyond check-listing minimal qualifications. Each applicant must complete an application and submit an H6 DMV report. In a brief interview at the time of submission, the applicant is told of the job requirements, the application is reviewed for any unanswered questions, and the H6 is reviewed.

Those with minimum qualifications undergo a thorough interview, using a model list of questions. The list insures the interviewer covers all areas of questioning, that all applicants are judged consistently, and that all questions are legal and not discriminatory. Questions are open-ended to allow the applicant to talk about values and motivation, rather than simply saying "yes or no". This allows an interviewer to gauge the character and sincerity of applicants.

Driver selection actually continues throughout the training process. We do not hesitate to remove trainees who are not achieving the desired level of performance in any area – driving skills; interaction with riders, staff, and coworkers; ability to read maps and navigate; and ability to use the technology.

b. Training

The following is an overview of the **initial driver training** curriculum. This system is in use throughout our company and has been used to train transit drivers in service to operations throughout Central and Southern California. Classes follow the training materials from the National Transportation Safety Institute, with further development of materials from Transportation Management Associates for passenger assistance training and the Smith System for defensive driving.

1) **STI Orientation and Policies.** As we provide paid training, a trainee is an employee as soon as s/he enters training. The initial session is to introduce the trainee to employee policies and procedures and to insure that all of the necessary initial paperwork is completed.
2) **Defensive Driving.** Our defensive driving instruction includes both the defensive driving course provided by the National Safety Council and the Smith System. In the two programs trainees learn techniques for avoiding accidents on the road, covering such things as attention to situations which can bring about accidents, making yourself aware of the actions of other drivers and pedestrians, the proper methods for crossing, entering and exiting the vehicle. We include the Smith System materials because they provide an exceptional tie in to behind-the-wheel training where our behind-the-wheel trainers use the proven Smith System process:
   - **ALL -** Aim high in steering
   - **GOOD -** Get the big picture
   - **KIDS -** Keep your eyes moving
   - **LOVE -** Leave yourself an out
   - **MILK -** Make sure they can see you
3) **Transportation Safety Institute curriculum.**
   The Transportation Safety Institute, the training branch of the Federal Department of Transportation, has developed this 3-part curriculum. Every segment utilizes slide shows and a follow up exam.
   - **Vehicle Operations.** This segment discusses maneuvering techniques in several different operating environments with a variety of bus sizes. The primary focus is fixed-route operations with large vehicles in a variety of operating environments.
   - **Customer Service.** This second segment works with the first to give the driver trainee effective tools in handling customers, in both fixed and paratransit applications.
   - **Emergency Management.** This final segment covers the requirements for handling accidents and vehicle breakdowns. It also builds on the customer service segment in that it sets out methods by which the driver deals with these situations when the vehicle has passengers in congested situations.
4) **Pre & Post Trip Inspection.** In class the trainee learns about the regulatory requirements related to the multiple items a driver must check such as tire tread depths, steering play ratio, air and hydraulic brake testing, etc. The most important part of this training continues with the trainees going through the "hands-on" portion, with buses.
5) **Dealing with the Elderly and Disabled Rider.**
   - **Empathy and Special Needs.** The emphasis here is to train the driver how to respond to these passengers with care and consideration of special needs. Different approaches are used, such as having the trainee visualize what life would be like with a disability: if s/he were required to use a wheelchair, cane, seeing eye dog; if s/he were mobility impaired, lost balance, suffered from a cognitive impairment. The goal is to assist the driver in moving past pure sympathy or a demeaning view to understanding and the ability to aid and assist in a helpful manner.
   - **Mobility Device & Securement.** Trainees learn the correct use of vehicle lifts, ramps and restraint systems. Every trainee learns this both in the classroom and "hands-on" in the vehicles, acting as a driver and as a passenger. Emphasis is also put on the

physical safety of the rider and the driver who is boarding the passenger, as well as completing the task without damage to the mobility device itself.

- **ADA Training.** The full range of requirements of the American with Disabilities Act as it impacts transit operations is covered here. Thus drivers learn about fares, service animals, discrimination, calling stops, steps to undertake when a wheelchair lift is inoperable so that the passenger is not stranded on the street.

6) **Communications.** Use of the radio, Mobile Data Terminal and/or cell phone is covered depending on which communication system is being used. Thus radio users are trained in ten-codes and plain speak. Mobile Data Terminal users are trained in input, acknowledging completion of trips, etc. Cell phone users are trained on the radio capabilities, preset emergency numbers, etc. In all cases the appropriate time to use the communication device is emphasized.
7) **Fare Recovery.** Trainees are familiarized with the correct handling of fares, such as how to use fare boxes, whether assistance in handling currency is appropriate, and explanation of accounting for the number of passengers for reconciliation purposes if the contract so requires. Additionally, trainees are familiarized with the particular contract's fare structure.
8) **Route Orientation.** The ability to drive the route without thinking about the turn sheet or route paddle is essential to the safe operation of a fixed-route operation. On fixed-route services drivers are familiarized with the particular routes on the service. The classroom training is reinforced and supplemented during behind-the-wheel training.
9) **Hazardous Materials and Blood borne Pathogens**. Trainees are familiarized with the hazardous materials that may be encountered in their job including the handling of body fluid spills that could lead to virus transfers, and use of the body fluid kit.
10) **Body Mechanics/Safe Lifting**. Drivers are required to use their body in many aspects of their job. To insure their safety we specifically train on the correct body mechanics for these tasks including the correct method for lifting, pushing, securing wheelchairs, and boarding and exiting the vehicle.
11) **Harassment in the Workplace**. Every employee, beginning as a trainee, is given information on harassment in the workplace. The goal is to make certain that employees know how to report any problems they have as well as to train employees on the many faces of illegal harassment and that Southland does not tolerate this in the workplace.
12) **Substance Abuse**. Drivers are taught the problems of substance abuse, with regard to the job, but also with an eye to its effect on quality of life. Southland's Drug and Alcohol Policy is covered in detail. All rules and regulations are strictly enforced in accordance with DOT rules and regulations, as well as with the company policies.
13) **CPR and First Aid**. For applicants who do not have first-aid certification, training includes the required Red Cross certification training. Regular classes are then provided to make certain drivers are always currently certified in CPR and First-Aid.
14) **Commercial Driver Training**. When the driver comes with a C-class license the trainee also undergoes the necessary training to obtain a Commercial Driver's License.

Behind-the-Wheel Training. No driver operates on Southland service without undergoing behind-the-wheel training. Members of our Safety and Training department select and train all behind-the-wheel trainers. There is at least one behind-the-wheel trainer at every Southland facility. Behind-the-wheel training includes training at a secured parking facility through an

obstacle course; road evaluation of the driver's skills; and route training for the specific service. Additionally the trainee learns of the particular system requirements in effect. Once the trainees begin behind-the-wheel training the safety department oversees the efforts, gets continual updates regarding how the training is progressing, and will do behind-the-wheel training themselves when needed.

Southland training emphasizes strenuous pre-testing and a formal final review prior to the trainees taking their final or CHP exams and moving on to "regularly scheduled" driver status. Our formal review is based on the observations of the behind-the-wheel trainer. Behind-the-wheel trainers spend more time with potential employees than any other person in the company. Thus we have given the trainer authority to make a "do-not-hire" recommendation.

Refresher Training. Every service driver is evaluated by a behind-the-wheel trainer or training supervisor at least twice a year and undergoes retraining if appropriate. Retraining is also scheduled for any driver involved in a preventable accident or incident. There are monthly scheduled safety awareness classes to continually refresh and renew the skills necessary to be an effective, safe and courteous driver. Because we have created an atmosphere where the road operations and training functions work closely together, these safety classes are very productive. The sessions address issues that are particular to the service the drivers are on.

In the initial training as well as in the recurring sessions, drivers always have the opportunity to ask questions, and clarify issues. The most important part of training is not to follow a checklist, but to make certain that the participants in the training are actually learning and incorporating the materials presented. Our training department does not pass on people who will not be effective team members.

2. Mechanics

a. Hiring

We have had exceptional success in attracting highly qualified technicians to staff our maintenance operations because they are attracted to our commitment to doing the job right. Southland has no layers of bureaucracy to preclude them from participation in the development of effective maintenance policy.

Our company's Director of Maintenance, Wayne Seale, has been instrumental in working with our customers and our technicians to develop a maintenance plan that will produce clean, reliable equipment for Southland drivers. Wayne holds multiple ASE certifications, including the Medium/Heavy Truck certificate. He will work with the staff at the Hooper facility to make certain that the maintenance program is followed and that the vehicles are maintained to the highest standards.

We seek to recruit technicians who want to be part of an operation committed to continuous learning. Our expectation is that every maintenance employee will make continual progress to develop his or her knowledge and skills. Such development is then recognized in pay increases.

b. Training

Southland recognizes the growing complexities of servicing transit fleets. Today's vehicles include complex computer systems and advanced cutting-edge engine technologies. In such an environment it is a challenge to keep the maintenance staff current with the industry changes. As quality maintenance is an essential element of service quality we are committed to the continual training and upgrading of our maintenance employees' skills.

We use multiple sources for mechanic training including the courses and resources offered by the manufacturers, vendors, as well as the National Institute for Automotive Service Excellence (ASE), the Service Technicians Society, and the Transportation Safety Institute. We have established significant financial incentives for technicians to attain ASE certification. We identify training sources and work with the maintenance staff to arrange their schedule to attend training or study for certifications they need to further enhance their maintenance skills. After a member of staff develops a new expertise through training, s/he is asked then to share that information and expertise with the other employees.

3. Road Supervisors

Road supervisors are generally chosen from the driver pool or, in the case of a contract take over, from qualified existing road supervisors. We choose individuals who are motivated and show supervisory potential. If the individual chosen has no previous supervisory experience s/he will be sent for a class on supervision offered by the Employer's Group. In-house the road supervisors are trained in the procedures for accident investigation, response to service problems, and informed of all service standards for the contract on which they will be working. They also attend a company training session regarding human resources issues and procedures at Southland.

At Southland we also qualify and train road supervisors to be behind-the-wheel trainers. The purpose of this double training and use is twofold. First it is our belief that it is impossible to function effectively as a road supervisor without a thorough knowledge of the driver's duties and responsibilities. Secondly it increases the accountability of training. In many companies trainers are simply asked to produce drivers and the shortcomings of those trainees after graduation is really not the trainer's problem. When a road supervisor is involved in the assessment of trainees by overseeing the behind-the-wheel training, the supervisor is less likely to pass a minimally qualified trainee to driver as any problems seen in training are problems the road supervisor will have to oversee in daily service.

4. Employee Retention

Employee retention is a major issue for effective transit operation. Drivers have to be able to navigate and experienced drivers that know where they are going are very valuable. For the sake of service safety, quality and productivity we make a major commitment to keeping every driver who is good at this work.

a. Wages

Wages will be in accordance with the County Living Wage standard. All specific wage rates by position are fully disclosed on the LW-8 Cost Methodology form which is furnished in the Form Appendix. Note that we have worked closely with County Staff over the past several years to insure compliance with the County Living Wage requirements on every DPW contract we have operated.

It is also important to note that, while we intend to use the "without benefits" compliance path for complying with the living wage requirements, we will make available to these employees our cost effective group insurance program.

b. Benefit Programs

1) Health Insurance

Our health insurance program has been well received by drivers. That is no accident because we specifically designed the program with drivers in mind. New hire full-time employees are eligible to enroll in the health plan at the first of the month following 90 days regular employment. As a company we define full-time as scheduled to work 35 hours or more in a week, although we are cognizant of the 40-hour schedule for County contracts and fully abide with scheduling all employees for the 40-hour shifts expected. Southland is committed to finding full time employment for every employee who wishes to work a full schedule, thus allowing the employees to participate in these benefits.

With increasing health care costs we also worked to negotiate multiple coverage options for our employees. This allows the employee to choose among 2 levels of HMO plans so each can choose coverage and cost that most clearly meets the employee's individual needs. To further reduce the cost we have a §125 plan that allows for the employee to pay for their portion of any benefit cost with pretax dollars.

2) Dental/Vision Insurance

Employees can purchase dental/vision coverage at inexpensive group rates. Our current plan is with Golden West Dental and provides a choice from a number of participating dentists throughout Southern California. Employees with sufficient regularly scheduled hours of employment are eligible as with the health insurance. The employee can also pay for this benefit with pretax earnings under the §125 plan.

3) Paid Time Off

Hourly non-exempt employees, who are regularly scheduled to work 35 or more hours a week, earn Paid Time Off in amounts tied to the amount of time they are regularly scheduled to work, which calculates to approximately 9 days of paid leave a year. Paid personal leave can be used for any purpose and can, with prior approval be used by the employee as soon as it is earned. Our policy of starting the accrual immediately and allowing its use as soon as it is earned is our commitment to the employees that the company honors and respects their contribution immediately. Additionally our combination of traditional vacation and sick coverage encourages good attendance, as time used for illness cannot then be used for "vacation." Conversely it is well received by employees because they never "lose" their sick time as personal time off accrual is paid at termination in accordance with state law.

4) Paid Holidays

Southland pays for six holidays a year. Regularly scheduled employees scheduled to work on one of these holidays and who do not work because the system on which they work is closed, receive holiday pay for the hours of work they would have worked on their regular schedule for that day. When an employee is assigned to a system that does not close for one of our recognized holidays, and works that holiday, the equivalent scheduled hours are dropped into their Personal Time Off account in order that the employee might enjoy some free time at a later date. We believe that this is a very important benefit, and one that is not universally provided in the transportation industry. It allows drivers to enjoy a holiday without the concern that their next check will be missing pay and allows employees who work a recognized holiday to take a day off at another time.

5) 401(k)

Southland has a 401(k) plan for employees with eligibility at the first quarterly entry date after hire. Employees can defer pretax earnings into the plan as retirement saving. Additionally we have provided that employees may defer safety incentive payments into the plan, which has proven popular for drivers who do not feel comfortable deferring a portion of their paycheck into the plan. Finally, our plan is organized to minimize fees so that the money invested can grow at the best rate possible.

5. Personnel Practices

a. Employee Handbook

Southland is a California company and is concerned with insuring the highest level of compliance with both state and federal employment practice laws. It is quite common for national employers to note only federal laws in areas such as wage and hour rules, discrimination, leave policies, etc. California laws are frequently more protective of employee rights and the relationship of the state and federal law can be tortuous.

The Southland Transit, Inc. Employee Handbook addresses all issues of personal time off, leaves, pay practices, holidays, overtime, family leave, as well as the company's safety, harassment, and anti-violence policies. The handbook was written to fully comply with both federal and state law.

Diane Daley, Southland's Director of Administrative Services, is a trained attorney and a former partner in a litigation practice specializing in liability insurance defense, worker's compensation defense, and wage and hour compliance. She is responsible for insuring that our personnel practices meet legal requirements. In pursuing these duties Diane attends seminars regarding employment law, subscribes to multiple employment law materials, and is a member of the Employer's Group. She shares the information with all levels of company personnel in order that compliance is not only on paper but also throughout the organization. She is also available to supervisors and managers, not just by phone but also through personal interaction, to answer any questions or give advice when unique situations arise.

b. Drug & Alcohol Policy

Southland has an established drug and alcohol testing policy that complies with all State and Federal requirements. Testing includes both the mandatory pre-employment drug screens and the random testing for all drivers and "safety sensitive" employees as defined by federal law. Managers and supervisors also undergo specific manager drug training in order that they fully understand the requirements and indications for "reasonable suspicion" testing, possible signs of drug and/or alcohol abuse, and how to deal with such issues in the workplace. All drug and alcohol testing is done with clinics fully aware of all DOT requirements for split screen testing. In addition Southland has a written policy for a Drug Free workplace in its handbook.

c. Sexual Harassment Training

Our Director of Training, James Hawkes, is a certified trainer who has conducted the mandatory sexual harassment training of supervisors and managers throughout our company, meeting the state requirement that all such employees met the initial deadline for training of January 1, 2006. Now, in conjunction with our Director of Administrative Services he conducts classes on a regular basis to insure that new hire managers and supervisors, as well as those who are promoted from within obtain this required training within the time set by law.

d. Injury Illness Prevention Program

Southland has a fully compliant Injury Illness Prevention Program in place as well as a Hazard Communication Program. It is covered with employees during their initial training. Our Director, Safety Training, James Hawkes oversees our company policy in this regard.

e. Jury Leave

We have a fully compliant jury leave program which applies to all employees throughout the company.

C. Facility

We will continue to operate this service from our facility in El Monte. Southland Transit consolidated all of its San Gabriel Valley operations into a new facility at 3650 Rockwell Avenue in El Monte in June 2004. The move allowed us to consolidate some services and as a result provide superior support for all of our San Gabriel Valley operations.

The facility has over 20,000 square feet of shop and office space on just under four acres of paved land. It is equipped with environmentally approved fueling and washing facilities. We have a lease for the property extends through the term of the agreement, which would result from this proposal.

The size of this facility has allowed consolidation of support services for many of the company's community operations, which has proved beneficial for each of the operations that moved to this location. From the El Monte location Southland Transit operates and maintains vehicles for operations in support of the Cities of El Monte, Arcadia, Monrovia, Baldwin Park, Pico Rivera, Alhambra and Covina, as well as vehicles in operation for the County of

Los Angeles Whittier and this shuttle service. This has allowed for maintenance in a fully equipped maintenance shop that is staffed 24 hours a day.

The Southland Transit Call Center in El Monte supports all the operations listed above as well as the West Covina and La Puente dial-a-ride operations. The Los Angeles County operations have a dedicated service center, which allows for a cost savings on each contract and a better operation as other fully trained service people are available for assistance and back up when needed.

The facility provides several major benefits to our clients:

- The site has exceptional security walls and fencing and is staffed 24 hours per day providing enhanced protection of the City's vehicle assets.
- Washing and detailing facilities are better than that we had at the previous site for this service, thus improving vehicle appearance.
- Fare counting is handled at one central facility providing improved reporting.
- Dispatch and management are located together so that our managers are always aware of conditions in the field.

This facility provides exceptional access and availability to the service area for the Avocado Heights shuttle service.

D. Maintenance Program

Maintenance excellence is a major commitment for Southland Transit, Inc. We have developed an outstanding reputation among clients for developing and maintaining standards that guarantee our maintenance quality is of the highest level. Our record with clients who subject vehicles to third party inspections is superior. The program outlined below exceeds the requirements of this RFP by a substantial margin, principally by making the core inspection, our "A" service, compliant with the 45 day requirement (we actually target 21 work days) outlined for the "J" inspection in the RFP program.

1. Preventive Maintenance Program

Our preventive maintenance program consists of the following service/inspection elements:

Inspection/Service Description	**Frequency**
Driver Daily Vehicle Condition Inspection	Daily by each driver
Vehicle Cleaning and Washing	Every other day & after all rain days
Periodic Vehicle Detailing Service	Per Contract or Annually
Preventive Maintenance Service – A	21Work Days/3,000 Miles
Preventive Maintenance Service – LOF (Includes analysis)	60 Days or 5,000 Miles
State Required Emission Testing	Per State Requirements
Preventive Maintenance Service – Brakes	Customized to Duty Cycle
Preventive Maintenance Service – Engine	Per Manufacturer Specs
Preventive Maintenance Service – Transmission	Per Transmission Specs

Preventive Maintenance Service – Cooling System	Annually Plus Testing
Preventive Maintenance Service – Electrical System	Annually Plus Testing
Preventive Maintenance Service – Air Conditioning Systems	Annually

Driver Daily Vehicle Condition Inspection

Prior to putting a vehicle into service the driver is required to perform a detailed pre-trip inspection of their assigned vehicle. Any defects or concerns are noted on the Daily Vehicle Inspection Report (DVIR), a copy of which is forwarded to the Lead Mechanic, who then opens a work order and schedules the repairs. Repairs are prioritized to ensure that all safety related defects are completed before the vehicle goes into service. All defects reported by drivers are addressed within 24 hours of being reported. Safety related defects are repaired before the vehicle is dispatched again. Each driver cycles all lifts on their vehicle prior to the start of revenue service. Except in emergency situations, a vehicle is not allowed in service with an inoperative lift. Drivers are thoroughly trained in pre-trip inspection requirements and are not allowed in revenue service until they can demonstrate full proficiency in conducting the appropriate inspection for the type or types of vehicles they will be called upon to operate. The effective performance of these inspections is a major item of emphasis for our service monitors. Drivers are also expected to leave their vehicle broom clean at the end of the day.

Vehicle Cleaning

Appearance and condition are paramount to operating an efficient and comfortable transportation system. Our program ensures the fleet is clean, well maintained and presentable to our customers and to the employees who use these vehicles to provide service to our customers. At the end of each service day, vehicles are fueled. The utility workers ensures that all fluids are checked and topped-off, tire condition and air pressure checked, and the overall condition of the interior and exterior inspected, with special attention being given to seat damage, graffiti, or other vandalism that may have taken place since the start of the day. Each day one of the vehicles will have the interior washed so that all vehicles will meet the one interior wash per week standard outlined in the specifications. After the fluid and visual inspection is completed the utility worker will record the mileage, amount of fuel, oil and other fluids dispensed; sweep or mop the interior of the vehicle as necessary; clean the windows, seats, and drivers' area; and remove any graffiti.

Every weekend the interior of vehicles will be checked and repair and/or replacement of window inserts, seat inserts, seat upholstery, graffiti, window glass and schedule holders will be undertaken as needed. Each vehicle will have its seat shampooed monthly. We have also made provision in our proposal for annual detailing of every vehicle in the fleet, the schedule for which will commence as soon as we start the contract. This detailing will be done by an outside resource.

The vehicle exterior is washed every other day except when rainy, in which case it is washed every day, all per contract specifications. Once a week the vehicle is subject to more extensive cleaning; at a minimum this cleaning will include ceiling panels, handrails, side panels, seat frames, wheel wells, driver area, modesty panels, door and step areas, destination

sign glass, windows, floors, and AC grills. When completed, the vehicle is parked in its assigned place and properly secured.

Preventive Maintenance Inspection - A

Vehicles are inspected every 20 to 21 working days or, for higher mileage vehicles, 200-250 miles in advance of the 3,000-mile mark. This exceeds all regulatory requirements and allows us to move more repairs into the preventive and predictive categories. The inspections use the vehicle manufacturer's and component manufacturer's recommended service cycles as well as all seasonal or campaign work that may be required. The vehicle repair history is reviewed and any scheduled predictive maintenance items or open defects are repaired at this time.

State Required Emission Testing

We have agency/city/county owned vehicles on 15 existing contracts and have the responsibility for emission testing in every one of those instances. Southland is well prepared to insure that this regulatory requirement is met.

Preventive Maintenance Inspection – Lube, Oil, Filters

Engine oil is changed generally with every other monthly inspection. This results in a change interval of between 3600 and 5000 miles depending on the vehicle assignment. Required lubrication points are addressed on the monthly inspection rather than at the time of engine oil change since these items are part of the monthly inspection checklist.

Preventive Maintenance Inspection - Brakes

At the time that we take over a fleet of vehicles on a new contract a thorough examination of the vehicle history is made to develop a specific brake maintenance interval targeted to the duty cycle and repair experience. These intervals are evaluated on a continual basis and supplemented by careful inspection of brake condition on each "A" inspection. If the "A" inspection shows a need for earlier brake maintenance the inspection will be conducted either immediately or at another interval, which allows us to address the condition effectively. Careful measurements are taken and recorded at each brake inspection so that a wear profile can be developed for each type of vehicle in the fleet. This wear profile is then used to refine the preventive maintenance scheduling. The brake inspection incorporates a step where the foreman reviews the brake work just prior to reinstallation of the wheels and/or drums.

Preventive Maintenance Inspection - Engine

Engine technology has evolved to the point where no single policy can address all of the requirements for engine services. We develop a specific program, based on manufacturer's recommendations, for each facility, which addresses the engine models in the fleet. This program includes written forms providing effective direction for the technician in accomplishing the service.

Preventive Maintenance Inspection - Transmission

Transmissions are maintained in accordance with the individual manufacturer's recommendations. Careful attention is paid to the condition of the transmission fluid and the amount of wear material found in the transmission pan. Burnt fluid or the presence of bearing material will be cause for replacement of the transmission before return to service.

Preventive Maintenance Inspection – Cooling System

Cooling system maintenance has become an important step for insuring that the maximum life is obtained from engines. On an annual basis each cooling system will be tested to insure that appropriate concentrations of cooling system additive are maintained to optimize engine life.

Preventive Maintenance Inspection – Electrical System

Accessible transit service is hard on electrical systems, due in great part to the frequent cycling of wheelchair lift equipment. On an annual basis each electrical system will be thoroughly tested to insure optimal performance. This inspection will include a battery load test to disclose the need for replacement of any weakening batteries.

Preventive Maintenance Inspection – Air Conditioning System

Air conditioning systems are maintained in specific conformity to each manufacturer's requirements. All repairs and maintenance functions are performed by certified mechanics in strict conformity to current environmental standards for air conditioning service. Monthly reporting on the Preventive Maintenance Monthly Form documents all air conditioning preventive maintenance. Annually, during the month of March, a specific campaign will be undertaken to insure that each air conditioning system is adequately prepared to provide effective service throughout the season when air conditioning performance will be taxed. This inspection will include, state of charge, condition of compressors and compressor drive systems, and condition of the condenser.

Preventive Maintenance Inspection – Wheelchair Lift Equipment

During each Preventive Maintenance Inspection a thorough check of the wheelchair and lift equipment is undertaken. Wheelchair lifts are tested with a minimum of 500 pounds deadweight and 750 pounds maximum weight to insure compliance with ADA requirements. On an annual basis a detailed inspection is done of every lift component to insure that wear is within acceptable standards. This inspection is done with all shields and panels removed so that every element of the system can be seen and evaluated. Particular attention is paid to wear at pivot/swivel points, integrity of barrier mechanisms, fluid leakage, wiring integrity, and general structural integrity.

2. Maintenance Record Keeping

Southland Transit has developed its own proprietary maintenance management system. The system was built in Microsoft Access in consultation with Simetra Systems, our long time data management and reporting system partner. Unlike many off the shelf programs this system was designed specifically for passenger transportation vehicle maintenance and shop management. Our system features all of the following capabilities:

- Preventive maintenance scheduling for four separate levels of preventive maintenance.
- Fuel consumption tracking (also provides mileage inputs for PM scheduling).
- Repair order management with technicians entering their repairs directly into the system.

- Storage of frequently used repair operations to minimize input.
- Storage of parts data to assist in inventory management and further minimize data input.
- Vehicle inventory management.
- Road call reporting.
- Complete vehicle maintenance cost reporting.
- Maintenance schedule compliance reporting.
- Tracking of warranty repairs.

3. Handling Service Defects

Maintenance and Road Service

Maintenance required as a result of a road failure is performed as quickly as possible in order to ensure that our customers are not adversely affected by a delay in service. As soon as the dispatcher is notified of a failure s/he notifies the maintenance manager or mechanic on duty who will then dispatch a mechanic to the defective vehicle in a properly equipped and supplied service truck. Another vehicle with a stand-by driver will be dispatched to fill in on the route, thereby minimizing any disruption to service. Upon arrival by the mechanic, the problem will be assessed and determination made as to whether the vehicle can be made operable or will require a tow. In the event that the mechanic on-site cannot repair the vehicle on-site or safely bring the vehicle to the facility, a flat bed tow truck will be dispatched.

Reports of each road failure are reviewed periodically in order to determine if there is a pattern of failures that would indicate the need for changes in preventive maintenance inspections, pre-trip procedures, or other maintenance procedures. The history is also reviewed in order to determine cycles for preventive maintenance inspection.

Body Repair

All major exterior or interior damage as a result of accidents, road conditions, vandalism or graffiti results in immediate removal of the vehicle from service. Repairs are completed prior to the vehicle returning to service. A detailed inspection of the vehicle is conducted after repair to ensure that repairs have been properly performed and that no other physical or mechanical damage exists. Minor body damage is reported to maintenance via driver's DVRs and the fueler/washers' daily reports. The repair of all minor damage is scheduled for completion within the same week it is reported. Graffiti is removed immediately. An outside contractor will perform all major accident damage, body repair and painting. Selection of vendors for body repair and painting will be subject to the approval of our client in the case of client owned vehicles.

Major Component Failure

All component failures are evaluated to determine the cause of failure; this evaluation coupled with Original Equipment Manufacturer (OEM) rebuild recommendation forms the basis for rebuild decisions. Repairs are done so that all vehicles remain in the OEM configuration. In the case of engine, transmissions or other major component failure, a physical inspection of the component, including disassembly, is done. If necessary, a review of maintenance records

and fluid analysis data is made to determine the cause of failure, rebuilding requirements, and any potential fleet defect or warranty problems. All component rebuilds, as well as engine and transmission replacements will be completed by OEM certified repair facilities.

E. On-Going Service Operations

1. Road Operations

a. Road Supervision

Our road supervisors are all certified drivers equipped with an accessible paratransit vehicle so that supervisors can provide immediate replacement service should the need arise, such as when there are wheelchair problems, breakdowns, incidents, etc. In addition to the road supervisors' traditional spot check and general supervisory duties they are trained in accident and incident investigation so that a professional report can be developed for any major service failure.

One of the main purposes of road supervision is to provide support to our drivers on the road. We work at having the drivers perceive road supervisors as a support service that is available to the driver whenever a situation or problem might arise. This type of teamwork encourages communication and faster resolution of service problems than a system where a road supervisor's main objective is to simply watch and grade the people they oversee.

We have made front line accountability the foundation of our service delivery. This is also a duty of the road supervisor, who insures that the drivers are ready and fully equipped to begin service.

b. Response to Vehicle Breakdowns

Any discussion of breakdown response should be prefaced with breakdown prevention. We emphasize vehicle maintenance in every operation as the prime method by which to reduce breakdowns. Of course breakdowns do happen and in those instances we will respond on three tracks. The first step is to get a mechanic on the radio with the driver. We often find that some simple issue is causing the vehicle problem and the driver can be instructed on how to get the bus back in service. An example of this is a wheelchair lift access door that is not fully latched, causing the vehicle interlock to render the vehicle inoperative; a simple relatching of the door gets the vehicle back on the road. The second step, and the most important, is getting another bus on the line and back on schedule. We expect that, with the excellent supervisor coverage for this operation and proximity to the service area, we should be able to restore service within 15 minutes with an ADA compliant vehicle. The third step is the dispatching of a mechanic to validate the condition of the bus and handle getting the bus off the street. In all cases a mechanic should be at the bus within 30 minutes. The mechanic timing will not affect the passengers since service will already have been recovered with a substitute bus.

c. Lunch Breaks

Lunches and breaks on the service will be handled using a relief driver who will provide lunch periods on a rotating basis to all drivers who are on straight shifts. We comply with

California labor standards on scheduling of lunch periods. Personal comfort breaks are handled at the point where route make-up time is present in the fixed-route schedules. We enforce route timing very strictly and watch that drivers do not "run hot", which means running ahead of schedule. "Running hot" can be a chronic problem if not carefully managed as drivers can be tempted to generate more break time which has a disastrous effect on the service. We monitor this problem very carefully, including with stop-by-stop reporting when necessary.

d. Passenger Disturbances & On-Board Security

Our first objective is to minimize disturbances with effective driver training. We have a very specific training module regarding problem passengers that teaches drivers effective techniques for defusing potential passenger disturbances. We will also have strong support for our drivers from supervisors. Drivers always have the ability to have a supervisor at the bus within minutes to render assistance through use of the supervisor's handheld radio.

In each of our communities we have also developed excellent working relationships with the local police. Through direct communication with the supervisor it will be possible for drivers to access the police directly when there is an incident that might jeopardize the safety of the driver or passengers. We have used the police effectively on a number of occasions when a passenger was causing a disturbance on the bus. In those instances the driver continued the route to prevent further provoking the perpetrator and was met by the police at a pre-determined stop.

2. Quality Assurance

a. On-time Performance

Southland has a long history of bringing integrity back to the operation of fixed-route systems that had encountered service delivery problems. The key building blocks of these accomplishments have been the following;

- a specific report from every driver when a route loop originates behind schedule by any amount of time,
- scheduled time compliance reports at key points on the line, in other words positive "on time" reporting rather than exception based late reporting,
- a subsequent report when a stop is served more than five minutes behind schedule, and
- time performance samples made by our Road Supervisors throughout the day, the results of which will be maintained in detailed records of the samples.

b. Accident Reporting & Incident Investigation

While we do everything possible in our training and ongoing safety meetings to avoid accidents, they do occur and we train our employees how to handle those situations. Our practices meet the standards of good practice as well as the requirements set forth in SOW. Every driver undergoes training regarding the handling of an accident situation. The driver immediately contacts dispatch and/or the road supervisor when an accident occurs. Dispatch then coordinates an appropriate response.

The driver is trained to seek appropriate information at the accident scene, which is reinforced by the arrival of a road supervisor or member of management personnel. Pictures are taken at the scene for thorough documentation.

Accidents which take place with consumers on board, or when an accident will cause a delay in service are reported immediately. If needed a road supervisor or cover driver will use a vehicle to keep service on time.

Incident report forms are kept available for all workers in order to document passenger disturbances, wheelchair lift failures, and road failures.

c. Internal Process to Avoid Problems & Complaints

At Southland our first and primary goal is to avoid service problems. We are constantly monitoring our own performance in this pursuit. We believe that the rider must be satisfied and we want to develop and use the appropriate tools to assure that customers have all the opportunities necessary to let us know how the service is working.

In order to focus this goal we have established a framework that has us, as a company, investigating and identifying causes and a response to every service defect, no matter how the defect is identified. We have found that the most common occurrence is a call from a client reporting a problem. Every staff person is trained to prepare a report form based on the customer's input, this report immediately goes to each individual involved so that the cause of the incident can be identified and, more importantly, a determination can be made as to what corrective action is required to prevent recurrence.

We also encourage the use of these reports by our road staff, including drivers. There are times when a driver feels that a problem arose due to the actions of a rider, dispatch, or management. Such problems do not always lead to formal complaints, but are issues that should be investigated and evaluated before larger problems occur. This form allows for driver input, and initiation of a process for determination and correction.

We encourage this two-way process of identifying problems because we have found that it creates a team-oriented approach to problem solving, rather than a "blame-oriented" approach. The process has also provided valuable input from the employees who have to work the nuts and bolts of the system, and is a major empowerment tool for our road staff.

Despite this commitment to preventing problems and complaints, problems do occur. Throughout the training of all staff, drivers, dispatchers, mechanics, road supervisors, and managers, it is emphasized that <u>any</u> problem or complaint should be reported immediately to management staff for action and resolution. Southland management personnel are evaluated on their ability to foster an environment where all problems and complaints are reported, as well as on their responsiveness to riders, and to client staff in handling problems as they arise.

3. Security Plan

Of course there are dangers beyond those of passengers who become difficult while riding. We have a Security & Emergency Preparedness Guide prepared in consideration of the November 2006 FTA Transit Agency Security and Emergency Management Protective Measures. Our plan addresses some of the many possible events that could disturb operations. It can be used as a guide for every location to discuss and consider responses to events that can arise, and can be added to by each location as they devise a response and list of contacts and resources.

F. Communications Requirements

1. Radio Communication

We contract with our long time vendor Mobile Relay Associates, a leading radio airtime provider, for our radio frequencies.

For this service we will provide new Kenwood 450 MHZ type digital, programmable radios. We will program every radio with a back up frequency so that redundancy is available should there be a problem with the primary frequency. We cover every square inch of the LA Basin with our frequencies and will insure that we cover every part of the service are for the proposed service.

The use of a 2-way radio is not covered by the "hang up and drive" bill, which is directed at mobile phone use in a vehicle. Our driver training includes the mandate that use of a personal mobile phone while driving is not allowed and is grounds for disciplinary action. It is something that road supervisors are looking for when monitoring service on the road.

2. Cell Phone Access

In accordance with the RFP requirements our Manager and dedicated road supervisor carry cell phones that make them available during service hours. Additionally, Southland's Chief Operating Officer carries a cell phone which is answered directly by him, as County staff well knows from working with him over the past several years. This number is available to all our clients and makes him available to respond on issues affecting service at a level not matched by most transportation companies in the country. We do not believe that any firm can compete with Southland in terms of the accessibility of senior management.

3. Internet Connection

We have long believed in the importance of keeping our locations in contact with a computer network and Internet connection, as well as providing sufficient computers and updated software so that staff can keep current on all record keeping requirements. The central LA facility has this currently. Connectivity is essential to our operation as we long ago set up a payroll and time control system managed from the facility. Payroll is entered once at the local facility and is then transmitted directly to the payroll provider as well as to management. The

local facility is able to run a copy of the completed time breakdown for each employee at the facility, prior to its final transmission. This has allowed us to avoid problems in missing hours or other issues that cause incorrect paycheck amounts. Additionally it avoids the common problems of double entry of time amounts.

Key personnel are always assigned individual e-mail accounts. This will be true in this contract as well.

G. Project Record Keeping

1. County Required Reporting

Southland is well prepared to meet the reporting requirements of our customers; in fact, we have developed distinctly different reporting criteria for each of our clients. We will make any modifications or refinements necessary to insure that our reporting meets the information needs of the County staff.

Although reporting requirements for transit contracts are extensive, they are easily managed when the project staff is given appropriate tools, and the contractor has a commitment to supporting staff through the development of routines for collecting and reporting required information. We provide a state-of-the-art computer network that allows our staff to collect and manage complicated data effectively.

2. Farebox Reporting

Our fare collection and accountability procedures have met the standards of every one of our clients as well as FTA audit requirements. The components of the system are:

- Separation of responsibility for collection of driver reporting paperwork from collection of fares from the fare boxes
- Deposit of fares directly into a secured strongbox
- Shipment of the strongbox to Southland's central cash room for counting
- Reconciliation of the fare counts to the ridership reporting forms
- Investigation of any discrepancy between ridership counts and fare revenues

3. NTD Reporting

Most of our current contracts require NTD reporting and we are well versed in the required reporting process. In many of our existing community transit operations we have assumed primary responsibility for reporting the data to the MTA since our client systems typically have limited staff to handle these reporting functions. To assist in this we have had supported and encouraged our managers to take courses to train them to meet NTD reporting requirements.

IV. Subcontractors

We will not use subcontractors to provide any of our services on this contract, preferring to control the service our company provides. The only firms that will be used are vendors.

V. Equipment (Proposer Provided Vehicles)

Southland has the ability to move very rapidly in any case where LA County needs the company to supply a contractor provided vehicle. We currently have provided up to two contractor provided vehicles on our LA County Whittier Dial-a-Ride and have provided up to three contractor provided vehicles on our LA County Whittier fixed-route service. Another example comes from nearby Covina, where we moved in just days on an emergency basis to provide three vehicles to replace a failed contractor on the City's dial-a-ride service.

We source contractor provided vehicles from Creative Bus Sales, the leading supplier of vehicles to LA County local transit operators. Creative has in stock every type of vehicle that might be requested, including several sizes of cutaway vehicles as well as low-floor paratransit minivans.

Vehicles will meet all County specifications identified in Exhibit 1 of the RFP and be subject to prior approval by County staff.

VII. Licenses and Certifications

Southland Transit is acutely aware of its responsibilities as a regulated carrier. For a shuttle system like this those requirements are as follows:

- **Drivers.** Each driver holds the license that meets the requirements for the vehicle they drive. Every driver is also enrolled in the DMV pull notice program and has their record extract specifically reviewed by our safety staff. All safety sensitive personnel are subject to pre-employment and random drug testing as required by federal regulation.

- **Safety/training staff**. All classroom training and DMV employer testing is conducted by staff employees who are properly certified for those activities. James Hawkes, our Director of Safety and Training is a Transportation Safety Institute Associate, which means he not only is qualified to conduct classroom training for new drivers but is also certified to conduct training classes for new TSI instructors. Experienced staff member who has been specifically trained by James in behind-the-wheel training techniques conducts behind-the-wheel training.

- **Supervisory staff**. Every member of the supervisory staff at this facility is and will continue to be certified to drive every vehicle assigned to the terminal.

- **Maintenance Management**. Wayne Seale, our Director of Maintenance, is an ASE Certified Master Medium/Heavy Truck Technician, Master Auto Technician and also holds ASE Certifications as a Transit Bus Specialist and as an Alternate Fuels Technician. Copies of his certificates are attached. Our proposed Maintenance Supervisor, although very experienced, does not currently have the certifications requested but will be working to attain them as required.

- **CHP Certification.** Southland is registered with the CHP and our Motor Carrier number is 216255. It appears on all CHP inspections of Southland facilities. As required by the specifications our last three years of CHP inspections for the El Monte facility can be found in the following pages.

As the incumbent contractor on this service, the licenses and medical certificates of our drivers have been regularly audited by County staff when looking at living wage issues. We verify that these documents are maintained and checked regularly, by County staff and in-house safety and training staff. We are not however providing copies of these records for submission with this proposal as the documents contain the employee's personal information. If copies of these records are required for the County's evaluation, we request that the County designate a single person for us to share this information with so that as an employer we can assure the most limited distribution/retention of this sensitive identification and personal data.

CUT ALONG DASHED LINE TO DETACH THE WALL CERTIFICATE

CUT ALONG DASHED LINE TO DETACH THE WALL CERTIFICATE

National Institute for

AUTOMOTIVE SERVICE EXCELLENCE

Be it known that

WAYNE E SEALE

has successfully passed the examinations and met the experience requirement prescribed by the National Institute for Automotive Service Excellence and is awarded this CERTIFICATE in evidence of COMPETENCE in the service areas listed below:

MEDIUM/HEAVY TRUCK TECHNICIAN

AREAS OF DEMONSTRATED COMPETENCE	EXPIRES
GASOLINE ENGINES	JUNE 30, 2013
DIESEL ENGINES	JUNE 30, 2009
BRAKES	JUNE 30, 2013
SUSPENSION AND STEERING	JUNE 30, 2013
ELECTRICAL/ELECTRONIC SYSTEMS	JUNE 30, 2013
HEATING, VENTILATION, & A/C	JUNE 30, 2009

** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** **

GIVEN THIS 30TH DAY OF JUNE 2008, AT LEESBURG, VIRGINIA

OT1OV2UN9SEALE
IDENTIFICATION NUMBER

Timothy A. Zilke
TIMOTHY A. ZILKE, President

CUT ALONG DASHED LINE TO DETACH THE WALL CERTIFICATE

CUT ALONG DASHED LINE TO DETACH THE WALL CERTIFICATE

National Institute for

AUTOMOTIVE SERVICE EXCELLENCE

Be it known that

WAYNE E SEALE

has successfully passed the examinations and met the experience requirement prescribed by the National Institute for Automotive Service Excellence and is awarded this CERTIFICATE in evidence of COMPETENCE in the service areas listed below:

MASTER AUTOMOBILE TECHNICIAN

AREAS OF DEMONSTRATED COMPETENCE	EXPIRES
ENGINE REPAIR	JUNE 30, 2013
AUTOMATIC TRANS/TRANSAXLE	DECEMBER 31, 2008
MANUAL DRIVE TRAIN AND AXLES	JUNE 30, 2013
SUSPENSION AND STEERING	DECEMBER 31, 2012
BRAKES	DECEMBER 31, 2012
ELECTRICAL/ELECTRONIC SYSTEMS	DECEMBER 31, 2008
HEATING AND AIR CONDITIONING	JUNE 30, 2013
ENGINE PERFORMANCE	JUNE 30, 2013

** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** **

GIVEN THIS 30TH DAY OF JUNE 2008, AT LEESBURG, VIRGINIA

Timothy A. Zilke

TIMOTHY A. ZILKE, President

OT1OV2UN9SEALE

IDENTIFICATION NUMBER

CUT ALC SHED LINE TO DETACH THE WALL CERTIFICATE.

CUT ALONG DASHED LINE TO DETACH THE WALL CERTIFICATE.

National Institute for

AUTOMOTIVE SERVICE EXCELLENCE

Be it known that

WAYNE E SEALE

has successfully passed the examinations and met the experience requirement prescribed by the National Institute for Automotive Service Excellence and is awarded this CERTIFICATE in evidence of COMPETENCE in the service areas listed below:

TRANSIT BUS SPECIALIST

AREAS OF DEMONSTRATED COMPETENCE	EXPIRES
DRIVE TRAIN	JUNE 30, 2013
SUSPENSION AND STEERING	JUNE 30, 2013

** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** **

GIVEN THIS 30TH DAY OF JUNE 2008, AT LEESBURG, VIRGINIA

OT1OV2UN9SEALE
IDENTIFICATION NUMBER

Timothy A. Zilke
TIMOTHY A. ZILKE, President

CUT ALONG DASHED LINE TO DETACH THE WALL CERTIFICATE

CUT ALONG DASHED LINE TO DETACH THE WALL CERTIFICATE

National Institute for

AUTOMOTIVE SERVICE EXCELLENCE

Be it known that

WAYNE E SEALE

has successfully passed the examinations and met the experience requirement prescribed by the National Institute for Automotive Service Excellence and is awarded this CERTIFICATE in evidence of COMPETENCE in the service areas listed below:

ALTERNATE FUELS TECHNICIAN

AREAS OF DEMONSTRATED COMPETENCE	EXPIRES
LIGHT VEHICLE COMPRESSED NATURAL GAS	JUNE 30, 2013

** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** **

GIVEN THIS 30TH DAY OF JUNE 2008, AT LEESBURG, VIRGINIA

OT1OV2UN9SEALE
IDENTIFICATION NUMBER

Timothy A. Zilke
TIMOTHY A. ZILKE, President

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

SAFETY COMPLIANCE REPORT/ TERMINAL RECORD UPDATE

CHP 343 (Rev. 10-00) OPI 062

NEW TERMINAL INFORMATION	CA NUMBER	FILE CODE NUMBER	COUNTY CODE
☑ Yes ☐ No	216255	258682	LA / 19
CARRIER TYPE / CODE	OTHER PROGRAM	LOCATION CODE	SUBAREA
Bus / B	G	525	S31

TERMINAL NAME: Southland Transit, Inc.

TELEPHONE NUMBER (W/ AREA CODE): 626-258-1310

STREET ADDRESS (NUMBER, STREET, CITY, ZIP CODE): 3650 Rockwell Ave. El Monte, CA 91731

MAILING ADDRESS (NUMBER, STREET, CITY, ZIP CODE) (IF DIFFERENT FROM ABOVE): same

LICENSE AND FLEET INFORMATION

HM LIC NO	HWY REG NO	IMS LIC NO	TRUCKS AND TYPES	TRAILERS AND TYPES	BUSES BY TYPE	DRIVERS
N/A	N/A	N/A	N/A	N/A	I- 78 II- 0	126
EXP DATE: N/A	EXP DATE: N/A	EXP DATE: N/A	REG CT: N/A	HW VEHICLES: N/A	HW CONTAINERS: N/A	CSAT: ☐ Yes ☑ No

EMERGENCY CONTACTS (In Calling Order of Preference)

EMERGENCY CONTACT (NAME)	DAY TELEPHONE NUMBER (W/ AREA CODE)	NIGHT TELEPHONE NUMBER (W/ AREA CODE)
Stacey Murphy	626-258-3389	818-381-7693
EMERGENCY CONTACT (NAME): Jim Harwood	DAY TELEPHONE NUMBER (W/ AREA CODE): 626-258-1332	NIGHT TELEPHONE NUMBER (W/ AREA CODE): 626-230-1892

ESTIMATED CALIFORNIA MILEAGE FOR THIS TERMINAL FOR LAST YEAR [2007]

A	B	C	D	E	F	G	H	I
☐ UNDER 15,000	☐ 15,001 50,000	☐ 50,001 100,000	☑ 100,001 500,000	☐ 500,001 1,000,000	☐ 1,000,001 2,000,000	☐ 2,000,001 5,000,000	☐ 5,000,001 10,000,000	☐ MORE THAN 10,000,000

OPERATING AUTHORITIES

PUC	T- N/A	T- N/A	☐ TCP N/A ☐ PSC N/A	☐ TCP N/A ☐ PSC N/A	US DOT N/A
ICC	☐ MC N/A ☐ MX N/A	☐ MC N/A ☐ MX N/A	MCP ☐ Yes ☐ No ☑ N/A	REASON FOR INSPECTION: Annual Bus Terminal Inspection	

INSPECTION RATINGS: S=Satisfactory U=Unsatisfactory C=Conditional UR=Unrated N/A=Not Applicable

INSPECTION FINDINGS REQMTS	VIOL	MAINTENANCE PROGRAM	DRIVER RECORDS	REG. EQUIPMENT	HAZARDOUS MATERIALS	TERMINAL
MAINTENANCE PROGRAM	1	1 S 2 S 3 S 4 S	1 S 2 U 3 S 4 S	1 S 2 S 3 S 4 S	1 n/a 2 3 4	1 S 2 U 3 S 4 S (Time In / Time Out)
DRIVER RECORDS	2	No 14 Time	No 19 Time	No 14 Time	Time	
DRIVER HOURS		HAZARDOUS MATERIALS: ☑ No HM Transported ☐ No HM Violations Noted		CONTAINERS/TANKS: No Time	VEHICLES PLACED OUT OF SERVICE: Vehicles 2 Units	
BRAKES	3					
LAMPS & SIGNALS	1					
CONNECTING DEVICES						
STEERING & SUSPENSION	2					
TIRES & WHEELS	2					
EQUIPMENT REQUIREMENTS	7					
CONTAINERS & TANKS						
HAZARDOUS MATERIALS						
BIT ☐ I ☐ R	NON-BIT					

REMARKS

Carrier is rated Satisfactory at this time. See attached 343-1 for specific violations and corrections needed to maintain a Satisfactory rating.

FEE DUE	CHP 345	CHP 100D COL	INSPECTION LOCATION (NUMBER, STREET, CITY OR COUNTY)	SUSPENSE DATE
☐ Yes ☐ No	☐		SAME	☑ Auto ☐ None

INSPECTED BY (NAME)	ID NUMBER	INSPECTION DATE(S)
Shepherd	A13313	01-02/01-03 & 01-09-08

MOTOR CARRIER CERTIFICATION

I hereby certify that all violations described hereon and recorded on the attached pages (2 through 10), will be corrected in accordance with applicable provisions of the California Vehicle Code and the California Code of Regulations. I understand that I may request a review of an unsatisfactory rating by contacting the Motor Carrier Safety Unit Supervisor at 323-644-9557 within 5 calendar days of the rating.

CURRENT TERMINAL RATING	CARRIER REPRESENTATIVE'S SIGNATURE	DATE
SATISFACTORY	X Stacey Murphy	01-02/01-03 & 01-09-08
CARRIER REPRESENTATIVE'S PRINTED NAME: Stacey Murphy	TITLE: Operations Manager	DRIVER LICENSE NUMBER: N4731169 / STATE: CA

Destroy Previous Editions

C343_e09.xls

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

SAFETY COMPLIANCE REPORT/ TERMINAL RECORD UPDATE

CHP 343 (Rev. 10-00) OPI 062

NEW TERMINAL INFORMATION	ICA NUMBER	FILE CODE NUMBER	COUNTY CODE
☑ Yes ☐ No	216255	258682	LA / 19
CARRIER TYPE: Bus	CODE: G / OTHER PROGRAM: B	LOCATION CODE: 525	SUBAREA: S31

TERMINAL NAME: Southland Transit, Inc.

TELEPHONE NUMBER (W/ AREA CODE): 626-258-1310

STREET ADDRESS (NUMBER, STREET, CITY, ZIP CODE): 3650 Rockwell Ave. El Monte, CA 91731

MAILING ADDRESS (NUMBER, STREET, CITY, ZIP CODE) (IF DIFFERENT FROM ABOVE): same

LICENSE AND FLEET INFORMATION

HM LIC. NO	HWT REG. NO	IMS LIC. NO	TRUCKS AND TYPES	TRAILERS AND TYPES	BUSES BY TYPE	DRIVERS
N/A	N/A	N/A	N/A	N/A	I- 12 II- 6	12
EXP. DATE: N/A	EXP. DATE: N/A	EXP. DATE: N/A	REG. CT: N/A	HW VEHICLES: N/A	HW CONTAINERS: N/A	CSAT: ☐ Yes ☑ No

EMERGENCY CONTACTS (In Calling Order of Preference)

EMERGENCY CONTACT (NAME)	DAY TELEPHONE NUMBER (W/ AREA CODE)	NIGHT TELEPHONE NUMBER (W/ AREA CODE)
Stacey Murphy	626-258-3389	818-381-7693
Jim Harwood	626-258-1332	626-230-1892

ESTIMATED CALIFORNIA MILEAGE FOR THIS TERMINAL FOR LAST YEAR [2007]

A	B	C	D	E	F	G	H	I
☐ UNDER 15,000	☐ 15,001 50,000	☑ 50,001 100,000	☐ 100,001 500,000	☐ 500,001 1,000,000	☐ 1,000,001 2,000,000	☐ 2,000,001 5,000,000	☐ 5,000,001 10,000,000	☐ MORE THAN 10,000,000

OPERATING AUTHORITIES

PUC	T- N/A	T N/A	TCP N/A / PSC N/A	ICP N/A / PSC N/A	US DOT N/A
ICC	MC N/A / MX N/A	MC N/A / MX N/A	MCP ☐ Yes ☐ No ☑ N/A	REASON FOR INSPECTION: Annual Bus Terminal Inspection	

INSPECTION RATINGS: S=Satisfactory U=Unsatisfactory C=Conditional UR=Unrated N/A-Not Applicable

INSPECTION FINDINGS REQMTS	VIOL	MAINTENANCE PROGRAM	DRIVER RECORDS	REG. EQUIPMENT	HAZARDOUS MATERIALS	TERMINAL
MAINTENANCE PROGRAM		1 S 2 S 3 S 4 S	1 S 2 U 3 S 4 S	1 S 2 S 3 S 4 S	1 n/a 2 3 4	1 S 2 U 3 S 4 S (Time In / Time Out)
DRIVER RECORDS		No. 4 Time	No. 12 Time	No. 4 Time	Time N/A	
DRIVER HOURS		HAZARDOUS MATERIALS: ☑ No HM Transported ☐ No HM Violations Noted		CONTAINERS/TANKS: No. Time	VEHICLES PLACED OUT OF SERVICE: Vehicles 0 Units	
BRAKES	1					
LAMPS & SIGNALS						
CONNECTING DEVICES						
STEERING & SUSPENSION						
TIRES & WHEELS	1					
EQUIPMENT REQUIREMENTS	2					
CONTAINERS & TANKS						
HAZARDOUS MATERIALS						

REMARKS: Carrier is rated Satisfactory at this time. GPPV bus certifications will be due in May 2008.

BIT	NON-BIT	FEE DUE	CHP 345	CHP 100D COL	INSPECTION LOCATION (NUMBER, STREET, CITY OR COUNTY)	ID NUMBER	INSPECTION DATE(S)	SUSPENSE DATE
☐ I ☐ R	☐	☐ Yes ☐ No	☐		SAME	A13313	01-02/01-03 & 01-09-08	☑ Auto ☐ None

INSPECTED BY (NAME): Shepherd

MOTOR CARRIER CERTIFICATION

I hereby certify that all violations described hereon and recorded on the attached pages (2 through 3), will be corrected in accordance with applicable provisions of the California Vehicle Code and the California Code of Regulations. I understand that I may request a review of an unsatisfactory rating by contacting the Motor Carrier Safety Unit Supervisor at 323-644-9557 within 5 calendar days of the rating.

CURRENT TERMINAL RATING	CARRIER REPRESENTATIVE'S SIGNATURE	DATE	
SATISFACTORY	x Stacey Murphy	01-02/01-03 & 01-09-08	
CARRIER REPRESENTATIVE'S PRINTED NAME: Stacey Murphy	TITLE: Operations Manager	DRIVER LICENSE NUMBER: N4731169	STATE: CA

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DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

TRANSIT OPERATOR COMPLIANCE CERTIFICATE

CHP 339 (Rev 7-90) OPI 062

TRANSIT OPERATOR NAME		
Southland Transit Inc.		TELEPHONE NUMBER
ADDRESS		(626)258-1310
3650 Rockwell Ave.	ZIP CODE	COUNTY
CITY	91731	Los Angeles / 19
El Monte, California		

This is to certify that the above named transit operator was inspected on this date and found to be in compliance with California Vehicle Code Section 1808.1, regarding participation in the Department of Motor Vehicles Pull Notice Program, and with Section 12804.6, regarding transit bus operator certificates.

ISSUED BY	I.D. NUMBER	DATE
	A12829	12/13/06

Destroy previous editions.

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

SAFETY COMPLIANCE REPORT/ TERMINAL RECORD UPDATE

CHP 343 (Rev. 10-00) OPI 062

NEW TERMINAL INFORMATION	CA NUMBER	FED CODE NUMBER	COUNTY CODE
☐ Yes ☒ No	216255	258682	19
CARRIER TYPE / CODE	OTHER PROGRAM	LOCATION CODE	SUBAREA
☐ Truck ☒ Bus B	B	525	S31

TERMINAL NAME: SOUTHLAND TRANSIT, INC

TELEPHONE NUMBER (W/AREA CODE): (626) 258-1310

STREET ADDRESS (NUMBER, STREET, CITY, ZIP CODE): 3650 Rockwell AVE EL MONTE CA 91731

MAILING ADDRESS (NUMBER, STREET, CITY, ZIP CODE) (IF DIFFERENT FROM ABOVE):

LICENSE AND FLEET INFORMATION

HM LIC NO	HWY REG NO	IUS LIC NO	TRUCKS AND TYPES	TRAILERS AND TYPES	BUSES BY TYPE	DRIVERS
					I - 18 II -	16
EXP DATE	EXP DATE	EXP DATE	REG CT	INV VEH	INV CONT	CSAT
						☒ Yes ☐ No

EMERGENCY CONTACTS (In Calling Order of Preference)

EMERGENCY CONTACT (NAME)	DAY TELEPHONE NUMBER (W/AREA CODE)	NIGHT TELEPHONE NUMBER (W/AREA CODE)
DARRIAN HARRIS	(626) 258-3389	(626) 393-8961
EMERGENCY CONTACT (NAME)	DAY TELEPHONE NUMBER (W/AREA CODE)	NIGHT TELEPHONE NUMBER (W/AREA CODE)
WAYNE SEALE	(626) 483-1174	(626) 483-1174

ESTIMATED CALIFORNIA MILEAGE FOR THIS TERMINAL FOR LAST YEAR (2005)

A	B	C	D	E	F	G	H	I
☒ UNDER 15,000	☐ 15,001 – 50,000	☐ 50,001 – 100,000	☒ 100,001 – 500,000	☐ 500,001 – 1,000,000	☐ 1,000,001 – 2,000,000	☐ 2,000,001 – 5,000,000	☐ 5,000,001 – 10,000,000	☐ MORE THAN 10,000,000

OPERATING AUTHORITIES

PUC T-	T-	☐ TCP ☐ PSC	☐ TCP ☐ PSC	US DOT NO
ICC ☐ MC ☐ MX	☐ MC ☐ MX	MCP ☐ Yes ☐ No ☒ N/A	REASON FOR INSPECTION: ANNUAL GPN TERMINAL	

INSPECTION RATINGS: S = Satisfactory U = Unsatisfactory C = Conditional UR = Unrated N/A = Not Applicable

INSPECTION FINDINGS	VIOL	MAINTENANCE PROGRAM	DRIVER RECORDS	REG. EQUIPMENT	HAZARDOUS MATERIALS	TERMINAL
MAINTENANCE PROGRAM		1 S 2 S 3 S 4 S	1 S 2 S 3 S 4 U	1 S 2 S 3 S 4 S	1 — 3 A	1 S 2 S 3 S 4 U
DRIVER RECORDS	5	No. 16 Time 4.0	No. 16 Time 4.0	No. 16 Time 80	TIME N	TIME IN / TIME OUT
DRIVER HOURS		HAZARDOUS MATERIALS ☒ No HM Transported ☐ No HM violations noted	CONTAINERS/TANKS No. Time	VEHICLES PLACED OUT-OF-SERVICE Vehicles 3 Units		
BRAKES	3					
LAMPS & SIGNALS	8					
CONNECTING DEVICES						
STEERING & SUSPENSION						
TIRES & WHEELS	1					
EQUIPMENT REQUIREMENTS	12					
CONTAINERS & TANKS						
HAZARDOUS MATERIALS						

REMARKS:

1808.1(a) VC CARRIER DID NOT SIGN AND DATE DRIVERS PUBLIC RECORD. DRIVER CRUZ HIRE DATE OF 5/14/06, PUBLIC RECORD DATED WITHIN 30 DAYS OF HIRING WAS NOT SIGNED AND DATED AFTER REVIEWING.

BIT	NON-BIT	FEE DUE	CHP 345	CHP 10YD COL	INSPECTION LOCATION (NUMBER, STREET, CITY OR COUNTY)
☐ I ☐ R	☒	☐ Yes ☐ No	☒		SAME

INSPECTED BY (NAME)		ID NUMBER	INSPECTION DATE(S)	SUSPENSE DATE
M. Gourlay	T. Fennerty	A13797 A9055	8/16-17-18/06	☒ Auto ☐ None
R. Swanson	J. Grice	A10202 A10732		

MOTOR CARRIER CERTIFICATION

I hereby certify that all violations described hereon and recorded on the attached pages (2 through 19), will be corrected in accordance with applicable provisions of the California Vehicle Code and the California Code of Regulations. I understand that I may request a review of an unsatisfactory rating by contacting the Motor Carrier Safety Unit Supervisor at (323) 644-9557 within 5 calendar days of the rating.

CURRENT TERMINAL RATING	CARRIER REPRESENTATIVE'S SIGNATURE	DATE
UNSATISFACTORY	[signature]	8/18/06
CARRIER REPRESENTATIVE'S PRINTED NAME	TITLE	DRIVER LICENSE NUMBER / STATE
Darrian Harris	Director of Operations	

Continue Page in Back

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL
CONTINUATION
CHP 343-1 (REV 10-97) OPI 062

DATE 8/18/06

THIS IS A CONTINUATION OF CHP 343

CA NUMBER 216255

FC NUMBER 258682

CARRIER NAME

ESS

REMARKS

1808.1(b) VC CARRIER HAS NOT ENROLLED DRIVER CRUZ INTO DMV PULL NOTICE PROGRAM. A CHECK OF RECORDS REVEALED THAT THIS DRIVERS LICENSE IS VALID. CARRIERS RECORDS REVEAL THAT ON 8/2-3-4/06 THIS DRIVER WAS DRIVING.

12523.5(a) VC CARRIER PERMITS UNQUALIFIED DRIVERS TO DRIVE GPPV CERTIFIED VEHICLES.
CARRIER RECORDS REVEAL THAT:
1.) DRIVER CRUZ GPPV CERTIFICATE EXPIRED 7/9/06 AND HAS HAD NO RECERTIFICATION
2.) DRIVER CUERVO HAS NO GPPV CERTIFICATION. DMV PULL NOTICE DOES NOT NOTE ANY CERTIFICATION ISSUED.
3.) DRIVER ROBLES HAS A RESTRICTION OF TYPE II GPPV ONLY. CARRIERS FLEET DOES NOT CONTAIN ANY TYPE II GPPV'S.

13CCR1233 CARRIERS TERMINAL IS RATED UNSATISFACTORY AT THIS TIME DUE TO NOT ENROLLING ALL EMPLOYED DRIVERS INTO DMV PULL NOTICE PROGRAM.

CARRIER IS DIRECTED TO DO THE FOLLOWING TO BE UPGRADED TO SATISFACTORY:
1.) ENROLL ALL DRIVERS INTO DMV PULL NOTICE PROGRAM
2.) CHECK DRIVERS CERTIFICATIONS MORE THOROUGHLY

X [illegible]

Use previous editions until depleted.

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STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL
CONTINUATION
CHP 343-1 (REV 10-97) OPI 062

DATE 8/18/06

THIS IS A CONTINUATION OF CHP 343

CA NUMBER 216255

FC NUMBER 258682

CARRIER NAME

ADDRESS

REMARKS

1808.1(c) VC CARRIER DOES NOT OBTAIN PERIODIC PULL NOTICE REPORTS FOR DRIVER SINGLETON. RECORDS SHOW DRIVER ADDED ON 6/21/06 AND CARRIER DOES NOT HAVE A CURRENT REPORT ON FILE.

13CCR 1234(b) CARRIER DOES NOT MAINTAIN RECORDS OF THE DIFFERENT TYPES OF VEHICLES EACH DRIVER IS CAPABLE OF SAFELY OPERATING. CARRIER RECORDS DO NOT CONTAIN PROFICIENCY RECORD FOR THE FOLLOWING DRIVERS:

1.) VIDUAR
2.) FIRIAS
3.) DELANEY
4.) SINGLETON

13CCR1233 CARRIER'S TERMINAL IS RATED UNSATISFACTORY AT THIS TIME DUE TO NOT ENROLLING ALL DRIVERS INTO DMV PULL NOTICE PROGRAM.

CARRIER IS DIRECTED TO DO THE FOLLOWING TO BE UPGRADED TO SATISFACTORY:

1.) ENROLL ALL DRIVERS EMPLOYED INTO DMV PULL NOTICE PROGRAM
2.) MAINTAIN DRIVER PROFICIENCIES FOR ALL DRIVERS EMPLOYED

[illegible]

Use previous editions until depleted.

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

SAFETY COMPLIANCE REPORT/ TERMINAL RECORD UPDATE

CHP 343 (Rev. 10-00) OPI 062

NEW TERMINAL INFORMATION	CA NUMBER	FILE CODE NUMBER	COUNTY CODE
☐ Yes ☒ No	216255	258682	19

CARRIER TYPE	CODE	OTHER PROGRAM	LOCATION CODE	SUBAREA
☐ Truck ☒ Bus	B	B	525	531

FINAL NAME: SOUTHLAND TRANSIT, INC.

TELEPHONE NUMBER (W/ AREA CODE): (626) 258-1310

STREET ADDRESS (NUMBER, STREET, CITY, ZIP CODE): 3650 ROCKWELL AVE EL MONTE, CA. 91731

MAILING ADDRESS (NUMBER, STREET, CITY, ZIP CODE) (IF DIFFERENT FROM ABOVE):

LICENSE AND FLEET INFORMATION

HM LIC. NO.	HVI REG. NO.	IMS LIC. NO.	TRUCKS AND TYPES	TRAILERS AND TYPES	BUSES BY TYPE	DRIVERS
					I - 76 II -	90
EXP. DATE	EXP. DATE	EXP. DATE	REG. CT.	HW VEH.	HW CONT.	CSAT ☒ Yes ☐ No

EMERGENCY CONTACTS (In Calling Order of Preference)

EMERGENCY CONTACT (NAME)	DAY TELEPHONE NUMBER (W/ AREA CODE)	NIGHT TELEPHONE NUMBER (W/ AREA CODE)
DARIAN HARRIS	(626) 258-3389	(626) 393-8961
EMERGENCY CONTACT (NAME) WAYNE SEACK	DAY TELEPHONE NUMBER (W/ AREA CODE) (626) 483-1174	NIGHT TELEPHONE NUMBER (W/ AREA CODE) (626) 483-1174

ESTIMATED CALIFORNIA MILEAGE FOR THIS TERMINAL FOR LAST YEAR [2005]

A	B	C	D	E	F	G	H	I
☐ UNDER 15,000	☐ 15,001 — 50,000	☐ 50,001 — 100,000	☒ 100,001 — 500,000	☐ 500,001 — 1,000,000	☐ 1,000,001 — 2,000,000	☐ 2,000,001 — 5,000,000	☐ 5,000,001 — 10,000,000	☐ MORE THAN 10,000,000

OPERATING AUTHORITIES

PUC	T-	☐ TCP ☐ PSC	☐ TCP ☐ PSC	US DOT NO
ICC ☐ MC ☐ MX	☐ MC ☐ MX	MCP ☐ Yes ☐ No ☒ N/A	REASON FOR INSPECTION A-NMPC B-BUS TERMINAL	

INSPECTION RATINGS: S = Satisfactory U = Unsatisfactory C = Conditional UR = Unrated N/A = Not Applicable

INSPECTION FINDINGS REQMTS	VIOL	MAINTENANCE PROGRAM	DRIVER RECORDS	REG. EQUIPMENT	HAZARDOUS MATERIALS	TERMINAL
MAINTENANCE PROGRAM		1 S 2 S 3 S 4 S	1 S 2 S 3 S 4 U	1 S 2 S 3 S 4 S	1 — 2 — 3 A 4 —	1 S 2 S 3 S 4 U
DRIVER RECORDS	6	No. 14 Time 4.0	No. 14 Time 4.0	No. 14 Time 8.0	TIME N	TIME IN / TIME OUT
DRIVER HOURS		HAZARDOUS MATERIALS ☒ No H/M Transported ☐ No H/M violations noted		CONTAINERS/TANKS No. Time	VEHICLES PLACED OUT-OF-SERVICE Vehicles / Units	
BRAKES	9					
LAMPS & SIGNALS	6					
CONNECTING DEVICES						
STEERING & SUSPENSION	3					
TIRES & WHEELS	3					
EQUIPMENT REQUIREMENTS	11					
CONTAINERS & TANKS						
HAZARDOUS MATERIALS						

REMARKS:

1808.1(b)VC CARRIER HAS NOT ENROLLED DRIVER VEDUAR INTO THE DMV PULL NOTICE PROGRAM. A CHECK OF CLETS REVEALED A VALID DRIVERS LICENSE. CARRIERS RECORDS REVEALED THAT ON 7/15-16/06 THIS DRIVER WAS DRIVING.

BIT	NON-BIT	FEE DUE	CHP 345	CHP 1005 COI	INSPECTION LOCATION (NUMBER, STREET, CITY OR COUNTY)
☐ I ☐ R	☒	☐ Yes ☐ No	☒		SAME

INSPECTED BY (NAME)		ID NUMBER	INSPECTION DATE(S)	SUSPENSE DATE
M. Gough	T. Flaherty	A15707 A4023	8/16-17-18/06	☒ Auto ☐ None
R.C. Swanson	J. Geck	A16202 A10732		

MOTOR CARRIER CERTIFICATION

I hereby certify that all violations described hereon and recorded on the attached pages (2 through 16), will be corrected in accordance with applicable provisions of the California Vehicle Code and the California Code of Regulations. I understand that I may request a review of an unsatisfactory rating by contacting the Motor Carrier Safety Unit Supervisor at (323) 644-9557 within 5 calendar days of the rating.

CURRENT TERMINAL RATING	CARRIER REPRESENTATIVE'S SIGNATURE	DATE
UNSATISFACTORY	[signature]	8/18/06
CARRIER REPRESENTATIVE'S PRINTED NAME: Darian Harris	TITLE: Director of Operations	DRIVER LICENSE NUMBER: C3161757 STATE: CA

Destroy Previous Editions

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

NOTICE TO CARRIER

CHP 345 (REV 5-00) OPI 062

INSPECTION DATE: 8/18/06

TERMINAL NAME: SOUTHLAND TRANSIT, INC

CARRIER NAME (IF DIFFERENT):

ADDRESS: 3650 ROCKWELL AVE, EL MONTE, CA. 91731

PRINCIPAL (OWNERSHIP): CORPORATION

The ☐ motor carrier ☒ terminal named above was inspected this date and has been rated UNSATISFACTORY. This is the FIRST ~~consecutive~~ unsatisfactory rating. As indicated on the accompanying Carrier Inspection/Safety Compliance Report, the principal areas of noncompliance are: *(Carrier is to initial spaces beside each box checked.)*

- ____ ☐ Maintenance Program/Records
- ____ ☐ Driver Records/Hours of Service
- ____ ☒ Pull-Notice Program
- ____ ☐ Vehicles/Tanks/Containers
- ____ ☐ Hazardous Materials
- ____ ☐ Drug & Alcohol Test Program
- ____ ☐ Other: ____

You are advised that:

- ____ ☒ Failure to correct the noted deficiencies and to upgrade compliance to satisfactory before the next inspection (see below) may result in action number(s) 4 below by this Department.
- ____ ☐ As a result of the inspection findings indicated above, this Department will initiate action number(s) ____ below without further notice. You may, within 5 calendar days of this notice, request a review of the inspection findings and the action(s) to be taken. To request a prompt and impartial review by the Division Special Services Commander, contact ____ Division at ____.
- ____ ☐ 1. A recommendation to the ☐ Department of Motor Vehicles (DMV) to suspend or revoke your motor carrier of property permit ____ ☐ Public Utilities Commission (PUC) to deny, suspend, or revoke your ☐ operating authority ____ or ☐ private carrier of passengers registration ____ Carrier is placed on notice that the DMV/PUC will deny or suspend its permit, operating authority, or private carrier of passengers registration on receipt of a written recommendation from the CHP, without further notice to the carrier. The DMV/PUC may thereafter revoke the carrier's permit, operating authority, or private carrier of passengers registration.
- ____ ☐ 2. A recommendation to the Department of Toxic Substances Control for administrative action, to include possible suspension, denial, revocation or assessment of significant monetary penalties regarding Hazardous Waste Transporter Registration, Number ____
- ____ ☐ 3. Suspension or revocation of your ☐ Hazardous Materials Transportation License, Number ____ ☐ Inspection and Maintenance Station License, Number ____
- ____ ☒ 4. A complaint being filed with the District Attorney's office for prosecution. (A criminal or civil action may follow.)
- ____ ☐ 5. Other. ____
- ____ ☒ A reinspection is ☒ required in 120 days(s) ☐ tentatively scheduled in ____ day(s).
- ____ ☐ Pursuant to Vehicle Code Section 34501.12(h), a BIT reinspection fee of ($____) must be submitted to the CHP within 60 days of the unsatisfactory rating.
- ____ ☐ After a recommendation has been forwarded to the DMV/PUC, no reinspection will be conducted until requested by the DMV/PUC.

If you desire further information concerning this notice, you may telephone the SOUTHERN Division Motor Carrier Safety Unit at (323) 644-9557

I acknowledge receipt and understanding of the above notice.

SIGNATURE: [signature] TITLE: Director of Operations

NAME (PRINTED): Darian Harris DRIVER LICENSE NUMBER: C3401757 STATE: CA DATE: 8/18/06

ISSUED BY: M. Gough, R. Swanson ID NUMBER: A13707 / A10202

Use previous editions until depleted.

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL
NOTICE TO CARRIER
CHP 345 (REV 5-00) OPI 062

INSPECTION DATE: 8/18/06

TERMINAL NAME: SOUTHLAND TRANSIT, INC

CARRIER NAME (IF DIFFERENT):

ADDRESS: 3650 Rockwell Ave, El Monte CA, 91731

PRINCIPAL (OWNERSHIP): CORPORATION

The ☐ motor carrier ☒ terminal named above was inspected this date and has been rated UNSATISFACTORY. This is the FIRST ~~consecutive~~ unsatisfactory rating. As indicated on the accompanying Carrier Inspection/Safety Compliance Report, the principal areas of noncompliance are: *(Carrier is to initial spaces beside each box checked.)*

___ ☐ Maintenance Program/Records
___ ☐ Driver Records/Hours of Service
DK ☒ Pull-Notice Program
___ ☐ Vehicles/Tanks/Containers
___ ☐ Hazardous Materials
___ ☐ Drug & Alcohol Test Program
___ ☐ Other: ___

You are advised that:

DK ☒ Failure to correct the noted deficiencies and to upgrade compliance to satisfactory before the next inspection (see below) may result in action number(s) 4 below by this Department.

___ ☐ As a result of the inspection findings indicated above, this Department will initiate action number(s) ___ below without further notice. You may, within 5 calendar days of this notice, request a review of the inspection findings and the action(s) to be taken. To request a prompt and impartial review by the Division Special Services Commander, contact ___ Division at ___

___ ☐ 1. A recommendation to the ☐ Department of Motor Vehicles (DMV) to suspend or revoke your motor carrier of property permit ___ ☐ Public Utilities Commission (PUC) to deny, suspend, or revoke your ☐ operating authority ___ or ☐ private carrier of passengers registration ___ Carrier is placed on notice that the DMV/PUC will deny or suspend its permit, operating authority, or private carrier of passengers registration on receipt of a written recommendation from the CHP, without further notice to the carrier. The DMV/PUC may thereafter revoke the carrier's permit, operating authority, or private carrier of passengers registration.

___ ☐ 2. A recommendation to the Department of Toxic Substances Control for administrative action, to include possible suspension, denial, revocation or assessment of significant monetary penalties regarding Hazardous Waste Transporter Registration. Number ___

___ ☐ 3. Suspension or revocation of your ☐ Hazardous Materials Transportation License, Number ___ ☐ Inspection and Maintenance Station License, Number ___

DK ☒ 4. A complaint being filed with the District Attorney's office for prosecution. (A criminal or civil action may follow.)

___ ☐ 5. Other: ___

DK ☒ A reinspection is ☒ required in 120 days(s) ☐ tentatively scheduled in ___ day(s).

___ ☐ Pursuant to Vehicle Code Section 34501.12(h), a BIT reinspection fee of ($ ___) must be submitted to the CHP within 60 days of the unsatisfactory rating.

___ ☐ After a recommendation has been forwarded to the DMV/PUC, no reinspection will be conducted until requested by the DMV/PUC.

If you desire further information concerning this notice, you may telephone the SOUTHERN Division Motor Carrier Safety Unit at (323) 644-9557

I acknowledge receipt and understanding of the above notice.

SIGNATURE: [signature]
TITLE: Director of operations
NAME (PRINTED): Darian Harris
DRIVER LICENSE NUMBER: C3401757
STATE: CA
DATE: 8/18/06
ISSUED BY: M Gough, R. Swanson
I.D. NUMBER: A13707 / A10202

Use previous editions until depleted.

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

SAFETY COMPLIANCE REPORT/ TERMINAL RECORD UPDATE

CHP 343 (Rev. 10-00) OPI 062

NEW TERMINAL INFORMATION	CA NUMBER	FILE CODE NUMBER	COUNTY CODE
☑ Yes ☐ No	216255	258682	19
CARRIER TYPE / CODE	OTHER PROGRAM	LOCATION CODE	SUBAREA
GPPV / G	B-Bus	525	S31

TERMINAL NAME: Southland Transit, Inc.

TELEPHONE NUMBER (W/ AREA CODE): (626) 258-1310

STREET ADDRESS (NUMBER, STREET, CITY, ZIP CODE): 3650 Rockwell, El Monte, CA 91731

MAILING ADDRESS (NUMBER, STREET, CITY, ZIP CODE, IF DIFFERENT FROM ABOVE):

LICENSE AND FLEET INFORMATION

HM LIC. NO.	HMT REG. NO.	IMS LIC. NO.	TRUCKS AND TYPES	TRAILERS AND TYPES	BUSES BY TYPE	DRIVERS
					I- 12 II- 6	16
EXP. DATE	EXP. DATE	EXP. DATE	REG. CT	HW VEHICLES	HW CONTAINERS	CSAT
						☑ Yes ☐ No

EMERGENCY CONTACTS *(In Calling Order of Preference)*

EMERGENCY CONTACT (NAME)	DAY TELEPHONE NUMBER (W/ AREA CODE)	NIGHT TELEPHONE NUMBER (W/ AREA CODE)
Darian Harris	(626) 258-3389	(626) 393-8961
WAYNE SEALE	(626) 483-1174	(626) 483-1174

ESTIMATED CALIFORNIA MILEAGE FOR THIS TERMINAL FOR LAST YEAR [2004]

A	B	C	D	E	F	G	H	I
☐ UNDER 15,000	☐ 15,001 50,000	☑ 50,001 100,000	☐ 100,001 500,000	☐ 500,001 1,000,000	☐ 1,000,001 2,000,000	☐ 2,000,001 5,000,000	☐ 5,000,001 10,000,000	☐ MORE THAN 10,000,000

OPERATING AUTHORITIES

PUC	T-	T-	☐ TCP ☐ PSC	☐ TCP ☐ PSC	US DOT
ICC	☐ MC ☐ MX	☐ MC ☐ MX	MCP ☐ Yes ☐ No ☑ N/A	REASON FOR INSPECTION: ANNUAL GPPV TERMINAL INSPECTION

INSPECTION RATINGS: S=Satisfactory U=Unsatisfactory C=Conditional UR=Unrated N/A-Not Applicable

INSPECTION FINDINGS REQMTS	VIOL	MAINTENANCE PROGRAM	DRIVER RECORDS	REG. EQUIPMENT	HAZARDOUS MATERIALS	TERMINAL
MAINTENANCE PROGRAM		1 S 2 S 3 S 4 S	1 S 2 S 3 S 4 S	1 S 2 S 3 S 4 S	1 N 2 A 3 N 4 A	1 S 2 S 3 S 4 S (Time In / Time Out)
DRIVER RECORDS	2	No 18 Time 4.5	No 21 Time 4.5	No 18 Time 8.0	Time	
DRIVER HOURS		HAZARDOUS MATERIALS: ☑ No HM Transported ☐ No HM Violations Noted		CONTAINERS/TANKS: No Time	VEHICLES PLACED OUT OF SERVICE: Vehicles 0 Units	
BRAKES						
LAMPS & SIGNALS	1					
CONNECTING DEVICES						
STEERING & SUSPENSION	1					
TIRES & WHEELS						
EQUIPMENT REQUIREMENTS	5					
CONTAINERS & TANKS						
HAZARDOUS MATERIALS						

REMARKS

For violations detected during the terminal inspection of maintenance and drivers records see 343-1 attached. For vehicle mechanical violations (see 343A's and 294A's attached)

Item #3 on the initial inspection form CHP 294A, Inspection Certificate Holder is marked (NO) due to the fact the holders will be transferred from the old buses going out of service for use in the new buses being certified.

BIT	NON-BIT	FEE DUE	CHP 345	CHP 100D COL	INSPECTION LOCATION (NUMBER, STREET, CITY OR COUNTY)
☐ I ☐ R	☑	☐ Yes ☑ No	☐		

INSPECTED BY (NAME)	ID NUMBER	INSPECTION DATE(S)	SUSPENSE DATE
R. SWANSON, T. Finnerty	A10202 A9025	07/07,08,13,&15, 2005	☑ Auto ☐ None

MOTOR CARRIER CERTIFICATION

I hereby certify that all violations described hereon and recorded on the attached pages (2 through ____), will be corrected in accordance with applicable provisions of the California Vehicle Code and the California Code of Regulations. I understand that I may request a review of an unsatisfactory rating by contacting the Motor Carrier Safety Unit Supervisor at _____ within 5 calendar days of the rating.

CURRENT TERMINAL RATING	CARRIER REPRESENTATIVE'S SIGNATURE	DATE
SATISFACTORY	X Darian Harris	07/15/05
CARRIER REPRESENTATIVE'S PRINTED NAME	TITLE	DRIVER LICENSE NUMBER / STATE
Darian Harris	Director of Operations	

Destroy Previous Editions

343_400 als

STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

CONTINUATION

CHP 343-1 (REV 10-97) OPI 062

DATE	THIS IS A CONTINUATION OF
2005, 07/08/2005, 07/1	CHP 343

CARRIER NAME	CA NUMBER
Southland Transit, Inc.	216255

ADDRESS	FC NUMBER
3650 Rockwel El Monte, CA 91731	258682

REMARKS

13 CCR 1234(c) Carrier is required to maintain a complete record of required documents for each driver they employ.

School bus, SPAB, youth bus, farm labor vehicles and GPPV carriers shall maintain a record of required documents for each driver they employ The carrier shall notify each driver of the expiration date of the documents listed in (1) through (4), and the carrier shall ensure each document is renewed prior to expiration.

The record shall contain the following data:

(1) Driver's license class, number, restrictions and expiration date.
(2) Driver's certificate restrictions, expiration date, certification issuance date and driver's date of birth.
(3) Date medical certificate expires.
(4) Expiration date of driver's first aid certificate, license as a physician and surgeon, osteopath, or registered nurse, or certificate as a physician's assistant or emergency medical technician when such certificate or license is used to obtain a waiver of the first aid examination pursuant to Vehicle Code Section 12522.
(5) Date and number of hours of training specified in Education Code Sections 40080-40090 or Vehicle Code Section 12523 since issuance of the driver's current certificate

Carrier required or allowed driver Andrew M. Morales to operate bus #12 a 20 passenger certified General Public Paratransit Vehicle on 05/25/2005 without a current GPPV driver's certificate pursuant to Section 12517.4 VC, and Mr. Morales School Bus Certificate expired in 2003. Carrier had knowledge (see copy provided by carrier of Andrew M. Morales DMV Pull Notice report dated 04/16/2005 and reviewed and signed by carrier on 05/11/2005).

Carrier required or allowed driver John Castro to operate bus #13, #15, and #11 a 20 passenger certified General Public Paratransit Vehicle on 05/26/2005, 05/29/2005, 06/03/2005 and 06/05/2005 without a current GPPV drivers certificate pursuant to Section 12517.4 VC and Mr. Castro's School Bus Certificate expired in 2004. Carrier had knowledge (see copy provided by carrier of John Castro's DMV Pull Notice report dated 07/30/2004 and reviewed and signed by carrier on 08/16/2004). Additionally Mr. Castro is currently driving with an Arizona CDL, indicating non-school bus and no indication on license of a passenger endorsement. Mr. Castro currently resides in the State of California, at 2012 ½ Daly, Los Angeles, CA 90031 this is in violation of Section 12505 VC, and has a California Medical exam card.

The carrier is directed to implement a means of determining the current status of each employed driver. Additionally, advise drivers of upcoming dates of expiration of their license or required certificates and medical exam.

Information: It is not lawful for a resident of California to drive in this state without a valid California drivers license and proper certificates. Since the carrier provided Mr. Castro's current address as indicated above and the fact that he is employed by the carrier (Southland Transit, Inc.) establishes residence in the State. The most recent DMV Pull Notice Report still shows a California CDL status expired.

13CCR 1233.5 Carrier is required to notify the Department of any change of address or cessation of regulated activity at any terminal.

Carrier shall notify the department in writing of any change of address or cessation of regulated activities at any of the carrier's terminals. Such notification shall be made within 15 days of the change and shall be forwarded to:

California Highway Patrol
Commercial Records Unit
P.O. Box 942898
Sacramento, Ca. 94298-0001

VIII. Insurance

The attached insurance certificates evidence the coverage required for the contract that would result from this proposal. Note that we can make any changes necessary to the certificates or execute any additional endorsements required by the County of Los Angeles. This year the base auto liability has been procured through a different broker than the general liability and excess Liability. The excess liability coverage from Catlin Insurance company is excess to both the base auto liability policy and the base general liability thereby providing the required levels of coverage for both.

Client#: 5859

SOUTHLTRA

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 06/20/08

PRODUCER
BB&T - John Burhnam Insurance Services
750 B Street, Suite 2400
San Diego, CA 92101
800 421-6744

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: OneBeacon Insurance Company	21970
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

INSURED
Southland Transit, Inc.
3650 Rockwell Ave
El Monte, CA 91731

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
		GENERAL LIABILITY				EACH OCCURRENCE	$
		COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	$
		CLAIMS MADE / OCCUR				MED EXP (Any one person)	$
						PERSONAL & ADV INJURY	$
						GENERAL AGGREGATE	$
		GEN'L AGGREGATE LIMIT APPLIES PER:				PRODUCTS - COMP/OP AGG	$
		POLICY / PRO-JECT / LOC					
A		AUTOMOBILE LIABILITY	7530209800000	06/21/08	06/21/09	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
		ANY AUTO				BODILY INJURY (Per person)	$
		ALL OWNED AUTOS					
		X SCHEDULED AUTOS				BODILY INJURY (Per accident)	$
		HIRED AUTOS					
		NON-OWNED AUTOS				PROPERTY DAMAGE (Per accident)	$
						AUTO ONLY - EA ACCIDENT	$
		GARAGE LIABILITY				OTHER THAN AUTO ONLY: EA ACC	$
		ANY AUTO				AGG	$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	$
		OCCUR / CLAIMS MADE				AGGREGATE	$
							$
		DEDUCTIBLE					$
		RETENTION $					$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU-TORY LIMITS / OTH-ER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	$
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	$
						E.L. DISEASE - POLICY LIMIT	$
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

The County of Los Angeles, its political subdivisions, agencies, entities, or organizations for which the Los Angeles County Board of Supervisors is the governing body, their agents, officers and employees are included as Additional Insureds but only as respects to the Named Insureds negligence.

CERTIFICATE HOLDER

County of Los Angeles
Dept. of Public Works
Attn: Leticia Gordo
900 S. Freemont St.
Alhambra, CA 91803

CANCELLATION Ten Day Notice for Non-Payment of Premium

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Masoud Shabri

DARAM

© ACORD CORPORATION 1988

MARSH

CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER: LOS-000439601-22

PRODUCER
Marsh Risk & Insurance Services
CA License #0437153
777 South Figueroa Street
Los Angeles, CA 90017
Attn: Anna M. Martinez - Ph: (213) 346 5653

629872-484-x $4M-2008 STI:

INSURED
Southland Transit, Inc.
3650 Rockwell Avenue
El Monte, CA 91731

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE POLICY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN.

COMPANIES AFFORDING COVERAGE

COMPANY A: Landmark American Insurance Co

COMPANY B: Catlin Specialty Insurance Company

COMPANY C:

COMPANY D:

COVERAGES This certificate supersedes and replaces any previously issued certificate for the policy period noted below.

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE DESCRIBED HEREIN HAVE BEEN ISSUED TO THE INSURED NAMED HEREIN FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THE CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, CONDITIONS AND EXCLUSIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE X OCCUR OWNER'S & CONTRACTOR'S PROT	LHA106191	06/21/08	06/21/09	GENERAL AGGREGATE	$ 2,000,000
					PRODUCTS - COMP/OP AGG	$ Excluded
					PERSONAL & ADV INJURY	$ 1,000,000
					EACH OCCURRENCE	$ 1,000,000
					FIRE DAMAGE (Any one fire)	$ 100,000
					MED EXP (Any one person)	$ 5,000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS				COMBINED SINGLE LIMIT	$
					BODILY INJURY (Per person)	$
					BODILY INJURY (Per accident)	$
					PROPERTY DAMAGE	$
	GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT	$
					OTHER THAN AUTO ONLY: EACH ACCIDENT	$
					AGGREGATE	$
B	EXCESS LIABILITY UMBRELLA FORM X OTHER THAN UMBRELLA FORM	XSC-91917-0609	06/21/08	06/21/09	EACH OCCURRENCE	$ 4,000,000
					AGGREGATE	$ 4,000,000
						$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/ PARTNERS/EXECUTIVE OFFICERS ARE: INCL / EXCL				WC STATUTORY LIMITS / OTHER	
					EL EACH ACCIDENT	$
					EL DISEASE-POLICY LIMIT	$
					EL DISEASE-EACH EMPLOYEE	$
	OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

The County of Los Angeles, its special districts, its officials, officers and employees are included as additional insureds for all activities arising from the named insured's contracts with the County. Contracts are as follows: Whittier, et al Paratransit; East LA Paratransit and Six Area Paratransit.

CERTIFICATE HOLDER

County of Los Angeles
Transit Operations Program/ Development Division
Attn: Stefan
900 S. Fremont
Alhambra, CA 91803

CANCELLATION

SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER AFFORDING COVERAGE WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES, OR THE ISSUER OF THIS CERTIFICATE.

AUTHORIZED REPRESENTATIVE
of Marsh Risk & Insurance Services
BY: Anna Martinez

Anna M. Martinez

MM1(3/02)

VALID AS OF: 06/21/08

ADDITIONAL INFORMATION

DATE (MM/DD/YY)

LOS-000439601-22 06/21/08

PRODUCER

Marsh Risk & Insurance Services
CA License #0437153
777 South Figueroa Street
Los Angeles, CA 90017
Attn: Anna M. Martinez - Ph: (213) 346 5653

629872-484-x $4M-2008 STI:

INSURED

Southland Transit, Inc.
3650 Rockwell Avenue
El Monte, CA 91731

COMPANIES AFFORDING COVERAGE

COMPANY E

COMPANY F

COMPANY G

COMPANY H

TEXT

NOTE: The Excess Liability listed on the first page of this certificate is excess over the Primary Auto Liability which is been placed with another Broker. For Primary Auto Liability information, please contact your Southland Transit representative.

Also The Excess Liability is excess over the Primary General Liability coverage placed with Marsh Risk & Insuarnce Services (Broker).

CERTIFICATE HOLDER

County of Los Angeles
Transit Operations Program/ Development Division
Attn: Stefan
900 S. Fremont
Alhambra, CA 91803

AUTHORIZED REPRESENTATIVE

of Marsh Risk & Insurance Services

BY: Anna Martinez Anna M. Martinez

MARSH

CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER
LOS-000584279-19

PRODUCER
Marsh Risk & Insurance Services
License No. 0437153
777 South Figueroa Street
Los Angeles, CA 90017
Attn: Anna M. Martinez - Ph: (213) 346 5653

629872--WC-2008 STI: Dave

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE POLICY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN.

COMPANIES AFFORDING COVERAGE

COMPANY A LIBERTY MUTUAL INSURANCE COMPANY

COMPANY B

COMPANY C

COMPANY D

INSURED
Southland Transit, Inc.
3650 Rockwell Avenue
El Monte, CA 91731

COVERAGES

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE DESCRIBED HEREIN HAVE BEEN ISSUED TO THE INSURED NAMED HEREIN FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THE CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, CONDITIONS AND EXCLUSIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY				GENERAL AGGREGATE	$
	COMMERCIAL GENERAL LIABILITY				PRODUCTS - COMP/OP AGG	$
	CLAIMS MADE / OCCUR				PERSONAL & ADV INJURY	$
	OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE	$
					FIRE DAMAGE (Any one fire)	$
					MED EXP (Any one person)	$
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT	$
	ANY AUTO				BODILY INJURY (Per person)	$
	ALL OWNED AUTOS					
	SCHEDULED AUTOS				BODILY INJURY (Per accident)	$
	HIRED AUTOS					
	NON-OWNED AUTOS				PROPERTY DAMAGE	$
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
	ANY AUTO				OTHER THAN AUTO ONLY:	
					EACH ACCIDENT	$
					AGGREGATE	$
	EXCESS LIABILITY				EACH OCCURRENCE	$
	UMBRELLA FORM				AGGREGATE	$
	OTHER THAN UMBRELLA FORM					$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WA7-66D-065515-018	04/01/08	04/01/09	X WC STATUTORY LIMITS / OTHER	
	THE PROPRIETOR/ PARTNERS/EXECUTIVE OFFICERS ARE: INCL / EXCL				EL EACH ACCIDENT	$ 1,000,000
					EL DISEASE-POLICY LIMIT	$ 1,000,000
					EL DISEASE-EACH EMPLOYEE	$ 1,000,000
	OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS
RE: Contract No.: 208019

CERTIFICATE HOLDER

County of Los Angeles
Dept of Public Health - Contracts & Grants
313 N. Figueroa St., 6th Floor East
Los Angeles, CA 90012

CANCELLATION

SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF THE INSURER AFFORDING COVERAGE WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES, OR THE ISSUER OF THIS CERTIFICATE.

AUTHORIZED REPRESENTATIVE
Marsh Risk & Insurance Services
BY: Neil Wapner

MM1(3/02) VALID AS OF:03/27/08

IX. Record Keeping

Southland Transit has always taken heed of all state and federal personnel and labor law requirements. We have put in place record keeping for tracking payroll hours, mandatory lunch breaks, leaves of absence and categorization as to the several categories of employment laws. As a long time contractor on DPW County services our procedures have been checked and audited multiple times.

Our detailed procedures for tracking hours, payroll entry, and pay procedures can be found on form LW-9 in the Forms Appendix.

Record keeping must also include the maintenance of personnel records. Again we work to make certain that we address all state and federal requirements. This includes tracking materials given at the time of hiring, including acknowledgment of receipt of materials such as the "Safely Surrendered Baby Notice". New hire training and paperwork is done by company trainers to insure that it is consistent and complete.

Internally we have developed forms to track issues such as pay rate changes, personal information changes, moves of employees from full time to part time, and leaves. The paperwork notifies the departments that need to alter pay rates, accruals, etc. It is used to make certain that leave paperwork is generated to meet the state and federal issues raised by absences and leaves. The paperwork is also filed in the employee's personnel file so that all such issues and actions are memorialized in that file.

Our commitment to meeting all federal and state labor and record keeping procedures is higher than most of the transportation companies doing business. Many a new manager or supervisor has stated surprise at the records we keep and the materials we include in our new hire procedures, training procedures, and payroll process. These comments have been made so many times that when the HR classes are held for supervisors and managers; an opening comment by the trainer is that "your old employer's methods are not the guide line here." Our procedures are based on our review of the laws, and managers and supervisors are held accountable to follow these procedures.

ENCLOSURE A
FORM PW-1.1

DATE: July 21 , 2008	**THE UNDERSIGNED HEREBY DECLARES AS FOLLOWS:**

1. THIS DECLARATION IS GIVEN IN SUPPORT OF A PROPOSAL FOR A CONTRACT WITH THE COUNTY OF LOS ANGELES.

2. NAME OF SERVICE: Avocado Heights, Bassett, and West Valinda Shuttle Services - 2008-PA033

DECLARANT INFORMATION

3. NAME OF DECLARANT: David Daley

4. I AM DULY VESTED WITH THE AUTHORITY TO MAKE AND SIGN INSTRUMENTS FOR AND ON BEHALF OF THE PROPOSER(S).

5. MY TITLE, CAPACITY, OR RELATIONSHIP TO THE PROPOSER(S) IS: Chief Operating Officer

PROPOSER INFORMATION

6. Proposer's full legal name: Southland Transit, Inc.			Telephone No.: 626-488-3927
Address: 3650 Rockwell, El Monte, CA 91731			Fax No.: 626-943-1225
e-mail: dave.daley@verizon.net	County WebVen No.: 50681501	IRS No.: 95-4866709	Business License No.:

7. Proposer's fictitious business name(s) or dba(s) (if any):

County(s) of Registration:	State:	Year(s) became DBA:

8. The Proposer's form of business entity is (CHECK ONLY ONE):

☐ Sole proprietor	Name of Proprietor:	
☑ A corporation:	Corporation's principal place of business: 3650 Rockwell, El Monte CA 91731	
	State of incorporation: California	Year incorporated: 2001
☐ Non-profit corporation certified under IRS 501(c) 3 and registered with the CA Attorney General's Registry of Charitable Trusts	President/CEO:	
	Secretary:	
☐ A general partnership:	Names of partners:	
☐ A limited partnership:	Name of general partner:	
☐ A joint venture of:	Names of joint venturers:	
☐ A limited liability company:	Name of managing member:	

9. The only persons or firms interested in this proposal as principals are the following:

Name(s) Timmy Mardirossian	Title President	Phone 626-258-1310	Fax 626-943-1225
Street 3650 Rockwell	City El Monte	State CA	Zip 91731
Name(s) Sedik Mardirossian	Title Secretary	Phone 626-258-1310	Fax 626-943-1225
Street 3650 Rockwell	City El Monte	State CA	Zip 91731

10. Is your firm wholly or majority owned by, or a subsidiary of another firm? ☑ No ☐ Yes
If yes, name of parent firm: _____
State of incorporation/registration of parent firm: _____

11. Has your firm done business under any other name(s) within the last five years? ☑ No ☐ Yes If yes, please list the other name(s):
Name(s): _____ Year of name change: _____.
Name(s): _____ Year of name change: _____.

12. Is your firm involved in any pending acquisition or merger? ☐ No ☑ Yes
If yes, indicate the associated company's name: STI is in final negotiations with TecTrans. STI would be a wholly owned subsidiary retaining current management

13. Proposer acknowledges that if any false, misleading, incomplete, or deceptively unresponsive statements in connection with this proposal are made, the proposal may be rejected. The evaluation and determination in this area shall be at the Director's sole judgment and the Director's judgment shall be final.

14. CHECK ONE:	☑ (a) I am making these representations and all representation contained in this proposal on my personal knowledge; **OR** ☐ (b) I am making these representations all representation contained in this proposal based on information and belief that they are true.

I declare under penalty of perjury under the laws of California that is true and correct.

Signature of Proposer or Authorized Agent:	Date: 7/21/08
Type name and title: David Daley, Chief Operating Officer	

FORM PW-2

SCHEDULE OF PRICES
FOR
AVOCADO HEIGHTS, BASSETT, AND WEST VALINDA SHUTTLE SERVICES (2008-PA003)

The undersigned Proposer offers to perform the work described in the Request for Proposals (RFP) for the following price(s). The Proposer rate(s) (hourly, monthly etc.) shall include all administrative costs, labor, supervision, materials, transportation, taxes, equipment, and supplies unless stated otherwise in the RFP. It is understood and agreed that where quantities, if any, are set forth in the Schedule of Prices, they are only estimates, and the unit prices quoted, if any, will apply to the actual quantities, whatever they may be.

ITEM	DESCRIPTION	HOURLY RATE	ESTIMATED ANNUAL HOURS		ANNUAL PRICE (hourly rate x est. annual hrs)
1.	Rate for Contractor-Owned Vehicles Service	$50.51 /HOUR	3,750	HOURS	$189,412.50 ~~$189,413~~
				TOTAL PROPOSED ANNUAL PRICE	$189,413

ITEM	DESCRIPTION	HOURLY RATE	ESTIMATED ANNUAL HOURS		ANNUAL PRICE (hourly rate x est. annual hrs)
1.	Rate for County-Owned [1] Vehicles Service	$48.07 /HOUR	3,750	HOURS	$180,263
				TOTAL PROPOSED ANNUAL PRICE	$180,263

LEGAL NAME OF PROPOSER: Southland Transit, Inc.		
SIGNATURE OF PERSON AUTHORIZED TO SUBMIT PROPOSAL		
TITLE OF AUTHORIZED PERSON: Chief Operating Officer		
DATE: 7/21/07	STATE CONTRACTOR'S LICENSE NUMBER: Not Applicable	LICENSE TYPE: Not Applicable
PROPOSER'S ADDRESS: 3650 Rockwell Avenue, El Monte, CA 91731		
PHONE: (626) 488-3927	FAX: 626.258.1329	E-MAIL: dave.daley@verizon.net

**** Service Vehicle Revenue Hours are defined as the actual hours of revenue Service.**

[1] There are no plans for using County-Owned vehicles. However, the County may do so at its discretion, at any time, and in any amount.

COUNTY OF LOS ANGELES CONTRACTOR'S EMPLOYEE JURY SERVICE PROGRAM APPLICATION FOR EXCEPTION AND CERTIFICATION FORM

This Contract is subject to the County of Los Angeles Contractor Employee Jury Service Program (Program) (Los Angeles County Code, Chapter 2.203). All contractors and subcontractors must complete this form to either (1) request an exception form the Program requirements or (2) certify compliance. Upon review of the submitted form, the County department will determine, in its sole discretion, whether the bidder or proposer is excepted from the Program.

Company Name: Southland Transit, Inc.	
Company Address: 3650 Rockwell	
City: El Monte	**State:** CA **Zip Code:** 91731
Telephone Number: 626-488-3927	
Solicitation for (Type of Goods or Services): Management and Operation of Transportation Services	

If you believe the Jury Service Program does not apply to your business, check the appropriate box in part I (attach documentation to support your claim); or complete Part II to certify compliance with the Program. Whether you complete Part I or Part II, please sign and date this form below.

Part I: Jury Service Program is Not Applicable to My Business:

- ☐ My business does not meet the definition of "contractor," as defined in the Program as it has not received an aggregate sum of $50,000 or more in any 12-month period under one or more County contracts or subcontracts (this exception is not available if the contract/purchase order itself will exceed $50,000). I under that the exception will be lost and I must comply with the Program if my revenues from the County exceed an aggregate sum of $50,000 in any 12-month period.

- ☐ My business is a small business as defined in the Program. It 1) has ten or fewer employees; and, 2) an annual gross revenues in the preceding twelve months which, if added to the annual amount of this contract, a re $500,000 or less; and 3) is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below. I understand that the exemption will be lost and I must comply with the Program if the number of employees in my business and my gross annual revenues exceed the above limits.

  "Dominant in its field of operation" means having more than ten employees, including full-time and part-time employees, and annual gross revenues in the preceding twelve months, which, if added to the annual amount of the contract awarded, exceed $500,000.

  "Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, director, majority stockholders, or their equivalent, of a business dominant in that field of operation.

- ☐ My business is subject to a Collective Bargaining Agreement that expressly provides that it supersedes all provisions of the Program. ATTACH THE AGREEMENT.

OR

Part II: Certification of Compliance

- ☑ My business has and adheres to a written policy that provides, on an annual basis, no less than five days of regular pay for actual jury service for full-time employees of the business who are also California residents, or my company will have and adhere to such a policy prior to award of the contract.

I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.

Print Name: David Daley	Title: Chief Operating Officer
Signature:	Date: 7/21/08

FORM PW-4

CONTRACTOR'S INDUSTRIAL SAFETY RECORD

PROPOSED CONTRACT FOR: Avocado Heights, Bassett, and West Valinda Shuttle Services (2008-PA033)
SERVICE BY PROPOSER SOUTHLAND TRANSIT, INC. (Proposal to manage and operate the transportation service)
PROPOSAL DATE July 21, 2008

This information must include all work undertaken in the State of California by the proposer, and any partnership, joint venture, or corporation that any principal of the proposer participated in as a principal or owner for the last five calendar years and the current calendar year prior to the date of proposal submittal. Separate information shall be submitted for each particular partnership, joint venture, corporate or individual proposer. The Proposer may attach any additional information or explanation of data which the proposer would like taken into consideration in evaluating the safety record. An explanation must be attached of the circumstances surrounding any and all fatalities.

Five Calendar Years Prior to Current Year

	Year	2003	2004	2004	2005	2007	Total	Current Year to Date
1.	No. of contracts	20	21	23	25	27		26
2.	Total dollar amount of Contracts (in the thousands of $)	31,642	15,785	19,252	33,426	36,142	136,247	20,359
3.	No. of fatalities	0	0	0	0	0	0	0
4.	No. of lost workday cases	7	3	8	18	11	47	6
5.	No. of lost workday cases involving permanent transfer to another job or termination of employment.	3	2	1	2	3	11	1
6.	No. of lost workdays	810	265	854	845	712	3,486	384

The above information was compiled from the records that are available to me at this time and I declare under penalty of perjury that the information is true and accurate within the limitations of those records.

David Daley
Name of Proposer or authorized agent (print)

Signature

7/21/08
Date

FORM PW-4.1

PROPOSER'S DRIVER SAFETY RECORD

This information must be included by all bus operations related work undertaken within the State of California by the the Proposer and/or any partnership, joint venture, or corporation that any principal of the Proposer participates in as a principal or owner during the last five-calendar years. Separate information shall be submitted for each particular partnership, joint venture, corporate or individual Proposer. Proposer may attach any additional information and/or explanation of the data, which the Proposer would like taken into consideration by the County in evaluating the Proposer's driver safety record. An explanation must be attached for circumstances surrounding any and all fatalities within the last five-calendar years.

The proposer shall provide below its total number of Bus Revenue Service Miles, its total number of National Transit Database (NTD) reportable bus accidents and fires, and its total number of bus fatalities, if any, for each of the last five-calendar years. The NTD uses the following Federal Transportation Authority's definition of a reportable accident:

a. Injuries requiring immediate medical attention.
b. Property damage equal to or greater than $7,500, including all damage (transit and non-transit) resulting from the accident.
c. All non arson fires that occur in a revenue service vehicle (operating in or out of revenue service).

Five-Calendar Years prior to Current Year

		2003	2004	2005	2006	2007	Five-Year Average
1	Total Bus Revenue Miles	5,664,806	7,627,727	9,941,996	13,844,582	16,765,788	53,844,900
2	Total Number of NTD Reportable Accidents	37	41	48	66	71	262
3	Total number of Fatalities	0	0	1	1	0	2
4	Number of Accidents/100,000 Revenue Miles	0.64	0.54	0.48	0.48	0.42	0.49
5	Number of Fatalaties/100,000 Revenue Miles	0.000	0.000	0.010	0.007	0.000	0.004

The above information was compiled from records that are available to me at this time and I declare under penalty of perjury that the information is true and accurate within the limitations of those records.

Southland Transit, Inc.
Name of Proposer

Signature

3650 Rockwell Avenue
Address

Not Applicable
PUC Permit Number and Classification

El Monte, CA 91731
City Zip Code

(626) 488-3927
Telephone Number

FORM PW-5

CONFLICT OF INTEREST CERTIFICATION

I, David Daley

Sole owner
General partner
Managing member
✓ Chief Operating Officer

of Southland Transit, Inc.
Name of Proposer

make this certification in support of a proposal for a contract with the County of Los Angeles for services within the scope of the following Los Angeles Administrative Code, Section 2.180.010:

Contracts Prohibited. A. Notwithstanding any other section of this code, the county shall not contract with, and shall reject any bid or proposal submitted by, the persons or entities specified below, unless the board of supervisors find that special circumstances exist which justify the approval of such contract.

1. Employees of the county or of public agencies for which the board of supervisors is the governing body;

2. Profit-making firms or businesses in which employees described in subdivision 1 of subsection A serve as officers, principals, partners, or major shareholders;

3. Persons who, within he immediately preceding 12 months, came within the provisions of subdivision 1 of subsection A, and who:

   (a) Were employed in positions of substantial responsibility in the area of service to be performed by the contract; or

   (b) Participated in any way in developing the contract or its service specifications; and

4. Profit-making firms or businesses in which the former employees described in subdivision 3 of subsection A, serve as officers, principals, partners, or major shareholders.

I hereby certify that I am informed and believe that personnel who developed and/or participated in the preparation of this contract do not fall within scope of Code Section 2.180.010 as cited above. Furthermore, that no County employee whose position in the County enables him/her to influence the award of this contract, or any competing contract, and no spouse or economic dependent of such employee is or shall be employed in any capacity by the Contractor herein, or has or shall have any direct or indirect financial interest in this contract. I understand and agree that any falsification in this Certificate will be grounds of rejection of this Proposal and cancellation of any contract awarded pursuant to this Proposal.

I certify under penalty of perjury under the laws of California that the foregoing is correct and true in all respects.

Signed _____ Date 7/21/05
David Daley
Chief Operating Officer

PROPOSER'S REFERENCE LIST

PROPOSED CONTRACT FOR: Avocado Heights, Bassett & West Valinda Shuttle Services (2008-PA033)

Provide a comprehensive reference list of all contracts for goods and/or services provided by the Proposer during the previous three years. Please verify all contact names, telephone and fax numbers, and e-mail addresses before listing. Incorrect names, telephone and/or fax numbers will be disregarded. Use additional pages if required.

A. COUNTY OF LOS ANGELES AGENCIES

All contracts with the County during the previous three years must be listed.

SERVICE: Elderly & Disabled Dial-a-Ride
Whittier Dial-a-Ride
DATES: 1999 to present
DEPARTMENT: Dept. of Public Works
CONTACT: Ann Meiners
TELEPHONE: (626) 458-3959
FAX: (626) 979-5359
E-MAIL: AMEINERS@ladpw.org

SERVICE: Elderly & Disabled Dial-a-Ride
East LA Dial-a-Ride
DATES: 1994 to present
DEPARTMENT: Dept. of Public Works
CONTACT: Ann Meiners
TELEPHONE: (626) 458-3959
FAX: (626) 979-5359
E-MAIL: AMEINERS@ladpw.org

SERVICE: Elderly & Disabled Dial-a-Ride
Willowbrook Dial-a-Ride
DATES: July 2004 to June 30, 2007
DEPARTMENT: Dept. of Public Works
CONTACT: Ann Meiners
TELEPHONE: (626) 458-3959
FAX: (626) 979-5359
E-MAIL: AMEINERS@ladpw.org

SERVICE: Fixed Route
Whittier Shuttle
DATES: 1/06 to present
DEPARTMENT: Dept. of Public Works
CONTACT: David Stringer
TELEPHONE: (626) 458-3968
FAX: (626) 979-5359
E-MAIL: dstringer@ladpw.org

B. OTHER GOVERNMENTAL AGENCIES AND PRIVATE COMPANIES

SERVICE: City Fixed-Route & DAR
DATES: July 1997 to present
AGENCY/FIRM: City of Baldwin Park
ADDRESS: 14403 E. Pacific
Baldwin Park, CA 90660
CONTACT: David Lopez
TELEPHONE: (626) 813-5251
FAX: (626) 962-2625
E-MAIL: dlopez@baldwinpark.com

SERVICE: City Fixed-Route & DAR
DATES: July 2001 to present
AGENCY/FIRM: City of El Monte
ADDRESS: 3130 North Tyler Avenue
El Monte, CA 91731
CONTACT: Deborah Moraza
TELEPHONE: (626) 580-2200
FAX: (626) 580-2238
E-MAIL: dmoraza@ci.el-monte.ca.us

SERVICE: City Fixed-Route & DAR
DATES: October 1998 to present
AGENCY/FIRM: City of Alhambra
ADDRESS: 111 S. First Street
Alhambra, CA 91801
CONTACT: Mary Chavez
TELEPHONE: (626)308-4880
FAX: (626) 282-1035
E-MAIL: mchavez@cityofalhambra.org

SERVICE: City Dial-a-Ride
DATES: 1994 to present
AGENCY/FIRM: City of Glendale
ADDRESS: 633 E. Broadway, Suite 300
Glendale, CA 91206
CONTACT: Jano Baghdanian
TELEPHONE: (818) 548-3960
FAX: (818) 409-7027
E-MAIL: JBaghdanian@ci.glendale.ca.us

SERVICE: General Public DAR
DATES: 1975 to present
AGENCY/FIRM: City of Arcadia
ADDRESS: 240 W. Huntington Drive
Arcadia, CA 91007
CONTACT: Don Penman
TELEPHONE: (626) 574-5415
FAX: (626) 447-3309
E-MAIL: dpenman@ci.arcadia.ca.us

SERVICE: City Fixed-Route & DAR
DATES: July 2001 to present
AGENCY/FIRM: City of West Covina
ADDRESS: P.O. Box 1440
West Covina, CA 91793
CONTACT: Scott Smilowitz
TELEPHONE: (626) 939-8431
FAX: (626) 939-8675
E-MAIL: Scott.Smilowitz@westcovina.org

SERVICE: Regional Fixed-Route & DAR
DATES: July 2003 to December 31, 2007
AGENCY/FIRM: San Luis Obispo Regl. Transit Auth.
ADDRESS: 1150 Osos St.
San Luis Obispo, CA 93401
CONTACT: Jason Gillespie
TELEPHONE: (805) 781-4465
FAX: (805) 781-1291
E-MAIL: jgillespie@slorta.org

SERVICE: City Fixed-Route & DAR
DATES ; July 2000 to present
AGENCY/FIRM: City of La Puente
ADDRESS: 15900 E. Main Street
La Puente, CA 91744
CONTACT: Greg Yamachika
TELEPHONE: (626) 855-1500
FAX: (626) 330-4000
E-MAIL: gyamachika@lapuente.org

SERVICE: City Fixed-Route & Metrolink Svc.
DATES: August 2002 to June 2008
AGENCY/FIRM: City of Burbank
ADDRESS: 301 East Olive Avenue
Burbank, CA 90660
CONTACT: Linda Oseransky
TELEPHONE: (818) 238-5359
FAX: (818) 238-5351
E-MAIL: loseransky@ci.burbank.ca.us

SERVICE: ADA – Antelope Valley area
DATES: November 2005 to present
AGENCY/FIRM: ACCESS Services, Inc.
ADDRESS: 633 W. Fifth Street, Suite 900
Los Angeles, CA 90071
CONTACT: Steve Chang
TELEPHONE: (213) 270-6000
FAX: (626) 270-6057
E-MAIL: chang@asila.org

SERVICE: City DAR & Public Trolley
DATES: July 2000 to present
AGENCY/FIRM: City of Monrovia
ADDRESS: 415 South Ivy
Monrovia, CA 91016
CONTACT: Alfredo Enriquez
TELEPHONE: (626) 932-5500
FAX: (626) 932-5569
E-MAIL: aenriquez@ci.monrovia.ca.us

SERVICE: City Dial-a-Ride
DATES 1994 to present
AGENCY/FIRM: City of Pico Rivera
ADDRESS: 6615 Passons Blvd.
Pico Rivera, CA 90660
CONTACT: Ray Chavez
TELEPHONE: (562) 755-4515
FAX: (562) 949-7506
E-MAIL: rchavez@pico-rivera.org

SERVICE: City Fixed-Route
DATES: July 2000 to present
AGENCY/FIRM: City of Lawndale
ADDRESS: 14717 Burin Avenue
Lawndale, CA 90260
CONTACT: Mike Estes
TELEPHONE: (310) 973-3270
FAX: (310) 676-9471
E-MAIL: mestes@lawndalecity.org

SERVICE: Fixed-Route, Train Link Service
DATES: April 2004 to present
AGENCY/FIRM: San Diego MTDB
ADDRESS: 1501 National Ave.
San Diego, CA 92113
CONTACT: Scott Transue
TELEPHONE: (619) 595-3084
FAX: (619) 744-5946
E-MAIL: Scott.Transue@sdmts.com

SERVICE: Senior & ADA Paratransit
DATES: March 2006 to present
AGENCY/FIRM: Riverside Transit Agency
ADDRESS: 1825 Third Street
Riverside, CA 92517
CONTACT: Virginia Werly
TELEPHONE: (951) 565-5184
FAX: (951) 565-5079
E-MAIL: vwerly@riversidetransit.com

SERVICE: Fixed –Route 40' Coaches
DATES: July 1, 2005 to present
AGENCY/FIRM: Metropolitan Transit Authority
ADDRESS: One Gateway Plaza
Los Angeles, CA 90012
CONTACT: Mike Greenwood
TELEPHONE: (213) 922-2810
FAX: (213) 922-4316
E-MAIL: greenwoodm@metro.net

SERVICE: ADA – West Central Los Angeles
DATES: October 2007 to present
AGENCY/FIRM: ACCESS Services, Inc.
ADDRESS: 633 W. Fifth Street, Suite 900
Los Angeles, CA 90071
CONTACT: David Foster
TELEPHONE: (213) 270-6000
FAX: (626) 270*6057
E-MAIL: foster@asila.org

SERVICE: Developmentally disabled transport
DATES: September 2001 to present
AGENCY/FIRM: North LA County Regional Center
ADDRESS: 15400 Sherman Way, Suite 300
Van Nuys, CA 91406
CONTACT: Ellen Stein
TELEPHONE: (818) 756-6300
FAX: (818) 756-6140
E-MAIL: ellens@nlacrc.org

SERVICE: Developmentally disabled transport
DATES: November 2003 thru June 2006
COMPANY: Tri-Counties Regional Center
ADDRESS: 520 E. Montecito Street
Santa Barbara, CA 93103
CONTACT: Laura Moreno (TCRC Broker)
TELEPHONE: (805) 529-7511
FAX: (805) 529-2613
E-MAIL: lauram@rdtsi.com

SERVICE: Employee Shuttles
DATES: January 2006-Present
AGENCY/FIRM: SAIC (Defense Contractor)
ADDRESS: 10260 Campus Point Drive
San Diego, CA 92121
CONTACT: Kyle Huggins
TELEPHONE: (858) 826-3465
FAX: (858) 826-3492
E-MAIL: WILLIAM.K.HUGGINS@saic.com

SERVICE: Community Dial-a-Ride
DATES: September 2007 to present
AGENCY/FIRM: City of Covina
ADDRESS: 125 East College Street
Covina, CA 91723
CONTACT: Alex Gonzalez
TELEPHONE: (626) 858-7219
FAX: (626) 858-5526
E-MAIL: agonzalez@ci.covina.ca.us

SERVICE: Developmentally disabled transport
DATES: November 2001 to present
AGENCY/FIRM: Kern County Regional Center
ADDRESS: 3200 N. Sillect Avenue
Bakersfield, CA 93308
CONTACT: Lynn Clark
TELEPHONE: (805) 327-8531
FAX: (805) 324-5060
E-MAIL: LClark@KERNRC.ORG

SERVICE: Beach Shuttle Routes
DATES: May 2005 to Present
AGENCY/FIRM: Playa Vista (some DPW funds)
ADDRESS: 5510 Lincoln Blvd., Suite 100
Playa Vista, CA 90094
CONTACT: Mark Huffman
TELEPHONE: (310) 822-0074
FAX: (310) 821-9429
E-MAIL: mhuffman@playavista.com

FORM PW-7

PROPOSER'S EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

Proposer's Name	Southland Transit, Inc.
Address	3650 Rockwell Avenue, El Monte, CA 91731
Internal Revenue Service Employer Identification Number	95-4866708

In accordance with Los Angeles County Code Section 4.32.010, the Proposer certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

1.	The proposer has a written policy statement prohibiting any discrimination in all phases of employment.	☑ YES ☐ NO
2.	The proposer periodically conducts a self-analysis or utilization analysis of its work force.	☑ YES ☐ NO
3.	The proposer has a system for determining if its employment practices are discriminatory against protected groups.	☑ YES ☐ NO
4.	Where problem area are identified in employment practices, the proposer has a system for taking reasonable corrective action to include establishment of goals and timetables	☑ YES ☐ NO

Proposer	Southland Transit, Inc.	
Authorized Representative	Dave Daley, Chief Operating Officer	
Signature		Date 7/21/08

LIST OF SUBCONTRACTORS

Proposer is required to complete the following. Any Subcontractors listed must be properly licensed under the laws of the State of California for the type of work which they are to perform, AND THEIR LICENSE NUMBERS MUST BE LISTED HEREIN. Failure to do so may result in delay of the award of contract. Do not list alternate subcontractors for the same work.

☑ Proposer in providing the requested services will not utilize Subcontractors. Proposer will perform all required services.

Name under which Sub-contractor is licensed	License Number	Address	Specific Description of Subcontract work

FORM PW-9

County of Los Angeles
Request for Local Small Business Enterprise (SBE) Preference Program Consideration and
CBE Firm/Organization Information Form

All proposers responding to the Request for Proposals must complete and return this form for proper consideration of the proposal.

FIRM NAME:	Southland Transit, Inc.
My County (WebVen) Vendor Number:	50681501

I. LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM:

- ☐ As Local SBE certified by the County of Los Angeles Office of Affirmative Action compliance as of the date of this proposal/bids submission. I request this proposal/bid be considered for the Local SBE Preference.
- ☐ Attached is a copy of Local SBE certification issued by the County.

II. FIRM/ORGANIZATION INFORMATION: The information requested below is for statistical purposes only. On final analysis and consideration of award, vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.

BUSINESS STRUCTURE	☐ SOLE PROPRIETORSHIP	☐ PARTNERSHIP	☑ CORPORATION	☐ NONPROFIT	☐ FRANCHISE

TOTAL NUMBER OF EMPLOYEES (including owners): 868

RACE/ETHNIC COMPOSITION OF FIRM. PLEASE DISTRIBUTE THE ABOVE TOTAL # INTO FOLLOWING CATEGORIES.

RACE/ETHNIC COMPOSITION	OWNERS/PARTNERS/ ASSOCIATE PARTNERS		MANAGERS		ALL OTHER POSITIONS STAFF	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Black/African American			2	1	97	122
Hispanic/Latino			3	5	302	194
Asian or Pacific Islander			2		39	4
American Indian					2	3
Filipino			1		2	2
White			8	4	47	52

III. PERCENTAGE OF OWNERSHIP IN FIRM Please indicate by percentage (%) how ownership of the firm is distributed.

	BLACK/AFRICAN AMERICAN	HISPANIC LATINO	ASIAN OR PACIFIC ISLANDER	AMERICAN INDIAN	FILIPINO	WHITE
Men						100%
Women						

IV. CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, AND DISABLED VETERANS BUSINESS ENTERPRISES
If your firm is currently certified as a minority, women, disadvantaged or disabled veterans business enterprises by a public agency, complete the following and attach a copy of your proof of certification. (Use back of certification if necessary.)

Agency Name	Minority	Women	Disadvantaged	Disabled Veteran	Expiration Date

V. DECLARATION: I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFRONIA THAT THE ABOVE INFORMATION IS TRUE AND CORRECT.

Authorized Signature	Title:	Date:
	Chief Operating Officer	7/21/05

FORM PW-10

GAIN/GROW EMPLOYMENT COMMITMENT

The undersigned:

☐ has hired participants from the County's Department of Social Services' Greater Avenues for Independence (GAIN) or General Relief Opportunity for Work (GROW) employment program.

☑ declares a willingness to consider GAIN/GROW participants for any future employment opening if participant(s) meet the minimum qualification for that opening, and

declares a willingness to provide employed GAIN/GROW participants access to proposer's employee mentoring program(s), if available, to assist those individuals in obtaining permanent employment and/or promotional opportunities.

Signature	Title Chief Operating Officer
Firm Name Southland Transit, Inc.	Date 7/21/08

FORM PW-12

CHARITABLE CONTRIBUTIONS CERTIFICATION

Southland Transit, Inc.

Company Name

3650 Rockwell, El Monte, CA 91731

Address

95-4866709

Internal Revenue Service Employer Identification Number

Not applicable

California Registry of Charitable Trusts "CT" number (if applicable)

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act which regulates those receiving and raising charitable contributions.

CERTIFICATION	YES	NO
Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision or Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a County contract, it will timely comply with them and provide County a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.	(✓)	( )
OR		
Proposer or Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586.	( )	( )

Signature

7/21/08

Date

David Daley, Chief Operating Officer

Name and Title (please type or print)

FORM PW-13

TRANSITIONAL JOB OPPORTUNITIES PREFERENCE APPLICATION

COMPANY NAME: Southland Transit, Inc.		
COMPANY ADDRESS: 3650 Rockwell Avenue		
CITY: El Monte	STATE: CA	ZIP CODE: 91731

☑ I am not requesting consideration under the County's Transitional Job Opportunities Preference Program.

I hereby certify that I meet all the requirements for this program:

☐ My business is a non-profit corporation qualified under Internal Revenue Services Code – Section 5019(c)(3) and has been such for three years (*attach IRS Determination Letter);*

☐ I have submitted my three most recent annual tax returns with my application;

☐ I have been in operation for at least one year providing transitional job and related supportive services to program participants; and

☐ I have submitted a profile of our program; including a description of its components designed to help the program participants, number of past program participants and any other information requested by the contracting department.

I declare under penalty of perjury under the laws of the State of California that the information herein is true and correct.

PRINT NAME: David Daley	TITLE: Chief Operations Officer
SIGNATURE:	DATE: 7/21/08

REVIEWED BY COUNTY:

SIGNATURE OF REVIEWER	*APPROVED*	*DISAPPROVED*	*DATE*

FORM PW-14

PROPOSER'S LIST OF CONTRACTS

PROPOSER'S NAME: Southland Transit, Inc.

☑ Proposer has not had any contracts terminated in the past three years.

Proposer must list all contracts that have been terminated within the past three years. Terminated contracts are those contracts terminated by an agency or firm before the contract's expiration date.

SERVICE:	TERMINATING DATE:	SERVICE:	TERMINATING DATE:
NAME OF TERMINATING FIRM:		NAME OF TERMINATING FIRM:	
ADDRESS OF FIRM:		ADDRESS OF FIRM:	
CONTACT PERSON:		CONTACT PERSON:	
TELEPHONE:		TELEPHONE:	
FAX:		FAX:	
E-MAIL:		E-MAIL:	

SERVICE:	TERMINATING DATE:	SERVICE:	TERMINATING DATE:
NAME OF TERMINATING FIRM:		NAME OF TERMINATING FIRM:	
ADDRESS OF FIRM:		ADDRESS OF FIRM:	
CONTACT PERSON:		CONTACT PERSON:	
TELEPHONE:		TELEPHONE:	
FAX:		FAX:	
E-MAIL:		E-MAIL:	

SIGNATURE _____ DATE: 7/21/08

FORM PW-15

PROPOSER'S PENDING LITIGATION AND JUDGMENTS

Proposer's Name: Southland Transit Inc.

☑ Proposer and/or principals are **not** currently involved in any pending litigation; are not aware of any threatened litigation were they would be a party; and have not had any judgments placed against them within the last five years as of the date of proposal submission.

Proposer and/or principals of the Proposer must list below (use additional pages if necessary) all pending litigation, threatened litigation, and/or any judgments placed against them within the last five years as of the date of proposal submission.

A. ☐ Pending Litigation ☐ Threaten Litigation ☐ Judgment (check one)

1. Against ☐ Proposer; ☐ Principal; ☐ Both (check as appropriate)
2. Name of Litigation/Judgment: _____
3. Case Number: _____
4. Court of Jurisdiction: _____
5. Please provide a statement describing the size and scope of the pending/threaten litigation or judgment (use additional page if necessary):

B. ☐ Pending Litigation ☐ Threaten Litigation ☐ Judgment (check one)

1. Against ☐ Proposer; ☐ Principal; ☐ Both (check as appropriate)
2. Name of Litigation/Judgment: _____
3. Case Number: _____
4. Court of Jurisdiction: _____
5. Please provide a statement describing the size and scope of the pending/threaten litigation or judgment (use additional page if necessary):

Signature of Proposer: _____ **Date:** 7/21/08

FORM PW-16

Displaced Transit Employee Declaration

In accordance with California Labor Code Sections 1070 through 1074, the County will give a preference to any proposer who declares that the proposer will retain the employees of the prior contractor and subcontractors on this form. The undersigned declares:

☑ that the proposer will retain the employees of the prior contractor or subcontractor for a period of not less than 90 days pursuant to California Labor Code 1070 - 1074. If this box is checked, the 10 percent (10 points) preference will be given.

OR

☐ that the proposer does NOT agree to retain the employees of the prior contractor or subcontractor for a period of 90 days pursuant to LC 1070 - 1074. If this box is checked, the 10 percent (10 points) preference will NOT be given.

Signature	Title Chief, Operating Officer
Firm Name Southland Transit, Inc.	Date 7/21/08

FORM PW-17

STATEMENT OF EQUIPMENT

THIS PAGE IS TO BE COMPLETED BY PROPOSER AND SUBMITTED TO THE COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS

PROPOSER'S NAME Southland Transit, Inc.

ADDRESS 3650 Rockwell Avenue, El Monte, CA 91731

TELEPHONE (626) 488-3927

STATE BELOW THE INFORMATION FOR ALL EQUIPMENT AVAILABLE

One item per line; do not submit an equipment list in your own format.
Form may be reproduced in order to list all equipment.

TYPE OF EQUIPMENT	MAKE AND EQUIPMENT YOU ARE OFFERING	MODEL	YEAR	SERIAL NUMBER
25 Ft. Class 3 Vehicle (Section II – Exhibit F)	14,050 GVWR Ford Chassis - Eldorado Body	Aerotech	2006	1FDXE45S16HA 88645

Remarks:

FORM LW-3

COUNTY OF LOS ANGELES
LIVING WAGE ORDINANCE

Contractor's Living Wage Declaration

The contract to be awarded pursuant to this Request for Proposals (RFP) is subject to the County of Los Angeles Living Wage Ordinance (Program)). You must declare your intent to comply with the program.

If you believe that your are exempt from the Program, please complete the Application for Exemption form and submit it, as instructed in the RFP, to the county awarding department before the deadline to submit proposals.

☐ I do **not** have a bona fide health care benefit plan for those employees who will be providing services to the County under the contract. I will pay an hourly wage of not less than **$11.84 per hour** per employee.

☑ I do **have** a bona fide health care benefit plan for those employees who will be providing services to the County under the contract but will pay into the plan **less than $2.20 per hour** per employee. I will pay an hourly wage of not less than **$11.84 per hour** per employee.

☐ I do **have** a bona fide health care benefit plan for those employee who will be providing services to the County under the contract and will pay into the plan **at least $2.20 per hour** per employee. I will pay an hourly wage of not less than **$9.64 per hour** per employee.

Health Plan(s): AETNA HMO plans - HMO Base Plan and HMO High Plan

Company Insurance Group Number: 348374

Health Benefit(s) Payment Schedule:

☑ Monthly company pay to AETNA Quarterly Bi-Annual

Annually ☑ Other: employee copays taken from the biweekly pay checks (specify)

PLEASE PRINT COMPANY NAME: Southland Transit, Inc.	
I declare under penalty of perjury under the laws of the State of California that the above information is true and correct:	
SIGNATURE:	DATE: 7/21/08
PLEASE PRINT NAME: David Daley	TITLE OR POSITION: Chief Operating Officer

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FORM LW-4

COUNTY OF LOS ANGELES LIVING WAGE PROGRAM
Acknowledgment and Statement of Compliance

The undersigned individual is the owner or authorized agent of the business entity or organization (Firm) identified below and makes the following statement on behalf of his or her Firm. **CHECK EACH APPLICABLE BOX.**

LIVING WAGE ORDINANCE:

☑ I have read the County's Living Wage Ordinance (Los Angles County Code Section 2.201.010 through 2.201.100), and understand that the Firm is subject to its terms.

CONTRACTOR NON-RESPONSIBILITY AND CONTRACTOR DEBARMENT ORDINANCE:

☑ I have read the provisions of the RFP describing the County's Determinations of Contractor Non-Responsibility and Contractor Debarment Ordinance (Los Angeles County Code Section 2.202.010 through 2.202.060), and understand that the Firm is subject to its terms.

LABOR LAW/PAYROLL VIOLATIONS:
A "Labor Law/Payroll violation" includes violations of any Federal, State, or local statute, regulation, or ordinance pertaining to wages, hours, or working conditions such as minimum wage, prevailing wage, living wage, the Fair Labor Standards Act, employment of minors, or unlawful employment discrimination.

History of Alleged Labor Law/Payroll Violations (Check One):

☐ The Firm **HAS NOT** been named in a complaint, claim, investigation or proceeding relating to an alleged Labor Law/Payroll Violation which involves an incident occurring within three years of the date of the proposal; OR

☑ The Firm **HAS BEEN** named in a complaint, claim, investigation or proceeding relating to an alleged Labor Law/Payroll Violation which involves an incident occurring within three years of the date of the proposal. (I have attached to this form the required Labor/Payroll/Debarment History form with the pertinent information for each allegation.)

History of Alleged Labor Law/Payroll Violations (Check One):

☑ There **HAS BEEN NO** determination by a public entity within the three years of the date of the proposal that the Firm committed a Labor Law/Payroll Violation; **OR**

☐ There **HAS BEEN** a determination by a public entity within the three years of the date of the proposal that the Firm committed a Labor/Payroll Violation. I have attached to this form the required Labor/Payroll/ Debarment History form with the pertinent information for each violation (including each reporting entity name, case number, name and address of claimant, date of incident, date claim opened, and nature and disposition of each violation or finding.) (The County may deduct points from the proposer's final evaluation score ranging from 1% to 20% of the total evaluation points available with the largest deductions occurring for undisclosed violations.)

HISTORY OF DEBARMENT (Check one):

☑ The Firm **HAS NOT** been debarred by any public entity during the past ten years; **OR**

☐ The Firm **HAS** been debarred by a public entity within the past ten years. Provide the pertinent information (including each public entity's name and address, dates of disbarment, and nature of each debarment) on the attached Labor/Payroll/Debarment History form

I declare under penalty of perjury under the laws of the State of California that the above is true, complete and correct.

Owner's/Agent's Authorized Signature

David Daley, Chief Operating Officer
Print Name and Title

Southland Transit, Inc.
Print Name of Firm

7/21/08
Date

ENCLOSURE C
FORM LW-5.1

COUNTY OF LOS ANGELES
LIVING WAGE PROGRAM
LABOR/PAYROLL/DEBARMENT HISTORY

The Firm must complete and submit a separate form (make photocopies of form) for each instance of (check the applicable box below):

☑ An alleged claim, investigation, or proceeding relating to an alleged Labor Law/Payroll Violation for an incident occurring within the past three years of the date of the proposal.

☐ A determination by a public entity within three years of the date of the proposal that the Firm committed a Labor Law/Payroll Violation.

☐ A debarment by a public entity listed below within the past ten years.

Print Name of Firm: Southland Transit, Inc.	Print Name of Owner: Corporation
Print Address of Firm: 3650 Rockwell	Owner's/Agent's Authorized Signature:
City, State, Zip Code El Monte, CA 91731	Print Name and Title: Dave Daley, Chief Operating Officer

Public Entity Name	Department of Fair Employment & Housing
Public Entity Address:	**Street Address:** 2101 East Fourth Street, Suite 255
	City, State, Zip: Santa Ana, CA 92705
Case Number/Date Claim Opened:	**Case Number:** E200506K1713-00-pe/37AA614329
	Date Claim Opened: 2006
Name and Address of Claimant:	**Name:** Leslie Bishop
	Street Address: 700 Idyllwild Drive #4
	City, State, Zip: San Jacinto, CA 92583
Description of Work: (e.g., Janitorial)	Drove van for the disabled
Description of Allegation and/or Violation:	Ms. Bishop alleges discrimination based on her disability.
Disposition of Finding: (attach disposition letter) (e.g., Liquidated Damages	STI has filed response with the DFEH. STI took over contract from MV Transit in March 2006. Ms. Bishop had an on-the-job injury with MV and still has a Temporary Total Disability rating. MV used her to drive with that limitation. Our position is that her doctor says she is totally disabled from the driving position, and as such cannot do the job unless she recovers as documented by her doctor.

☑ Additional Pages are attached for a total of 5 pages.

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ENCLOSURE C
FORM LW-5.1

COUNTY OF LOS ANGELES
LIVING WAGE PROGRAM
LABOR/PAYROLL/DEBARMENT HISTORY

The Firm must complete and submit a separate form (make photocopies of form) for each instance of (check the applicable box below):

☑ An alleged claim, investigation, or proceeding relating to an alleged Labor Law/Payroll Violation for an incident occurring within the past three years of the date of the proposal.

☐ A determination by a public entity within three years of the date of the proposal that the Firm committed a Labor Law/Payroll Violation.

☐ A debarment by a public entity listed below within the past ten years.

Print Name of Firm: Southland Transit, Inc.	Print Name of Owner: Corporation
Print Address of Firm: 3650 Rockwell	Owner's/Agent's Authorized Signature:
City, State, Zip Code: El Monte, CA 91731	Print Name and Title: Dave Daley, Chief Operating Officer

Public Entity Name	Department of Fair Employment & Housing
Public Entity Address:	**Street Address:** 611 West Sixth Street, Suite 1500
	City, State, Zip: Santa Ana, CA 92705
Case Number/Date Claim Opened:	**Case Number:** E200506S1517-00-pc
	Date Claim Opened: 2006
Name and Address of Claimant:	**Name:** Tamiya McGlothern
	Street Address: 764 E. Via Wanda
	City, State, Zip: Long Beach, CA 90805
Description of Work: (e.g., Janitorial)	Drove MTA 40 foot coach on contracted route
Description of Allegation and/or Violation:	Claimant stated she was shaken up when a window on her bus was "shot out" and she was not allowed to see the "Workers Comp doctor."
Disposition of Finding: (attach disposition letter) (e.g., Liquidated Damages	Company denies this claim on a factual basis. Case was closed by DFEH; a "right to sue" letter was issued issued and suit was filed January 2007 for failure to accommodate disability. STI denied disability or wrongdoing. STI settled case as escalating defense costs were exceeding total value of the claim.

☑ Additional Pages are attached for a total of 5 pages.

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ENCLOSURE C
FORM LW-5.1

COUNTY OF LOS ANGELES
LIVING WAGE PROGRAM
LABOR/PAYROLL/DEBARMENT HISTORY

The Firm must complete and submit a separate form (make photocopies of form) for each instance of (check the applicable box below):

☑ An alleged claim, investigation, or proceeding relating to an alleged Labor Law/Payroll Violation for an incident occurring within the past three years of the date of the proposal.

☐ A determination by a public entity within three years of the date of the proposal that the Firm committed a Labor Law/Payroll Violation.

☐ A debarment by a public entity listed below within the past ten years.

Print Name of Firm: Southland Transit, Inc.	Print Name of Owner: Corporation
Print Address of Firm: 3650 Rockwell	Owner's/Agent's Authorized Signature:
City, State, Zip Code El Monte, CA 91731	Print Name and Title: Dave Daley, Chief Operating Officer

Public Entity Name	United Sates Equal Employment Opportunity Commission
Public Entity Address:	**Street Address:** 265 East Temple Street, 4th Floor
	City, State, Zip: Los Angeles, CA 90012
Case Number/Date Claim Opened:	**Case Number:** 480-2006-02911
	Date Claim Opened: 2006
Name and Address of Claimant:	**Name:** Antoinette Tyus
	Street Address: 444 E. Rowland Street, #45
	City, State, Zip: Covina, CA 91723
Description of Work: (e.g., Janitorial)	Applicant to work for STI as a driver.
Description of Allegation and/or Violation:	Alleged that she was not hired because she was too old - age 55.
Disposition of Finding: (attach disposition letter) (e.g., Liquidated Damages	Settled at mediation for $2,000 and a commitment to provide some additional training to STI employees who interview applicants for jobs. In this case the applicant clearly falsified applicant information and the interviewer did not sufficiently follow up on the discrepancy, which was the reason for leaving a previous employer. At the time of her application approximately 1/4 of our driving force was over the age of 55.

☑ Additional Pages are attached for a total of 5 pages.

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ENCLOSURE C
FORM LW-5.1

COUNTY OF LOS ANGELES
LIVING WAGE PROGRAM
LABOR/PAYROLL/DEBARMENT HISTORY

The Firm must complete and submit a separate form (make photocopies of form) for each instance of (check the applicable box below):

☑ An alleged claim, investigation, or proceeding relating to an alleged Labor Law/Payroll Violation for an incident occurring within the past three years of the date of the proposal.

☐ A determination by a public entity within three years of the date of the proposal that the Firm committed a Labor Law/Payroll Violation.

☐ A debarment by a public entity listed below within the past ten years.

Print Name of Firm: Southland Transit, Inc.	Print Name of Owner: Corporation
Print Address of Firm: 3650 Rockwell	Owner's/Agent's Authorized Signature:
City, State, Zip Code El Monte, CA 91731	Print Name and Title: Dave Daley, Chief Operating Officer

Public Entity Name	United Sates Equal Employment Opportunity Commission
Public Entity Address:	**Street Address:** 265 East Temple Street, 4th Floor
	City, State, Zip: Los Angeles, CA 90012
Case Number/Date Claim Opened:	**Case Number:** 480-2008-00576
	Date Claim Opened: 2007
Name and Address of Claimant:	**Name:** Carl Ball
	Street Address: 42582 Woodlawn Ave. #1
	City, State, Zip: Los Angeles, CA 90011
Description of Work: (e.g., Janitorial)	Assistant Project Manager.
Description of Allegation and/or Violation:	Alleged discharge due to race.
Disposition of Finding: (attach disposition letter) (e.g., Liquidated Damages	Settled at mediation for a commitment from the company to allow the claimant to be proposed as part of the project team for some future projects. No monetary damages, no admission by the company.

☑ Additional Pages are attached for a total of 5 pages.

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ENCLOSURE C
FORM LW-5.1

COUNTY OF LOS ANGELES
LIVING WAGE PROGRAM
LABOR/PAYROLL/DEBARMENT HISTORY

The Firm must complete and submit a separate form (make photocopies of form) for each instance of (check the applicable box below):

☑ An alleged claim, investigation, or proceeding relating to an alleged Labor Law/Payroll Violation for an incident occurring within the past three years of the date of the proposal.

☐ A determination by a public entity within three years of the date of the proposal that the Firm committed a Labor Law/Payroll Violation.

☐ A debarment by a public entity listed below within the past ten years.

Print Name of Firm: Southland Transit, Inc.	Print Name of Owner: Corporation
Print Address of Firm: 3650 Rockwell	Owner's/Agent's Authorized Signature:
City, State, Zip Code El Monte, CA 91731	Print Name and Title: Dave Daley, Chief Operating Officer

Public Entity Name	Department of Fair Employment & Housing
Public Entity Address:	**Street Address:** 2101East Fourth Street, Suite 255
	City, State, Zip: Santa Ana, CA 92705
Case Number/Date Claim Opened:	**Case Number:** E200708S1796-00-e/37AA810350
	Date Claim Opened: 2008
Name and Address of Claimant:	**Name:** Pamela Jones
	Street Address: PO Box 8381
	City, State, Zip: Moreno Valley,CA 92552
Description of Work: (e.g., Janitorial) Driver	
Description of Allegation and/or Violation:	Ms. Jones contends she was not allowed to take the test to upgrade her C license to a B license during the period February 26, 2008 to May 9, 2008 because she is a Christian.
Disposition of Finding: (attach disposition letter) (e.g., Liquidated Damages	The claim has just been received. Our investigation shows that during the time in question she was on workers' compensation due to an alleged injury, and thus unable to drive. Upon her release to drive by her doctor she did take and pass the B license test and is still an employee in good standing. We do not expect DFEH to pursue this matter after the facts are presented.

☑ Additional Pages are attached for a total of 5 pages.

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FORM LW-7

REQUESTED INFORMATION ON THE PROPOSER'S MEDICAL PLAN COVERAGE

Proposer: Southland Transit, Inc.

Name of Proposer's Health Plan: Aetna HMO Base Plan Date: 9/07 – 8/31/08
(Please use a separate form for each health plan offered by the Proposer to employees who will be working under this contract.)

ITEMS	DOES THE PROPOSER'S PLAN COVER? (YES) (NO)	WHAT DOES THE PROPOSER OR PROPOSER'S PLAN PAY?	LIST ANY CO-PAYMENTS AND/OR COMMENTS
Proposer's Health Plan Premium (MONTHLY)		Monthly cost of coverage	
Employee only	Yes	$255.52	
Employee + spouse	Yes	$574.19	
Employee + children	Yes	$469.78	
Employee + spouse + children	Yes	$809.07	
Proposer's portion of health Premium Payment		Monthly cost paid by the proposer	Employee cost taken from biweekly paychecks.
Employee only	Yes	$175.24	
Employee + spouse	Yes	$175.24	
Employee + children	Yes	$175.24	
Employee + spouse + children	Yes	$175.24	
Any Annual Deductible?			
Per Person	No		
Per Family	No		
Any Annual Maximum Employee Out-of-Pocket Expense?			See attached Plan Design for specific information.
Per Person	Yes	$1500 max/individual	
Per Family	Yes	$3000 max/2 or more	
Any Lifetime Maximum?			
per person	No		
Per family	No		
Ambulance Coverage	Yes		When medically necessary
Doctor's Office Visits	Yes		$25 copay/primary care $30 copay for specialist
Emergency Care	Yes		$100 copay/waived if admitted
Home Health Care	Yes		See Plan Design
Hospice Care	Yes		See Plan Design
Hospital Care	Yes		$500 per hospitalization See Plan Design
Immunizations	Yes		See Plan Design
Maternity	Yes		$25 copay for visit
Mental Health	Yes		See Plan Design for specific information
Mental Health In-Patient Coverage	Yes		See Plan Design
Mental Health Out-Patient Coverage	Yes		$25/visit copay See Plan Design
Physical Therapy	Yes		

ITEMS	DOES THE PROPOSER'S PLAN COVER? (YES) (NO)	WHAT DOES THE PROPOSER OR PROPOSER'S PLAN PAY?	LIST ANY CO-PAYMENTS AND/OR COMMENTS
Prescription Drugs	Yes		$15/copay generic $35/copay brand name $50/copay non formulary
Routine Eye Examinations	Yes		See Plan Design
Skilled Nursing Facility	Yes		
Surgery	Yes		
X-Ray and Laboratory	Yes		

Under this health plan, a full time employee:

Becomes eligible for health insurance coverage the first of the month following 90 days employment (training is not counted)
In the case of taking over a contract and provision of employment to prior employees covered by State Labor Code, Chapter 4.5§1070 et seq. enrollment is available the first of the month following 30 days of employment (training not counted)

Is defined as an employee who is employed more than 35 hours per week.

OTHER BENEFITS:

A. Number of paid sick days earned in the first year of employment **
B. Number of paid sick days earned in the second year of employment **
C. Number of paid vacation days earned in the first year of employment **
D. Number of paid vacation days earned in the second year of employment **

** Employees earn Paid Time Off (PTO) on a biweekly basis as soon a they are a regular employee. A year's accumulation is equivalent to approximately 9 days a year. It can be used by the employee for sickness or vacation or personal time. It is available for the employee's use as soon as it is earned.

E. Number of paid holidays per year is 6 days.

FORM LW-7

REQUESTED INFORMATION ON THE PROPOSER'S MEDICAL PLAN COVERAGE

Proposer: Southland Transit, Inc.

Name of Proposer's Health Plan: Aetna HMO High Plan Date: 9/07 – 8/31/08
(Please use a separate form for each health plan offered by the Proposer to employees who will be working under this contract.)

ITEMS	DOES THE PROPOSER'S PLAN COVER? (YES) (NO)	WHAT DOES THE PROPOSER OR PROPOSER'S PLAN PAY?	LIST ANY CO-PAYMENTS AND/OR COMMENTS
Proposer's Health Plan Premium (MONTHLY)		Monthly cost of coverage	
Employee only	Yes	$326.37	
Employee + spouse	Yes	$707.27	
Employee + children	Yes	$578.67	
Employee + spouse + children	Yes	$996.60	
Proposer's portion of health Premium Payment		Monthly cost paid by the proposer	Employee portion
Employee only	Yes	$175.24	
Employee + spouse	Yes	$175.24	
Employee + children	Yes	$175.24	
Employee + spouse + children	Yes	$175.24	
Any Annual Deductible?			
Per Person	No		
Per Family	No		
Any Annual Maximum Employee Out-of-Pocket Expense?			See Plan Design attached for specifics.
Per Person	Yes	$1500 max/individual	
Per Family	Yes	$3000 max/2 or more	
Any Lifetime Maximum?			
per person	No		
Per family	No		
Ambulance Coverage	Yes		When medically necessary
Doctor's Office Visits	Yes		$10 copay $20 copay for specialists
Emergency Care	Yes		$100 copay/waived if admitted subject to deductible if not medical emergency
Home Health Care	Yes		See Plan Design
Hospice Care	Yes		See Plan Design
Hospital Care	Yes		$240 per admission See Plan Design
Immunizations	Yes		
Maternity	Yes		$20/each visit
Mental Health	Yes		See Plan Design for specific information
Mental Health In-Patient Coverage	Yes		See Plan Design
Mental Health Out-Patient Coverage	Yes		$20/visit copay See Plan Design for specific limitations
Physical Therapy	Yes		

ITEMS	DOES THE PROPOSER'S PLAN COVER? (YES) (NO)	WHAT DOES THE PROPOSER OR PROPOSER'S PLAN PAY?	LIST ANY CO-PAYMENTS AND/OR COMMENTS
Prescription Drugs	Yes		$10/copay generic $20/copay brand name $35/copay non formulary
Routine Eye Examinations	Yes		See Plan Design
Skilled Nursing Facility	Yes		See Plan Design
Surgery	Yes		See Plan Design
X-Ray and Laboratory	Yes		See Plan Design

Under this health plan, a full time employee:

Becomes eligible for health insurance coverage _the first of the month following 90 days employment (training is not counted)
In the case of taking over a contract and provision of employment to prior employees covered by State Labor Code, Chapter 4.5§1070 et seq. enrollment is available the first of the month following 30 days of employment (training not counted)

Is defined as an employee who is employed more than _35_ hours per week.

OTHER BENEFITS:

F. Number of paid sick days earned in the first year of employment **
G. Number of paid sick days earned in the second year of employment **
H. Number of paid vacation days earned in the first year of employment **
I. Number of paid vacation days earned in the second year of employment **

** Employees earn Paid Time Off (PTO) on a biweekly basis as soon a they are a regular employee. A year's accumulation is equivalent to approximately 9 days a year. It can be used by the employee for sickness or vacation or personal time. It is available for the employee's use as soon as it is earned.

J. Number of paid holidays per year is _6_ days.

FORM LW-8

STAFFING PLAN AND COST METHODOLOGY FOR CONTRACT: AVOCADO HEIGHTS, BASSETT, AND WEST VALINDA SHUTTLE SERVICE

PROPOSER: Southland Transit, Inc.

POSITION/TITLE * (LIST EACH EMPLOYEE SEPARATELY)	HOURS PER DAY							HOURS PER WEEK	ANNUAL HOURS	HOURLY WAGE RATE	ANNUAL COST
	SUN	MON	TUE	WED	THU	FRI	SAT				
Drivers (See attached sheet for breakdown)		15.9	15.9	15.9	15.9	15.9	15.9	95.17	4,949	$ 12.25	$ 60,636
Project Manager (Note #1)		0.8	0.8	0.8	0.8	0.8		4.00	208	$ 22.00	$ 4,860
Field Supervision		1.1	1.1	1.1	1.1	1.1	1.1	6.30	328	$ 15.22	$ 4,987
Mechanics (Note #2)		1.8	1.8	1.8	1.8	1.8	1.8	10.70	556	$ 16.55	$ 9,206
											$
											$

Comments/Notes:

Note 1 - Project Manager is full time, some cost is charged to other projects.

Note 2 - Mechanics are charged propotionally to this project there are 9 full time mechanics at the facility.

Total Annual Salaries	$ 79,689
1) Vacations, Sick Leave, Holiday	$ 3,236
2) Health Insurance **	$ 1,134
3) Payroll Taxes & Workers' Compensation	$ 16,939
4) Welfare and Pension	$
Total Annual Employee Benefits (1+2+3+4)	$ 21,309
5) Equipment Costs	$ 41,259
6) Service and Supply Costs	$ 16,574
7) General and Administrative Costs	$ 19,218
8) Profit	$ 11,364
Total Annual Other Costs (5+6+7+8)	$ 88,415
TOTAL ANNUAL PRICE	$ 189,413

* All employees shown must be FULL-TIME employees of the proposer, unless exemption to use Part-Time employees has been granted by the County.

** Minimum cost for health insurance is $2.20/hour if hourly wage rate is between $9.64 and $11.84, unless exemption from Living Wage requirements has been granted by the County.

This cost methodology is to show, in detail, how the Proposer arrived at the proposed contract price. This methodology is to reflect employee classifications to be used (e.g., landscape maintenance laborer, working supervisor, etc.); hours to be worked daily, weekly, and annually by each classification, hourly and annual wages to be paid to each classification; estimated annual payroll taxes; estimated annual allowances for vacation, sick, holdiay, health and welfare, and pension. Proposer's costs for insurance, supplies, equipment, overhead, and any other miscellaneous costs are to be shown as requested. These costs, plus the gross labor costs and projected profit, should total to the Proposer's annual price as quoted in Form PW-2, Schedule of Prices.

The above information was compiled from records that are available to me at this time and I declare under penalty of perjury that the information is true and accurate withing the requirements of the proposal.

Southland Transit, Inc.
Name of Proposer

Signature

7/21/08
Date

FORM LW-9
WAGE AND HOUR RECORD KEEPING FOR LIVING WAGE CONTRACTS

INSTRUCTIONS

The contractor selected through this RFP process will be required to comply with the State and Fair labor regulations and record keeping requirements. The objective of this questionnaire is to determine the appropriateness, scope, and suitability of the procedures the Proposer uses and the internal controls in place to ensure compliance with State and Federal labor regulations and record keeping requirements. In order to appropriately evaluate this area (Part 1, Section 4.D, Evaluation Criteria), it is critical that the Proposer submit a detailed description of the processes and the steps associated with those processes.

Answer all questions thoroughly and in the same sequence as provided below. If a question is not applicable, indicate with "N/A" and explain why such question is not applicable. Provide additional details to ensure a clear picture of the Proposer's processes and controls. As used in this questionnaire, the term Proposer includes the business entity that will provide the proposed services. Attach a sample copy of timesheet, pay check, and pay stub that show deduction categories as requested in this form.

ADDITIONAL PAGES MAY BE ATTACHED OR RESPONSES CAN BE PROVIDED IN A SEPARATE DOCUMENT. IDENTIFY EACH RESPONSE BY THE CORRESPONDING QUESTION NUMBER.

QUESTION	RESPOND HERE OR ATTACH NUMBERED RESPONSES IF MORE SPACE NEEDED.
1. TRACKING HOURS WORKED **1.1 How does the Proposer track employee hours actually worked?** **1.2 Where do the Proposer's employees report to work at the beginning of their shift? At the work location or at a central site with travel to the worksite?** **1.3 If the employees report to a central site with travel to the worksite, when does the Proposer consider the employee's shift to have started? At a central site or upon arrival at the work location?**	Employees have a schedule for work, but also have to check in and out of their work place. At the Hooper location drivers check in directly with the shift supervisor responsible on that day for on time pull-outs. The basis of on time tracking is the "roll out sheet" which is preprinted with all of the scheduled runs/drivers and the sign on/sign off times for those drivers. Each driver is required to sign and initial the roll out sheet to either approve the scheduled time or request additional time as required on that day (traffic on deadhead, meeting with manager, etc.) The sheet is the source from which payroll entry is made, and it is made by a supervisor at the driver's location into a proprietary Access software program. The entry is done throughout the payroll period rather than in one day at the end of the payroll cycle. This

	prevents the errors that occur by trying to enter all hours for all employees on the last day. Additionally, it allows for checking any discrepancies with the employee at a time when everyone can remember the day in question. We have no employees who report to a central work site and then travel. Each of our employees has an assigned work site which is where they report regularly for work. As such there is no travel pay owed for getting to the work site. Their paid time begins prior to pulling a revenue vehicle from the yard, as it includes time to complete the DVI.
2. REPORTING TIME **How does the Proposer know employees actually reported to work and at what time? For example, sign-in sheets, computerized check in, call-in system, or some other method?**	Employees have a schedule for work, but also have to check in and out of their work place. The drivers check in directly with the shift supervisor responsible on that day for on time pull-outs. The basis of on time tracking is the "roll out sheet" which is preprinted with all of the scheduled runs/drivers and the sign on/sign off times for those drivers. Each driver is required to sign and initial the roll out sheet to either approve the scheduled time or request additional time as required on that day (traffic on deadhead, meeting with manager, etc.)
3. RECORDS OF ACTUAL TIME WORKED **3.1 What records are created to document the beginning and ending times of employee's actual work shifts?** **3.2 What records are maintained by the Proposer of actual time worked?** **3.3 Are the records maintained daily or at another iInterval (indicate the interval)?** **3.4 Who creates these records (e.g. employee, supervisor, or office staff)?** **3.5 Who checks the records, and what are they checking for?** **3.6 What happens to those records?** **3.7 Are they used as a source document to create Proposer's payroll?**	As a company we have long understood the need to develop processes for tracking and submitting payroll. It is important to the employee to know and understood how their pay is tracked and issued. It is important to the company so that costs are controlled; and it is important because the law requires it. Thus, we worked many years ago with a software contractor to develop a program and process to meet all these needs, and which is generated from the specific location where the employee works. It is used in all of our eight locations throughout the state of California. Employees have a schedule for work, but also have to check in and out of their work place. Drivers check in directly with the shift supervisor responsible on that day for on time pull-outs. The basis of on time tracking is the "roll out sheet" which is preprinted with all of the scheduled runs/drivers and the sign on/sign off times for those drivers. Each driver is required to sign and initial the roll out sheet to either approve the scheduled time or request additional time as required on that day (traffic on deadhead, meeting with manager, etc.) The sheet is the source from which payroll entry is made, and it is made by a supervisor at the location into a proprietary Access software program. A daily log is attached.

3.8 ATTACH COPIES OF THESE RECORDS.	The entry is done throughout the payroll period rather than in one day at the end of the payroll cycle. This prevents the errors that occur by trying to enter all hours for all employees on the last day. Additionally, the more frequent entry allows for checking any discrepancies with the employee at a time when everyone can remember the day in question so disputes are minimized. Prior to the final steps of generating a paycheck, each location prints a pay period time sheet for each individual employee. It is given to the employee for signature. As it is done prior to the generation of a paycheck it allows the employee to raise issues regarding the time entered. We have trained our managers and supervisors to understand that this step is essential in producing accurate pay checks. If there is a question regarding the time entered it is addressed immediately, and the signed time sheets are retained in our records. A copy of this system generated time sheet is attached to this form. Signed time sheets are retained in accordance with law. As described above they are the source documents.
4. OTHER RECORDS USED TO CREATE PAYROLL (IF ANY) **4.1** If records of actual time worked are not used to create payroll, what is the source document that is used? **4.2 Who prepares and checks the source document?** **4.3** Does the employee sign it? **4.4** Who approves the source document, and what do they compare it with prior to approving it?	As previously described Southland pays from documents showing actual time worked. Those records are created at the work facility, checked by the supervisors who work from the same facility, and entered into the proprietary Access database by those local supervisors. Because it is being entered and checked at each location, the supervisors and/or clerks entering the time are able to follow up directly with the employee regarding any discrepancies in entry. Final time sheets are printed and signed by the employee prior to check issuance.

5. BREAKS **5.1** How does the Proposer know that employees take Mandated breaks and meal breaks (periods)? **5.2** Does the Proposer maintain any written supporting documentation to validate that the breaks actually occurred? 5.3 If so, who prepares, reviews, and approves such documentation?	We comply with California labor standards on scheduling of lunch periods. Time and time again we have taken over services where drivers were not afforded the lunch breaks. In addition to being a California legal requirement, we believe that regular lunch breaks contribute to enhanced system safety. The change to taking lunch breaks is not always a popular measure with drivers, who prefer being paid for the time, even if it means no lunch. For lunches we handle this by scheduling the lunch break in the Trapeze system so the driver has no assigned pick-ups. We emphasize the importance of doing this to the staff in the Trapeze Call Center so they do not allow a driver to skip lunch just to make things easy. Breaks are handled and monitored by the close communication necessary between the dispatch office and the drivers. When there is a "no-show", or at times when traffic is light, a passenger has been ready and delivered early, the driver is given the break needed. There are also times when a driver need an urgent "comfort" break and will coordinate with the dispatcher who will make space for that requirement. Call Center employees are approved for breaks by the on-site supervisor to insure that everyone is not gone at the same time.
6. HOW PAYROLL IS PREPARED **6.1** Discuss how the Proposer's payroll is prepared and how the Proposer ensures that employee wages are appropriately paid. 6.2 **How are the employee paid (e.g. manually issued check, automated check, or combination of methods)?** 6.3 If by check, do they receive a single check for straight time and overtime or are separate payments made? 6.4 What information is provided on the check (e.g., deductions for taxes, etc.)?	The hours maintained and entered into the Access database for employees are electronically shipped to our centralized payroll department in El Monte. The payroll personnel at that office check the hours and make entries to reflect changes in benefit deductions, legally required withholdings including child support orders, make certain that PTO accruals and deductions from those accruals are correct, as well as other payroll maintenance procedures. When these matters are done the payroll is shipped electronically to ADP, our payroll provider, which generates the checks that are sent to the locations. If the employee has elected direct deposit, the employee still receives a breakdown of the paycheck and amount that was directly deposited into their account. Every employee receives a single check for the biweekly pay period. It includes straight time and overtime. The paycheck shows all deductions from pay by specific category.

6.5 **ATTACH A COPY OF A PAY CHECK AND PAY CHECK STUB THAT SHOWS SHOWS DEDUCTION CATEGORIES (COVER UP OR BLOCK OUT BANK ACCOUNT INFORMATION AND ANY ANY EMPLOYEE INFORMATION).**	Our procedures have been reviewed by the DPW staff for many years, due to our operation of DPW contracts. We are attaching an Earning Statement and the paycheck generated for both a class B license driver and a Class C license driver. Although the statements and paychecks are real, all information which could identify the driver in question has been removed. A copy of a pay check with the attached Earnings Statement is attached to this form.
7. MANUAL PAYROLL SYSTEM 7.1 If the Proposer uses a manual payroll system, describe the steps the person preparing the payroll takes to create a check, starting from the source document through the issuance of a check. 7.2 If the employee has multiple wage rates (ie., County's Living Wage rate for County work and the Proposer's standard rate for other non-County work) how does the person preparing the payroll calculate total wages paid?	We do not use a manual payroll system.
8. AUTOMATED PAYROLL SYSTEM **8.1** If the Proposer uses an automated payroll system or contracts for such automated payroll services to an outside firm, describe the steps taken to prepare the payroll. 8.2 If the employee has multiple wage rates (i.e. County's Living Wage rate for County work and the Proposer's standard rate for other non-County work), How does the automated payroll system calculate total wages paid? 8.3 Is the calculation embedded in the software program or does someone have to override the system to perform the calculation?	As described above we have a proprietary Access database for recording hours, and our checks are issued by ADP. Response to Question 6 describes the transmission of that information in order to get checks processed. Should any employee work in a single pay week at two different pay rates, our Access database has provided space for that to occur. Thus the local payroll entry person would enter the hours worked under one pay rate under pay rate 1, and the individual hours worked under pay rate 2 separately. Should such an instance occur, which in our company is rare as raises given are specifically given at the end of a pay week to avoid this issue, the Access database calculates the total wages paid based on the entries in the two categories. This includes calculating the weighted rate that would be used for overtime in that pay week, which is a requirement of California Law.
9. TRAVEL TIME 9.1 How is travel time during an employee's shift paid?	Travel time is rarely an issue for drivers in our company. They report to a regular work

9.2 At what rate is such travel time paid if the employee has multiple wage rates? 9.3 Discuss how the Proposer calculates the day's wages for each situation described in the following two examples: a. During a single shift, an employee works three hours at a work location under a County Living Wage contract, then travels an hour to another work location to work four hours, where they are paid at a different rate than the County's Living Wage rate. b. During a single shift, an employee works three hours at a work location under a County Living Wage contract, then travels an hour to another work location to work four hours, where they are also paid the County's Living Wage rate.	place, in this case the Hooper location, and drive from that location. Travel time is so rare that we do not have a separate pay rate for travel time, it would merely be counted as regular pay. County staff employees are not assigned to work for other services on any regular basis. Every contract of service has differing pay rates tied to the contract in place for that service. Should there be a shortage of drivers or call staff on one service such that we would assign a regular County contract employee to cover on the other service, the County employee doing the cover work would receive their regular rate of pay which would be the County Living Wage Rate. Only in the case of an employee being permanently transferred to another service either by the employee's request or at the request of the County staff, would the wage rate change and that change would be permanent. In light of the fact that we do not have the situations described in Question 9.3 no answer is being provided.
10. OVERTIME **10.1** How does the Proposer calculate overtime wages? 10.2 What if the employee has multiple wage rates?	There are two earnings statements with time sheets attached. The first reflect a driver who has a C license. These drivers, like almost all employees in California, are subject to daily overtime, ie. overtime after eight hours worked in a day . The Biweekly hours Summary, which is in fact a time sheet, thus shows daily overtime worked under the column Hours x 1.5. The earnings statement shows period total line shows 79.83 hours worked at straight time and 17.85 hours worked as overtime with a rate of time and a half. The second earnings statement is for a driver with a B license. These drivers are an exception to daily overtime set forth in the Transportation Wage Order. The exception is necessary due to the fact that the B license and the hours worked by B license drivers are subject to federal law and the regulation of the USDOT. As such A and B license drivers are paid overtime AFTER 40 hours worked in a week. In those cases the driver paychecks show all hours paid as straight time. Overtime is then paid at half the pay rate for the hours that qualify as overtime. For example on the attached earnings statement for the B license driver, a driver on our County fixed-route system in Whittier, the time sheet shows a total of 88.17 hours worked. The earnings statement shows earnings of 88.17 hours worked at regular pay, and 8.17 hours worked at overtime rate which is half the regular rate of pay. This process of paying A or B license drivers in this manner was actually begun when the

	company had numerous drivers who had more than one pay rate. The half time rate could then reflect the overtime hours paid at a rate based on the weekly "regular rate of pay" (a weighted rate which reflects work at all the different pay rates during the pay week in question). Recognizing how this works is difficult for some employees to understand. Because of this the issue of wage calculation and how it appears on driver checks is part of the Southland manager and supervisor classes on human resources issues. Thus, when an employee has questions about the paycheck and where their overtime is reflected, the line manager or supervisor can answer those questions directly. The training also addresses rules regarding overtime calculations.

Dated: 7/21/07 PROPOSER'S SIGNATURE: _____

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Bi-weekly Hours Summary

Name: C License Driver

Payroll Ending Date: 2/29/2008

Date	Time In	Meal Break Out	Meal Break In	Time Out	Total Hours	Hours x 1.0	Hours x 1.5	Hours x 2.0	Hol. Hours	V/S Hours	J/D. Hours	Ber. Hours	Indicate reason for overtime/ any hours not worked
2/16/2008													
2/17/2008													
2/18/2008	06:45	12:00	12:30	15:05	7.83	7.83							
2/19/2008	06:45	12:30	13:00	17:30	10.25	8.00	2.25						
2/20/2008	06:45	12:45	13:15	17:20	10.08	8.00	2.08						
2/21/2008	06:45	12:00	12:30	17:15	10.00	8.00	2.00						
2/22/2008	06:45	11:40	12:10	17:05	9.83	8.00	1.83						
Weekly Total:					**48.00**	**39.83**	**8.17**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	

Date	Time In	Meal Break Out	Meal Break In	Time Out	Total Hours	Hours x 1.0	Hours x 1.5	Hours x 2.0	Hol. Hours	V/S Hours	J/D. Hours	Ber. Hours	Indicate reason for overtime/ any hours not worked
2/23/2008													
2/24/2008													
2/25/2008	06:45	12:10	12:40	17:06	9.85	8.00	1.85						
2/26/2008	06:45	13:30	14:00	16:40	9.42	8.00	1.42						
2/27/2008	06:45	12:30	13:00	17:45	10.50	8.00	2.50						
2/28/2008	06:45	12:00	12:30	16:35	9.33	8.00	1.33						
2/29/2008	06:45	11:45	12:15	17:50	10.58	8.00	2.58						
Weekly Total:					**49.68**	**40.00**	**9.68**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	
Period Total:					**97.68**	**79.83**	**17.85**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	

Employee: _____ **Supervisor:** _____ **Date:** _____

Earnings Statement

C license Driver

La Puente, CA 91744

Co	File #	Wk	Pay Date	Period End	Paid Dept	Paid Clock	Gross Pay	Net Pay	Check #	Chk/Vcr	Void
EFW	3130	10-1	03/07/2008	02/29/2008	170011		1,008.48	889.35	00058511	Check	

Earnings	Rate	Hours	This Period
Regular		79.83	755.19
Overtime		17.85	253.29
	Gross Pay		$1,008.48

Deductions	Statutory	
	Medicare	-14.08
	Social Security	-60.23
	75 SUI/SDI	-7.77
	Others	
	125 H/hmo	-37.05
	Net Pay	$889.35

Bi-weekly Hours Summary

Name: B license Driver

Payroll Ending Date: 2/29/2008

Date	Time In	Break 1 Out	Break 1 In	Break 2 Out	Break 2 In	Break 3 Out	Break 3 In	Break 4 Out	Break 4 In	Break 5 Out	Break 5 In	Break 6 Out	Break 6 In	Time Out	Rate 1	Rate 4	Hol	PTO	JD	Ber	Total	OT
2/16/2008																						
2/17/2008																						
2/18/2008	08:30	12:30	13:30	17:45											8:15							
2/19/2008	07:00	12:30	13:30	17:30											9:30							
2/20/2008	08:00	12:30	13:30	17:30											8:30							
2/21/2008	05:00	10:30	11:30	14:35											8:35							
2/22/2008	08:30	12:30	13:30	17:35											8:05							
Weekly Total:															**42.92**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**42.92**	**2.92**

Date	Time In	Break 1 Out	Break 1 In	Break 2 Out	Break 2 In	Break 3 Out	Break 3 In	Break 4 Out	Break 4 In	Break 5 Out	Break 5 In	Break 6 Out	Break 6 In	Time Out	Rate 1	Rate 4	Hol	PTO	JD	Ber	Total	OT
2/23/2008	09:00	14:10													5:10							
2/24/2008																						
2/25/2008	08:30	12:30	13:30	17:40											8:10							
2/26/2008	08:30	12:30	13:30	17:45											8:15							
2/27/2008	09:00	10:30	11:00	16:45											7:15							
2/28/2008	08:30	12:30	13:30	17:35											8:05							
2/29/2008	08:35	12:30	13:30	17:55											8:20							
Weekly Total:															**45.25**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**45.25**	**5.25**

Period Total: **88.17** **0.00** **0.00** **0.00** **0.00** **0.00** **88.17**

Employee: _____ **Supervisor:** _____ **Date:** _____

Earnings Statement

B license
Driver

Co	File #	Wk	Pay Date	Period End	Paid Dept	Paid Clock	Gross Pay	Net Pay	Check #	Chk/Vcr	Void
EFW	4985	10-1	03/07/2008	02/29/2008	175011		872.73	707.48	00058521	Check	

Earnings	Rate	Hours	This Period
Regular		88.17	834.09
Overtime		8.17	38.64
	Gross Pay		$872.73

Deductions	Statutory	
	Federal Income Tax	-80.71
	Medicare	-12.65
	Social Security	-54.11
	75 SUI/SDI	-6.98
	CA Worked In State Income Tax	-10.80
	Net Pay	$707.48