

**AGREEMENT BETWEEN MTA AND FIRST TRANSIT, INC**  
**SAGE STAGE TRANSIT SYSTEM MANAGEMENT AND OPERATIONS**

This AGREEMENT for management of the Sage Stage Transit System, hereinafter referred to as "SAGE STAGE," is made and entered into on \_\_\_\_\_ (month/day) of 2019 by and between the Modoc Transportation Agency, hereinafter referred to as "MTA" and First Transit, Inc. hereinafter referred to as "CONTRACTOR".

It is mutually understood and agreed as follows:

**1. COMPLETE AGREEMENT**

This AGREEMENT and **Attachments A through E and the First Transit Proposal dated March 22, 2019**, incorporated herein constitute the complete and exclusive statement of the terms of the AGREEMENT between the MTA and the CONTRACTOR and it supersedes all prior representations, understanding and communications. The invalidity in whole or in part of any provision of this AGREEMENT shall not affect the validity of other provisions. MTA's failure to insist in one or more instances upon the performance of any term or terms of this AGREEMENT shall not be construed as a waiver or relinquishment of MTA's right to such performance by CONTRACTOR.

**2. MTA DESIGNATED REPRESENTATIVES**

The Executive Director or his/her designee shall have the authority to act for and exercise any of the rights of the MTA as set forth in this AGREEMENT, subsequent to the authorization of the MTA.

**3. EMPLOYMENT OF THE CONTRACTOR**

MTA hereby engages the CONTRACTOR and the CONTRACTOR agrees to perform the services, hereinafter described in connection with the management, operation and maintenance of the SAGE STAGE public transit system.

**4. INDEPENDENT CONTRACTOR**

CONTRACTOR'S relationship to MTA in performance of this AGREEMENT is that of an independent contractor. The personnel performing services under this AGREEMENT shall at all times be under CONTRACTOR'S exclusive direction and control and shall be employees of CONTRACTOR and not employees of MTA. CONTRACTOR shall pay all wages, salaries and other amounts due its employees in connection with this AGREEMENT and shall be responsible for all reports and obligations respecting them, such as social security, income tax withholding, unemployment compensation, workers compensation insurance, and similar matters. CONTRACTOR shall notify its employees by written notice that any and all obligations in connection with their employment are those of the CONTRACTOR and not of the MTA.

**5. SCOPE OF WORK**

Subject only to the general policies and direction of the MTA with regard to SAGE STAGE management and operations, and to the provisions and requirements of this AGREEMENT, CONTRACTOR shall, upon receiving MTA's notice to proceed, do all things necessary to supervise and operate the SAGE STAGE public transit system (excluding vehicle maintenance and fuel), including but not limited to providing project management; day-to-day operation of SAGE STAGE vehicles; employment and supervision of all personnel including supervisors, vehicle operators, dispatchers; operation of training and safety programs; assisting in public relations and promotions; preparation of reports and analyses of financial and other matters; clerical, statistical, and bookkeeping services; expert management; preparation for Federal Motor Carrier and other agency inspections; FTA Drug & Alcohol MIS reporting and such other work as may be necessary in connection with the operation of the SAGE STAGE public transit system in accordance with EXHIBIT "A" - SCOPE OF WORK attached hereto.

**6. CHANGES IN SCOPE OF WORK**

It is understood and agreed by MTA and CONTRACTOR that it may be necessary, from time to time

during the term of this AGREEMENT, to modify its provisions or to revise the scope and/or extent of SAGE STAGE public transit system operations.

### **6.1 Amendment**

In each such instance, MTA and CONTRACTOR shall consult with each other and shall come to a mutually acceptable agreement as to the nature of the required modification or revision desired. Each modification or revision required shall be reduced to writing and, when appropriately executed by both parties, shall constitute an amendment to this AGREEMENT. Each amendment will be identified and sequentially numbered as “Amendment NO. 1” and so forth, shall be subject to all of the other applicable provisions of this AGREEMENT, and shall be attached to EXHIBIT “B”, entitled “APPROVED AMENDMENTS - SAGE STAGE AGREEMENT.” Until an amendment has been approved in the foregoing manner, it shall have no force or effect.

### **6.2 Minor Changes**

Notwithstanding the above, MTA, without invalidating the AGREEMENT, may from time to time order minor changes in the scope and/or extent of SAGE STAGE public transit system operations involving routes, service area boundaries, schedules, operating hours, bus stop locations, and so forth to respond to demand, special events and other occurrences without requiring an amendment pursuant to this ARTICLE, provided that such changes do not result in a change in the number of annual vehicle revenue hours of more than twenty-five percent (25%). Such changes shall be made by written sequentially numbered change order.

## **7. INDEMNIFICATION**

CONTRACTOR shall indemnify and hold harmless the MTA, its officers, officials, agents, employees and assigns from and against any and all claims, damages, losses, and expenses including attorneys fees and other costs of defense arising out of or alleging to arise out of the performance of the work described herein, caused in whole or in part by any negligent act of omission of the CONTRACTOR, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused solely by the active negligence, sole negligence, or willful misconduct of the MTA, its officers, officials, agents, employees and assigns.

This indemnity and hold harmless provision, insofar as it may be adjudged to be against public policy, shall be void and unenforceable only to the minimum extent necessary so that the remaining terms of this indemnity and hold harmless provision may be within public policy and enforceable.

## **8. MOTOR CARRIER AND US DOT NUMBER, INSURANCE, BONDS, PERFORMANCE GUARANTEE**

### **8.1 Motor Carrier and US DOT numbers and Insurance**

With respect to performance of work under this AGREEMENT, CONTRACTOR shall provide a valid USDOT and Motor Carrier number for operating SAGE STAGE. In addition, CONTRACTOR shall secure and maintain, and shall require all of its subcontractors to maintain, insurance as described below:

- 8.1.1 WORKER’S COMPENSATION INSURANCE with statutory limits, and EMPLOYER’S LIABILITY INSURANCE with limits of not less than one million dollars (\$1,000,000) per occurrence.
- 8.1.2 COMPREHENSIVE GENERAL LIABILITY INSURANCE with a combined single limit of not less than five million dollars (\$5,000,000) per occurrence. Such insurance shall include products/completed operations liability, owner’s and contractor’s protective, blanket contractual liability, broad form property damage coverage, and explosion, collapse and underground hazard coverage. Such insurance shall name the MTA, its appointed and elected officials, officers, employees, agents and assigns as additionally insured for claims arising under this AGREEMENT; (2) be primary with respect to any insurance or self-insurance programs maintained by the MTA; and (3) contain standard cross liability provisions. Coverage shall be at least as broad as Insurance Services Office Commercial General Liability coverage (occurrence

form CG 0001).

- 8.1.3 COMMERCIAL AUTOMOBILE LIABILITY INSURANCE with a combined single limit of not less than \$5,000,000 (FIVE MILLION DOLLARS) per occurrence. Such insurance shall (1) include coverage for owned, leased, hired and non-owned automobiles; (2) include Uninsured Motorist and Personal Injury Protection with coverage limits as required by law, (3) include Medical Payments with coverage limits of at least \$1,000 per occurrence, (2) name the MTA, its elected and appointed officials, officers, employees, agents and assigns as additionally insured for claims arising under this AGREEMENT; (3) be primary for all purposes; and, (4) contain standard cross liability provisions. Coverage shall be at least as broad as Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).
- 8.1.4 AUTOMOBILE COLLISION AND COMPREHENSIVE INSURANCE COVERAGE for the actual cash value of MTA vehicles. Such insurance shall (1) contain deductibles of not more than five thousand dollars (\$5,000), and (2) shall name the MTA as loss payee. CONTRACTOR shall be responsible for all deductibles. In case of damage or destruction of any vehicle or vehicles provided by MTA under the terms of this AGREEMENT, MTA agrees that liability for CONTRACTOR shall be limited to the appraised fair market value of the vehicle(s) at the time of the loss. CONTRACTOR and MTA agree that the appraised fair market value shall be that value established by an appraiser or appraisers as mutually agreed upon.
- 8.1.5 ALL INSURANCE shall contain the following provisions:
- a) Coverage shall be on an "occurrence" basis.
  - b) If Commercial General Liability or another form with a general aggregate is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate amount shall be twice the required occurrence limit.
  - c) The Liability Policy must cover personal injury as well as bodily injury.
  - d) The Liability policy shall include a cross-liability or severability of interest endorsement.
  - e) Broad form property damage liability must be afforded.
  - f) CONTRACTOR shall include all subcontractors as insured's under its policies or shall furnish separate certificates or endorsements for each subcontractor. All coverage's for subcontractors shall be subject to all of the requirements stated herein.
  - g) Insurance shall be placed with insurers with a current A.M. Best rating of no less than A: VII.
  - h) Policies shall name MTA, its officers, officials, agents, employees, and assigns as insured's under any policy, and the policy shall stipulate that this insurance shall operate as primary insurance and that no other insurance effected by insured will be called upon to contribute to a loss covered there under.

CONTRACTOR shall furnish properly executed Certificates of Insurance from insurance companies acceptable to MTA and signed copies of the specified endorsements for each policy prior to commencement of work under this AGREEMENT.

Such documentation shall clearly evidence all coverages required above including specific evidence of separate endorsements naming the MTA and shall provide that such insurance shall not be materially changed, terminated or allowed to expire except after 30 days prior written notice by certified mail, return receipt requested, has been given to the MTA.

The MTA reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Such insurance shall be maintained from the time work first commences until completion of the work under this AGREEMENT. CONTRACTOR shall replace such certificates for policies expiring prior to completion of work under this AGREEMENT.

If CONTRACTOR, for any reason, fails to maintain insurance coverage, which is required pursuant to this AGREEMENT, the same shall be deemed a material breach of contract. MTA, at its sole option, may terminate this AGREEMENT and obtain damages from the CONTRACTOR resulting from said breach. Alternatively, MTA may purchase such required insurance coverage, and without further notice to CONTRACTOR, MTA may deduct from sums due to CONTRACTOR any premium costs advanced by MTA for such insurance. CONTRACTOR does not represent that the coverages and limits herein will necessarily be adequate to protect MTA.

### **8.2 Fidelity Bond**

CONTRACTOR shall secure for its employees a Fidelity Bond protecting the MTA from employee theft up to the amount of ten thousand dollars (\$10,000) for any one occurrence. Such Fidelity Bond shall name MTA as loss payees with respect to amounts claimed there under arising out of CONTRACTOR's performance under this AGREEMENT. CONTRACTOR shall provide MTA a copy of said bond accompanied by proof of payment for same.

### **8.3 Performance Guarantee**

CONTRACTOR shall perform no services pursuant to this AGREEMENT, nor be entitled to compensation therefore, unless and until CONTRACTOR submits a bond or other acceptable surety to MTA for use of MTA, such bond executed by CONTRACTOR and a surety company licensed to do business in the State of California, such bond in the amount of 20 percent of annual contract cost, and which shall at all times be kept in full force and effect. The condition of such bond shall be that CONTRACTOR shall fully and faithfully perform all conditions and covenants of this AGREEMENT or that the face amount of such bond shall be forfeited to MTA. The bond may be a renewable one-year bond, and shall be renewed annually before its expiration date; provided, however, that such bond must remain in full force and effect from and after the date MTA makes any demands for payment on the bond until the MTA releases such claim. Provision of such bond or its equivalent, approved by MTA, is a material covenant of this AGREEMENT. MTA shall not approve any security that is not unconditionally payable to MTA upon MTA demand.

## **9. PAYMENT**

MTA agrees to pay CONTRACTOR for the performance of services set forth in this AGREEMENT as follows:

### **9.1 Price Formula**

CONTRACTOR shall invoice MTA for actual expenses incurred in the performance of this AGREEMENT plus a management fee **plus fixed fee (profit)** as defined below.

- a) Labor – CONTRACTOR shall bill actual labor costs, directly traceable to CONTRACTOR payroll registers and time cards, indicating hourly rate and number of hours paid for each employee during the calendar month.
- b) Payroll Taxes – CONTRACTOR shall bill an amount to cover actual payroll taxes as required by State and Federal regulations: OASDI (FICA), Medicare, SUI, and FUI.
- c) Worker's Compensation – CONTRACTOR shall bill an amount, based on percent of labor costs, for worker's compensation insurance, benefits, and claims as specified in Section 8.1.1 of this AGREEMENT.
- d) Automobile and Liability Coverage – CONTRACTOR shall bill MTA an agreed upon rate for vehicle insurance, liability coverage and claims as specified in Sections 8.1.2 through 8.1.5 of the AGREEMENT. CONTRACTOR is responsible for all legal fees, claims, and costs in conjunction with these insurance requirements.
- e) Management/Additional Expenses – CONTRACTOR shall identify costs of management and or additional expenses, which are directly traceable to payment registers and actual bills/receipts paid by CONTRACTOR.
- f) Profit - CONTRACTOR shall identify the **fixed fee (profit) on the invoice** in accordance with

**Exhibit E Price Sheets.**

**9.2 Fuel**

The MTA shall pay direct costs to selected vendors for **maintenance**, fuel and lubricants.

**9.3 Vehicle Maintenance and Repairs**

The MTA shall maintain vehicles in accordance with California Highway Patrol General Public Paratransit Vehicle maintenance requirements, and shall pay costs directly to selected vendors for vehicle maintenance and repairs.

**9.4 Statistics, Invoice and Payment**

9.4.1 Statistics. MTA shall submit the following statistics to the CONTRACTOR by respective due dates:

- 1) Odometer readings per vehicle at end of last service day of month by first business day of next month.

9.4.2 Invoice. CONTRACTOR shall submit electronically to the MTA within five (5) days of documentation receipt. Said invoice shall itemize CONTRACTOR's full and complete performance hereunder for the previous monthly period. Further, the CONTRACTOR shall submit an original invoice, signed by CONTRACTOR Project Manager, with copies of payment registers and/or detailed bills from vendors paid by CONTRACTOR during said month. Invoice and supporting materials shall be submitted to:

**Modoc Transportation Agency  
108 S. Main Street  
Alturas, CA 96101  
Attention: Executive Director**

9.4.3 Payment

- A. In compliance with 49 CFR Part 26.29 MTA shall ensure the CONTRACTOR pay its subcontractors performing work satisfactorily completed related to this AGREEMENT no later than thirty (30) days after the CONTRACTOR'S receipt of payment for that work from MTA.
- B. Unless the approved project is for Construction, he CONTRACTOR shall not hold retainage (withhold retention) from any subcontractor. The STATE shall not hold retainage (i.e., withhold retention) form any CONTRACTOR.
- C. If a dispute arises regarding Construction projects only, the CONTRACTOR may exercise its rights under California Public Contract Code (PCC) Sections 10262 and 10262.5 or California Business and Professions Code (BPC) Section 7108.5, as applicable.
- D. The CONTRACTOR is required to pay its subcontractors for satisfactory performance of work related to this AGREEMENT no later than 30 days after the CONTRACTOR's receipt of payment for that work from the MTA. In addition, the CONTRACTOR is required to return any retainage (retention) payment to any subcontractor within 30 days after the subcontractor's work related to this AGREEMENT is satisfactorily completed.

**10. OPERATING REVENUES**

All operating revenues collected by CONTRACTOR are the property of MTA. For the purposes of this AGREEMENT, operating revenues shall include but not necessarily be limited to farebox receipts and pass sales revenue. CONTRACTOR shall be responsible for handling farebox receipts and pass sales revenues in the manner discussed in the attached EXHIBIT "A", Scope of Work, and as necessary for MTA to meet the requirements of State and Federal funding sources.

**11. TERM OF AGREEMENT**

**11.1 Base Term**

This AGREEMENT shall become effective July 1, 2019 and shall continue in full force and effect

through June 30, 2024, unless earlier terminated as herein provided.

### **~~11.2 Option Term~~**

~~In consideration of the herein AGREEMENT, CONTRACTOR hereby grants the below option, exercisable in writing at MTA's sole election, anytime on or before the date specified herein and as follows:~~

- ~~A. Description—MTA may extend the service provided by CONTRACTOR under this AGREEMENT for up to two option periods of one year duration.~~
- ~~B. Price—The Monthly Billing rates shall be arrived at upon the basis of actual personnel costs, insurance costs, plus the profit and management fee. Cost increases to the insurance, management fee and profit shall not exceed ninety percent (90%) of the annual percent increase of the Western Region Consumer Price Index for the State of California U.S. Department of Labor Bureau of Labor Statistics, U.S. City Average CPI for the most recently concluded calendar year <https://www.bls.gov/cpi/factsheets/escalation.htm>. The personnel costs are derived from salaries designated by the MTA, employer payroll taxes, and employee benefits and insurance.~~
- ~~C. Option Exercise Dates: On or before April 1, 2025 for Option Year 1, and on or before April 1, 2026 for Option Year 2.~~

~~It is mutually understood and agreed that all work performed and services provided under the exercised option shall be in strict compliance with all of the requirements of this AGREEMENT as such may be amended from time to time by mutual agreement.~~

~~It is mutually understood and agreed that MTA is the parties are under no obligation whatsoever to exercise this option and that no representations have been made by MTA committing it to such exercise of this option, and that MTA may procure any such option requirements elsewhere. Such option exercise may be by amendment hereto or by issuance of a new agreement.~~

## **12. TERMINATION**

### Additional Termination Provisions

- A. Termination for Convenience (General Provision). When it is in the MTA's best interest, the MTA reserves the right to terminate this AGREEMENT, in whole or in part, at any time by providing a TEN (10) DAY WRITTEN NOTICE to the CONTRACTOR. The CONTRACTOR shall be paid its costs, including contract closeout costs, and profit on work performed up to the time of termination. The CONTRACTOR shall promptly submit its termination claim to the MTA. If the CONTRACTOR has any property in its possession belonging to the MTA, the CONTRACTOR will account for the same, and dispose of it in the manner the MTA directs.
- B. Termination for Default (General Provision). If the CONTRACTOR does not deliver supplies in accordance with the AGREEMENT delivery schedule, or, if the AGREEMENT is for services, the CONTRACTOR fails to perform in the manner called for in the contract, or if the CONTRACTOR fails to comply with any other provisions of the contract, the MTA may terminate this AGREEMENT for default. Termination shall be effected by serving a notice of termination on the CONTRACTOR setting forth the manner in which the CONTRACTOR is in default. The CONTRACTOR will only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner of performance set forth in the contract.

If it is later determined by the MTA that the CONTRACTOR had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of the CONTRACTOR, the MTA, after setting up a new delivery of performance schedule, may allow the CONTRACTOR to continue work, or treat the termination as a termination for convenience.

- C. Mutual Termination. The PROJECT may also be terminated if the MTA and the CONTRACTOR agree that its continuation would not produce beneficial results commensurate with the further expenditure of funds or if there are inadequate funds to operate the PROJECT equipment or otherwise complete the PROJECT.

#### **12.2 Compensation Upon Termination**

Should this AGREEMENT be terminated by MTA, MTA shall be liable for costs and fees as specified under Paragraph 9.1 - Price Formula accrued to date of termination, and for all other reasonable, allowable and documented costs incurred by CONTRACTOR to terminate its activities under the AGREEMENT through the effective date of termination. MTA and CONTRACTOR shall mutually agree upon a settlement claim for any long-term obligations that CONTRACTOR entered into in order to provide the services specified in the AGREEMENT. Thereafter, CONTRACTOR shall have no further claims for payment against MTA under this AGREEMENT.

Should this AGREEMENT be terminated by CONTRACTOR, MTA shall be liable for costs and fees as specified under Paragraph 9.1 - Price Formula accrued to date of termination and CONTRACTOR shall have no further obligation under this AGREEMENT after date of termination.

#### **12.3 MTA Remedies On Breach**

Notwithstanding anything to the contrary herein, it is understood and agreed that in the event of failure by CONTRACTOR to perform services required by this AGREEMENT, in addition to all other remedies, penalties and damages provided by law, the MTA may provide such services, and deduct the cost of doing so from the amounts due or to become due to the CONTRACTOR. The costs to be deducted shall be the actual costs to MTA to provide such service.

#### **12.4 Transition to Future Contractor**

For up to sixty (60) days following the effective date of the termination or expiration of this AGREEMENT, CONTRACTOR shall provide to either the MTA or any future CONTRACTOR selected by MTA, CONTRACTOR's full cooperation in the transition to the successor CONTRACTOR. This shall include, as a minimum, consultation regarding labor and management issues (including a delineation of wages and benefits by employee category), access to non-confidential personnel files.

CONTRACTOR shall release all telephone numbers and any sequential rollover numbers, if applicable, to the new operator. CONTRACTOR shall provide its best professional effort to assure a smooth transition from CONTRACTOR's services to the new provider's services, and shall cooperate fully with the MTA and the new provider to this end.

### **13. ADMINISTRATION**

#### **13.1 Control**

- A. Contractor shall render all services under this AGREEMENT in a manner consistent with the policies of the MTA. Modification of existing policies or adoption of new policies during the term of this AGREEMENT which affect CONTRACTOR's performance of services shall be treated as changes pursuant to Section 6 - Changes in Scope of Work herein.
- B. MTA shall not interfere with the management of CONTRACTOR's normal business affairs and shall not attempt to directly discipline or terminate CONTRACTOR employees. MTA may advise CONTRACTOR in writing of any employee's inadequate performance that has a negative effect on the service being provided, and CONTRACTOR shall take prompt action to remedy the situation. In extreme and/or repetitive cases, MTA may demand removal of a CONTRACTOR employee from providing Services under this AGREEMENT provided that MTA shall make such request in writing, state the reasons therefore and include any supporting documentation, and provided further that such request does not violate applicable local, state or federal laws, rules or regulations.

- C. MTA reserves the right to change service design, rider rules, fares and schedules with the guidance/ expert-involvement of the CONTRACTOR.

### **13.2 Force Majeure**

Neither party shall be held responsible for losses, delays, failure to perform, nor excess costs caused by events beyond the control of such party. Such events may include, but are not restricted to, the following: acts of God, fire, epidemics, earthquake, flood or other natural disaster; strikes, picketing, war or civil disorder, road closures, unavailability of fuel.

CONTRACTOR shall not be entitled to compensation for any service, the performance of which is excused by this paragraph.

In the event that CONTRACTOR is unable to provide the services indicated due to any cause, CONTRACTOR shall make reasonable attempt to notify the public including notification to local radio stations, and if appropriate, local newspapers and television stations.

Whenever CONTRACTOR has knowledge that any actual or potential force majeure may delay or prevent performance of the AGREEMENT, CONTRACTOR, on a timely basis, shall notify MTA of the fact, and thereafter shall report to MTA all relevant information then known to CONTRACTOR, and shall continue to so report.

## **14. FEDERAL AID REQUIREMENTS**

### **14.1 Audit; Retention of Records**

- A. No Federal Government Obligation to Third Parties. The CONTRACTOR agrees that, absent of the Federal Government's express written consent, the Federal Government shall not be subject to any obligations or liabilities to any contractor, any third-party contractor, or any other person not a party to the Grant Agreement in connection with the performance of the Services. Notwithstanding any concurrence provided by the Federal Government in or approval of any solicitation, or third-party agreement, the Federal Government continues to have no obligation or liabilities to any party, including the CONTRACTOR or third-party contractor.
- B. Third-Party Contracts and Sub-agreements Affected. To the extent applicable, federal requirements extend to third-party contractors and their contracts at every tier, and to the sub-agreements of third-party contractors and the sub-agreements at every tier. Accordingly, the CONTRACTOR agrees to include, and to require its third-party contractors to include appropriate clauses in each third-party contract and each sub-agreement financed in whole or in part with financial assistance provided by the FTA.
- C. No Relationship between the California Department of Transportation and Third-Party Contractors. Nothing contained in this AGREEMENT or otherwise, shall create any contractual relationship, obligation or liability between the California Department of Transportation and any third-party contractors, and no third-party contract shall relieve the CONTRACTOR of his responsibilities and obligations hereunder. The CONTRACTOR agrees to be fully responsible to the MTA for the acts and omissions of its third-party contractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the CONTRACTOR. The CONTRACTOR'S obligation to pay its third-party contractors is an independent obligation from the MTA's to make payments to the CONTRACTOR. As a result, the California Department of Transportation shall have no obligation to pay or to enforce the payment of any moneys to any third-party contractor.
- D. Obligations on Behalf of the California Department of Transportation. The CONTRACTOR shall have no authority to contract for or on behalf of, or incur obligations on behalf of the California Department of Transportation.



- E. MTA Approval of Sub-agreements. The MTA shall approve in writing all proposed Sub-agreements, Memorandums of Understanding (MOU), or similar documents relating to the performance of the AGREEMENT prior to implementation. The CONTRACTOR agrees that it will not enter into any Sub-agreements unless the same are approved in writing by the MTA. Any proposed amendments or modifications to such Sub-agreements must be approved by the MTA prior to implementation.

#### ***14.2 Program Fraud and False or Fraudulent Statements or Related Acts***

- A. The CONTRACTOR acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. Section 3801 et seq. and US Department of Transportation regulations, "Program Fraud Civil Remedies," 49 CFR Part 31, apply to its actions pertaining to the Services. Upon execution of an underlying contract, the CONTRACTOR certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, and pertaining to the underlying contract or the federally assisted project for which this contracted work is being performed. In addition to other penalties that may be applicable, the CONTRACTOR further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 in the CONTRACTOR to the extent the Federal Government deems appropriate.
- B. The CONTRACTOR also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with federal assistance originally awarded by the FTA under the authority of 49 U.S.C. Section 5307, the Government reserves the right to impose the penalties of 18 U.S.C. Section 1001 and 49 U.S.C. Section 5307(n)(1) on the CONTRACTOR, to the extent the Federal Government deems appropriate.
- C. The CONTRACTOR agrees to include the above two clauses in each sub-agreement financed in whole or in part with Federal Assistance provided by the California Department of Transportation. It is further agreed that these clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

#### ***14.3 Records and Accounting***

Record Keeping The CONTRACTOR and all subcontractors shall maintain all books, documents, papers, accounting records, and other evidence pertaining to the performance of this Contract. All parties shall make such materials available at their respective offices at all reasonable times during the performance and for three (3) years from the date of final payment under this AGREEMENT and all sub-agreements.

Access to Records The MTA, the California Department of Transportation, the State Auditor General, and any duly authorized representative of the Federal government shall have access to any books, records, and documents of the CONTRACTOR and its subcontractors that are pertinent to this Contract of audits, examinations, excerpts, and transactions, and copies thereof shall be furnished if requested. The CONTRACTOR shall include a clause to this effect in every sub-agreement entered into relative to this AGREEMENT.

Accounting Records The CONTRACTOR shall establish and maintain separate accounting records and reporting procedures specified for the fiscal activities of this AGREEMENT. The CONTRACTOR'S accounting system shall conform to generally accepted accounting principles (GAAP) and uniform standards that may be established by California Department of Transportation. All records shall provide a breakdown of total costs charged to MTA including properly executed payrolls, time records, invoices, and vouchers.

#### ***14.4 Federal, State and Local Regulations***

Federal Changes, Amendments to State, and Local Laws, Regulations, and Directives

The terms of the most recent amendments to any federal, State, or local laws, regulations, FTA directives, and amendments to the grant or cooperative contract that may be subsequently adopted, are applicable to this AGREEMENT to the maximum extent feasible, unless the California Department of Transportation provides otherwise in writing.

#### **14.5 Civil Rights**

**Civil Rights (Title VI, EEO, & ADA)** During the performance of this Contract, the CONTRACTOR its assignees and successors in interest, agree to comply with all federal statutes and regulations applicable to grantee sub-recipients under the Federal Transit Act, including, but not limited to the following:

- A. **Race, Color, Creed, National Origin, Sex.** In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. Section 2000e, and federal transit law at 49 U.S.C. Section 5332, the CONTRACTOR Agrees to comply with all applicable equal employment opportunity (EEO) requirements of the U.S. Department of Labor (U.S. DOL) regulations, “Office of Labor,” 41 CFR Parts 60 et seq., (which implement Executive Order No. 11246, “Equal Employment Opportunity,” as amended by Executive Order No. 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” 42 U.S.C. Section 2000e note), and with any applicable federal statutes, executive orders, regulations, and federal policies that may in the future affect construction activities undertaken in the course of the Services. The CONTRACTOR agrees to take affirmative action to ensure that applicants are employed, and that agrees to take affirmative action to ensure that applicants are employed, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation; and selection from training, including apprenticeship. In addition the CONTRACTOR agrees to comply with any implementing requirements the California Department of Transportation any issue.
- B. **Nondiscrimination.** The CONTRACTOR, with regard to the work performed by it during the contract term shall act in accordance with Title VI. Specifically, the CONTRACTOR shall not discriminate on the basis of race, color, national origin, religion, sex, age, or disability in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The CONTRACTOR shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the U.S. Department of Transportation’s Regulations, including employment practices when the Contract covers a program whose goal is employment. Further, in accordance with Section 102 of the Americans with Disabilities Act (ADA), as amended, 42 U.S.C. Section 12112, the CONTRACTOR agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, “Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act,” 29 CFR Part 1630, pertaining to employment of persons with disabilities. In addition, the CONTRACTOR agrees to comply with any implementing requirements the California Department of Transportation may issue.
- C. **Solicitations for Subcontractors Including Procurements of Materials and Equipment.** In all solicitations, either by competitive bidding or negotiation by the CONTRACTOR for work performed under a sub-agreement, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the CONTRACTOR of the subcontractor’s obligations under this AGREEMENT and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
- D. **Information and Reports.** The CONTRACTOR shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the MTA or the California Department of Transportation to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of a CONTRACTOR is in

the exclusive possession of another who fails or refuses to furnish the information, the CONTRACTOR shall certify to the MTA or the California Department of Transportation as appropriate, and shall set forth what efforts it has made to obtain the information.

- E. Sanctions for Noncompliance. In the event of the CONTRACTOR'S noncompliance with the nondiscrimination provisions of the Contract, the MTA shall:
1. Withholding of payment to the CONTRACTOR under the AGREEMENT until the CONTRACTOR complies, and/or
  2. Cancellation, termination, or suspension of the Contract, in whole or in part.
- F. Incorporation of Provisions. The CONTRACTOR shall include the provisions of these paragraphs A through F in every sub-agreement, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The CONTRACTOR will take such action with respect to any subcontractor or procurement as the MTA or the California Department of Transportation may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event a CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such directions, the CONTRACTOR may request the MTA to enter into such litigation to protect the interest of the MTA, and, in addition, the CONTRACTOR may request the California Department of Transportation to enter into such litigation to protect the interests of the California Department of Transportation.

Incorporation of FTA Terms. Incorporation of Federal Transit Administration (FTA) Terms - The preceding provisions include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220.1F are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this AGREEMENT. The CONTRACTOR shall not perform any act, fail to perform any act, or refuse to comply with any California Department of Transportation requests which would cause the California Department of Transportation to be in violation of the FTA terms and conditions. The CONTRACTOR shall not perform any act, fail to perform any act, or refuse to comply with any MTA requests which would cause the MTA to be in violation of the FTA terms and conditions.

#### ***14.6 Energy Conservation***

The CONTRACTOR agrees to comply with the mandatory energy efficiency standards and policies within the applicable California Department of Transportation energy conservation plans issued in compliance with the Energy Policy and Conservation Act, 42, U.S.C. Section 6321 et seq.

#### ***14.7 Debarment and Suspension***

- A. The CONTRACTOR agrees to comply with the requirements of Executive Order Nos. 12549 and 12689, "Debarment and Suspension," 31 U.S.C. Section 6101 note; and U.S. DEPARTMENT OF TRANSPORTATION regulations on Debarment and Suspension and 49 CFR Part 29.
- B. Unless otherwise permitted by the California Department of Transportation, the CONTRACTOR agrees to refrain from awarding any third-party contract of any amount to or entering into any sub-contract of any amount with a party included in the "U.S. General Services Administration's (U.S. GSA) List of Parties Excluded from Federal procurement and Non-procurement Program," implementing Executive Order Nos. 12549 and 12689, "Debarment and Suspension" and 49 CFR Part 29. The list also include the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible for contract award under statutory or regulatory authority other than Executive Order Nos. 12546 and 12689.

- C. Before entering into any sub-agreements with any subcontractor, the CONTRACTOR agrees to obtain a debarment and suspension certification from each prospective recipient containing information about the debarment and suspension status and other specific information of that awarding agency and its “principals,” as defined at 49 CFR Part 29.
- D. Before entering into any third-party contract exceeding \$25,000.00, the CONTRACTOR agrees to obtain a debarment and suspension certification from each third-party contractor containing information about the debarment and suspension status of that third-party contractor and its “principals,” as defined at 49 CFR 29.105(p). The CONTRACTOR also agrees to require each third-party contractor to refrain from awarding any sub-agreements of any amount, at any tier, to a debarred or suspended subcontractor, and to obtain a similar certification for any third-party subcontractor, at any tier, seeking a contract exceeding \$25,000.00.

#### **14.8 Disputes, Breaches or Litigation**

Provisions for Resolution of Disputes, Breaches, or Other Litigation MTA and the CONTRACTOR shall deal in good faith and attempt to resolve potential disputes informally. If the dispute persists, the CONTRACTOR shall submit to the Awarding Agency Representative for this AGREEMENT or designee a written demand for a decision regarding the disposition of any dispute arising under this Contract. The Awarding Agency Representative shall make a written decision regarding the dispute and will provide it to the CONTRACTOR. The CONTRACTOR shall have the opportunity to challenge in writing within ten (10) working days to the Awarding Agency’s Executive Director or his/her designee. If the CONTRACTOR’S challenge is not made within the ten (10) day period, the Awarding Agency Representative’s decision shall become the final decision of the Awarding Agency. The Awarding Agency and the CONTRACTOR shall submit written, factual information and supporting data in support of their respective positions. The decision of the Awarding Agency shall be final, conclusive, and binding regarding the dispute, unless the CONTRACTOR commences an action in court of competent jurisdiction to contest the decision in accordance with Division 3.6 of the California Government Code.

#### **14.9 Lobbying**

- A. The CONTRACTOR agrees that it will not use federal assistance funds to support lobbying. In accordance with 31 U.S.C. and U.S. Department of Transportation Regulations, “New Restrictions on Lobbying.” 49 CFR Part 20, if the bid is for an award for \$100,000.00 or more the Awarding Agency will not make any federal assistance available to the CONTRACTOR until the Awarding Agency has received the CONTRACTOR’S certification that the CONTRACTOR has not and will not use federal appropriated funds to pay any person or organization to influence or attempt to influence an officer or employee of any federal agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal grant, cooperative agreement, or any other federal award from which funding for the Services is originally derived, consistent with 31 U.S.C. Section 1352, and;
- B. If applicable, if any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an office or employee of any federal agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with the form instructions.
- C. The CONTRACTOR shall require that the language of the above two clauses be included in the award documents for all sub-awards at all tiers (including sub-agreements, sub-grants, and contracts under grants, loans, and cooperative agreements) which exceed \$100,000.00 and that all awarding agencies shall certify and disclose accordingly.

This AGREEMENT is a material representation of facts upon which reliance was placed when the AGREEMENT was made or entered into. These provisions are a prerequisite for making or entering into a contract imposed by Section 1352, Title 31, U.S. Code. Any person who fails to comply with these provisions shall be subject to a civil penalty of not less than \$10,000.00 and not more than \$100,000.00 for each failure.

#### **14.10 Clean Air**

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

#### **14.11 Clean Water**

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

#### **14.12 Employee Agreements**

Transit Employee Protective Arrangements. The CONTRACTOR agrees to comply with applicable transit employee protective requirements, as follows:

#### **14.13 Charter Service and School Bus Operations**

Charter Service Operations. The CONTRACTOR agrees to comply with 49 U.S.C. Section 5323(d) and 49 CFR Part 604, which provides that recipients and awarding agencies of the FTA assistance are prohibited from providing charter service using federally funded equipment or facilities if there is at least one private charter operator willing and able to provide the service, except under one of the exceptions listed at 49 CFR-Subpart B. Any charter service provided under one of the exceptions must be "incidental," i.e., it must not interfere with or detract from the provision of mass transportation. The CONTRACTOR assures and certifies that the revenues generated by its incidental charter bus operations (if any) are, and shall remain, equal to or greater than the cost (including depreciation on federally assisted equipment) of providing the service. The CONTRACTOR understands that the requirements of 49 CFR Part 604 will apply to any charter service provided, the definitions in 49 CFR part 604 apply to this contract, and any violation of this AGREEMENT may require corrective measures and the imposition of penalties, including debarment from the receipt of further federal assistance for transportation.

- A. The CONTRACTOR agrees to carry out the transit operations work on the underlying contract in compliance with terms and conditions determined by the U.S. Secretary of Labor to be fair and equitable to protect the interests of employees employed under this Contract and to meet the employee protective requirements of 49 U.S.C. 5333(b), and U.S.DOL guidelines at 29 CFR Part 215, and any amendments there to.
- B. The CONTRACTOR also agrees to include the applicable requirements in each sub-agreement involving transit operations financed in whole or in part with federal assistance provided by the FTA.

School Bus Operations. Pursuant to 49 U.S.C. 5323(F) and 49 CFR Part 605, the CONTRACTOR agrees that it and all its subcontractors will: (1) engage in school transportation operations in

competition with private school transportation operators only to the extent permitted by an exception provided by 49 U.S.C. 5323(F) and implementing regulations, and (2) comply with requirements of 49 CFR Part 605 before providing any school transportation using equipment of facilities acquired with federal assistance awarded by the FTA and authorized by 49 U.S.C. Chapter 53 or Title 23 U.S.C. for transportation projects. The CONTRACTOR understands that the requirements of 49 CFR Part 605 will apply to any school transportation it provides, that the definitions of 49 CFR Part 605 apply to any school transportation agreement, and a violation of the contract may require corrective measures and the imposition of penalties, including debarment from the receipt of further federal assistance for transportation.

#### ***14.14 Vehicle Operator Licensing***

Vehicle Operator Licensing The CONTRACTOR is required to comply with all applicable requirements of the Federal Motor Carrier Safety Administration regulations and the California Vehicle Code including, but not limited to, the requirement that all vehicle operators have a valid State of California driver's license, including any special operator license that may be necessary for the type of vehicle operated.

#### ***14.15 Drug-Free Workplace and Drug and Alcohol Testing***

Drug-Free Workplace The CONTRACTOR certifies by signing a Contract with the MTA that it will provide a drug-free workplace, and shall establish policy prohibiting activities involving controlled substances in compliance with Government Code Section 8355, et seq. The CONTRACTOR is required to include the language of this paragraph in award documents for all sub-awards at all tiers (including sub-agreements, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all awarding agencies shall disclose accordingly. To the extent the CONTRACTOR, any third-party contractor at any tier, any awarding agency at any tier, or their employees, perform a safety sensitive function under this AGREEMENT, the CONTRACTOR agrees to comply with, and assure the compliance of each affected third-party contractor at any tier, each affected awarding agency at any tier, and their employees with 49 U.S.C. Section 5331, and the FTA regulations, "Prevention of Alcohol Misuse and Prohibited Drug use in Transit Operations," 49 CFR Part 655.

Drug and Alcohol Testing The CONTRACTOR agrees to establish and implement a drug and alcohol testing program that complies with 49 CFR Part 655, produce any documentation necessary to establish its compliance with Part 655, and permit any authorized representative of the United States Department of Transportation or its operating administrations, the California Department of Transportation, or the MTA to inspect the facilities and records associated with the implementation of the drug and alcohol testing program as required under 49 CFR Part 655 and review the testing process. The CONTRACTOR agrees further to certify annually its compliance with Part 655 before February 28 and to submit the Management Information System (MIS) reports via FTA website at <http://www.transit-safety-volpe.dot.ca.gov/SafetyDAMIS.asp> annually before February 28th and paper copies to the Modoc Transportation Agency, 108 S. Main Street, Alturas, CA 96101, and to the California Department of Transportation, Division of Mass Transportation, MS 39, PO Box 942874, Sacramento, CA 94274-0001. To certify compliance the CONTRACTOR shall use the "Substance Abuse Certifications" in the "Annual List of Certifications and Assurances for Federal Transit Administration Grants and Cooperative Agreements," which is published annually in the Federal Register. In addition, CONTRACTOR agrees to use a consortium for the collection through the Lassen Banner Draw Station, 1445 Paul Bunyan Rd., Susanville, CA 96130; (530) 252-1177 or a testing facility as designated by MTA. Collection services by the certified laboratory or MRO to be determined and services paid for by the CONTRACTOR.

#### 14.16 Disadvantaged Business Enterprises *Clean Water*

Disadvantaged Business Enterprises (DBE) Contract Assurance. The CONTRACTOR, or SUBCONTRACTOR shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The CONTRACTOR or SUBCONTRACTOR shall carry out applicable requirement of 49 CFR Part 26 in the award and administration of [Federal] DOT-assisted contracts. Failure by the CONTRACTOR or SUBCONTRACTOR to carry out these requirements is a material breach of this contract, which may result in the termination of the Standard Agreement between the STATE and the Awarding Agency, the termination of this AGREEMENT by the Awarding Agency, or such other remedy the STATE or Awarding Agency deems appropriate, which may include, but is not limited to:

- (1) Withholding monthly progress payments;
- (2) Assessing sanctions;
- (3) Liquidated damages; and/or
- (4) Disqualifying the CONTRACTOR from future bidding as non-responsive.

Awarding Agency shall notify the CALTRANS DBELO in the event the Awarding Agency finds the CONTRACTOR or SUBCONTRACTOR is in violation of 49 CFR Part 26 within five (5) business days the finding is made.

DBE Participation Goal This AGREEMENT is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs. The AGREEMENT goal for participation of Disadvantaged Business Enterprises (DBE) for this AGREEMENT is 0%.

Offerors are required to document sufficient DBE participation to meet the contract goals or, alternatively, document adequate good faith efforts to do so, as provided for in 49 CFR 26.53 (3)(i)(A). Award of this AGREEMENT conditioned on submission of the following:

1. If the offer meets the DBE contract goal the offeror must include with the offer a completed ADM-0227F form.
2. If the offer cannot meet the DBE contract goal the offeror must include with the offer a completed ADM-0312F form that documents the offeror's good faith efforts (GFE) and ADM-0227F form. The Awarding Agency must document concurrence with the offeror's GFE and provide a copy of the GFE to Caltrans DRMT Compliance Liaison for additional concurrence prior to contract award.

The CONTRACTOR shall not terminate the DBE subcontractors listed on ADM-0227F without the Awarding Agency's prior written consent and concurrence from the CALTRANS DBELO. The Awarding Agency may provide such written consent only if the CONTRACTOR has good cause to terminate the DBE firm. Before transmitting a request to terminate, the CONTRACTOR shall give notice in writing to the DBE SUBCONTRACTOR of its intent to terminate and the reason for the request. The CONTRACTOR shall give the DBE five (5) days to respond to the notice and advise of the reasons why it objects to the proposed termination. When a DBE subcontractor is terminated or fails to complete its work on the AGREEMENT for any reason, the CONTRACTOR shall make good faith efforts (GFE) to find another DBE subcontractor to substitute for the original DBE and immediately notify the Awarding Agency in writing of its efforts to replace the original DBE. These good faith efforts shall be directed at finding another DBE to perform at least the same amount of work under the AGREEMENT as the DBE that was terminated, to the extent needed to meet the AGREEMENT goal established for this procurement.

DBE Continued Compliance The Awarding Agency shall monitor the CONTRACTOR'S DBE compliance during the life of this AGREEMENT and submit to the STATE a completed ADM-3069 form in each their request for reimbursement (RFR) packet.

#### **14.16 Recycled Products**

The CONTRACTOR agrees to comply with all the requirements of Section 6002 of the Resource Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including but not limited to the regulatory provisions of 40 CFR Part 247, and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 CFR Part 247.

#### **14.17 Intelligent Transportation Systems (ITS)**

To the extent applicable, the CONTRACTOR agrees to conform to the National Intelligent Transportation System (ITS) Architecture and Standards as required by 23 U.S.C. Section 517(d), 23 U.S.C. Section 512 note, and 23 CFR Part 655 and 940, and follow the provisions of the FTA Notice, "FTA National ITS Architecture Policy on Transit projects," 66 Fed. Reg. 1455 et seq., January 8, 2001, and any other implementing directives the FTA may issue at a later date, except to the extent the FTA determines otherwise in writing.

#### **14.18 Buy America**

The CONTRACTOR shall comply with the Buy-America requirements of 49 U.S.C. 5323(j) and 49 CFR Part 661 for all procurements of steel, iron, and manufactured products used in PROJECT. Buy-America requirements apply to all purchases, including materials and supplies funded as operating costs, if the purchase equals or exceeds \$150,000.00. Separate requirements for rolling stock are set out at 49 U.S.C. 5323(j)(2)(c) and 49 CFR 661.11. Rolling stock must be assembled in the United States and have a 60 percent domestic content.

### **15 GENERAL PROVISIONS**

#### **15.1 Conflicts and Benefits**

Conflict of Interest. The CONTRACTOR covenants that he/she presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of service required to be performed under this AGREEMENT. The CONTRACTOR further covenants that in the performance of this AGREEMENT, no person having such interest shall be employed.

Conflict of Transportation. Interests CONTRACTOR shall not divert any revenues, passengers or other business from MTA to any other transportation operation of CONTRACTOR.

Conflicting Use. CONTRACTOR shall not use any vehicle, equipment, personnel or other facilities which are dedicated to MTA for performing services under this AGREEMENT for any use whatsoever other than provided for in this AGREEMENT without the prior written approval of MTA.

Interest of Members of or Delegates to Congress. No member of or delegate to the Congress of the United States shall be admitted to any share or part of this AGREEMENT or to any benefit arising there from.

#### **15.2 Compliance with Laws, Rules, and Regulations.**

All services performed by CONTRACTOR pursuant to this AGREEMENT shall be performed in accordance and full compliance with all applicable federal, state, or local statutes, and any rules or regulations promulgated therein, including but not limited to, those relative to Civil Rights, Equal Employment Opportunity, Disadvantaged Business Enterprise, and Labor Protection. CONTRACTOR is subject to the provisions of Section 13(c) of the Urban Mass Transportation Act of 1964, as amended, and specifically to any labor protection provisions incorporated into the AGREEMENT for Federal Transit Act, Section 5311 federal assistance between MTA and the California Department of Transportation. These provisions require that the Services "be carried out in such a manner and upon such terms and conditions as will not adversely affect employees in the mass transportation industry within the service area of the project."

CONTRACTOR shall pay any and all federal, state, or local taxes as applicable. Further, CONTRACTOR shall secure, on its own behalf, or on behalf of MTA if requested, any and all licenses,



permits, certificates, and inspections required by law, including General Public Paratransit Vehicle inspections.

CONTRACTOR shall, assure that all of its employees operating SAGE STAGE vehicles possess a valid, current Class B California Driver License with appropriate endorsements. Further, CONTRACTOR shall participate in the Drivers Pull Notice Program as required by Section 1808.1 of the California Vehicle Code.

### **15.3 Headings**

The headings or titles to sections of the AGREEMENT are not part of the AGREEMENT and shall have no effect upon the construction or interpretation of any part of the AGREEMENT.

### **15.4 Sale or Transfer**

CONTRACTOR agrees, that it will not sell, assign or transfer in whole or in part any right, title or interest it possesses by reason of this AGREEMENT to any other person or entity without first obtaining the written consent of the MTA to such sale, assignment, or transfer. In the event of any violation of this Section, MTA may immediately terminate this AGREEMENT.

### **15.5 Binding**

This AGREEMENT shall be binding on the assigns, transferees, successors, heirs, trustees, executors and administrators of the parties hereto.

### **15.6 Notice**

All notices hereunder and communications with respect to this AGREEMENT shall be effected upon the mailing thereof by registered or certified mail return receipt requested and addressed to the persons named below:

**CONTRACTOR:**

Bradley A. Thomas, President  
First Transit, Inc.  
600 Vine Street, Suite 1400  
Cincinnati, OH 45202

**MTA:**

Debbie Pedersen, Executive Director  
Modoc Transportation Agency  
108 S Main Street  
Alturas, CA 96101

**IN WITNESS WHEREOF**, the parties have caused this AGREEMENT to be executed on the day and year first above written.

**MODOC TRANSPORTATION AGENCY:**

\_\_\_\_\_ Date: \_\_\_\_\_, 2019  
Debbie Pedersen, Executive Director

**FIRST TRANSIT:**

\_\_\_\_\_ Date: \_\_\_\_\_, 2019  
Bradley A. Thomas, President

\_\_\_\_\_  
Federal Tax I.D. Number

DRAFT

**EXHIBIT “A”**  
**AGREEMENT - Scope of Work**

**1. MTA DUTIES AND RESPONSIBILITIES**

MTA shall perform the following duties and accept the following responsibilities with respect to SAGE STAGE transit system. To the extent reasonable and feasible, CONTRACTOR shall assist MTA in this regard.

**1.1. System Planning and Administration**

MTA shall be responsible for all planning activities relative to SAGE STAGE routes, schedules, days and hours of operations, bus stop locations, location of street furnishings, preparation of planning documents, budgets, grant applications and related documentation, and other such activities relative to overall system administration.

**1.2. Liaison with Local Jurisdictions, Citizens Groups**

MTA shall be responsible for coordinating project activities with local and regional governmental jurisdictions, agencies and citizens groups. MTA is currently coordinates with local social service agencies (CalWORKS, Mental Health, Behavioral Health, Social Services, Modoc Medical Center Acute Care, Modoc Medical Center Physical Therapy, Modoc Medical Center Clinic, TEACH Senior Services, and TEACH, Inc., etc) and adjoining transit agencies such as Lassen Rural Bus, Basin Transit Service, Redding Area Bus authority, Burney express, and others. MTA has good relations with local agencies.

**1.3. Notification - Potential Interference with SAGE STAGE Operations**

MTA shall make a reasonable effort to notify CONTRACTOR in advance of any road closures, detours, parades or other such events within the jurisdiction of local agencies that may interfere with SAGE STAGE operations or require deviations from established routes or schedules. CONTRACTOR and MTA shall mutually agree upon such deviations.

**1.4. Advertising and Promotion**

MTA shall prepare, place, schedule and pay for all advertising and promotional materials designed to inform the public of Sage Stage operations and to promote ridership. CONTRACTOR shall assist and cooperate with marketing and promotional events or activities.

**1.5. Buses; Equipment**

MTA shall provide to CONTRACTOR the vehicles and equipment set forth in EXHIBIT “C” entitled “MTA VEHICLES; EQUIPMENT”. These vehicles and equipment shall be used only for activity directly related to the transit system covered by this AGREEMENT, unless otherwise authorized, in writing, by MTA. MTA will provide drivers cellular phones for communication while operating the bus and bear the cost of the phones. MTA VEHICLES are provided with exterior vinyl material for the Sage Stage logo; US DOT and CA MC numbers shall be of comparable material so as not to tear or damage the Sage Stage vinyl material.

**1.6. Schedules; Passes; Tickets; Vouchers**

MTA shall prepare, print and provide to CONTRACTOR all schedules, passes, tickets; vouchers and like materials required by SAGE STAGE operations. CONTRACTOR shall distribute and disseminate such materials in accordance with the provisions of this AGREEMENT and any directions supplemental thereto provided by MTA.

**1.7. Street Furnishings**

MTA shall purchase, install, maintain and replace all street furnishings required for SAGE STAGE operations. Such furnishings include bus stop signs and posts, benches, shelters and the like. Further,

MTA shall maintain or request CALTRANS or property owners to maintain trees along SAGE STAGE routes and stops so as to preclude damaging vehicles by reason of low hanging trees and branches. CONTRACTOR and its employees shall cooperate with MTA by advising it of any such conditions observed during SAGE STAGE operations. Nothing heretofore shall relieve CONTRACTOR'S vehicle operators from exercising good care and caution in their vehicle operations in order to avoid such damage.

#### **1.8. Vehicle Maintenance**

~~Through separate contract vehicle maintenance will be provided by~~ MTA will schedule and pay a vendor for vehicle maintenance at no cost to CONTRACTOR.

#### **1.9. Fuel**

MTA will provide all fuel for transit operations and fuel cards for out of county fueling needs at no cost to CONTRACTOR

### **2. CONTRACTOR DUTIES AND RESPONSIBILITIES - OPERATIONS**

CONTRACTOR shall perform the duties and accept the responsibilities set forth below in connection with its operation of SAGE STAGE. The omission of a duty or responsibility herein below shall not relieve CONTRACTOR of its obligation to perform such duty or accept such responsibility, so long as it is usual, customary and generally accepted within the public transportation industry as being an integral element of operating a route deviation and demand responsive public transportation system of a kind and character such as SAGE STAGE.

#### **2.1. Operations - General**

CONTRACTOR shall provide the necessary management, technical and operating services for the operation of the SAGE STAGE transit system as specified by the MTA.

CONTRACTOR shall assist and cooperate with MTA in meeting the objectives of providing quality transportation services. CONTRACTOR shall perform close liaison activities, coordination and cooperation with MTA on matters related to operations, monitoring, reporting and service performance measurements.

All facilities, equipment and services required in the operation and management of the SAGE STAGE transit system shall be furnished by CONTRACTOR unless specifically identified to be contributed by MTA.

#### **2.2. Operations - Route Deviation Bus Service (Intercity Routes)**

CONTRACTOR will operate local and intercity bus services as specified by MTA and in strict accordance with the operating days and hours, routes and schedules set forth in the current **SAGE STAGE RIDER'S GUIDE**, attached hereto as *Exhibit D*, or any revisions thereto, and shall provide drivers to perform such service in a safe, professional and courteous manner, always striving for excellent customer service.

CONTRACTOR is hereby authorized to deviate from established routes when necessary as defined:

(1) To respond to passenger requests on an advance reservation basis to deviate up to one mile from the fixed route to pick up passengers. Reservations shall be accepted on a first-come, first-served basis; and,

(2) To avoid construction, detours, and vehicles or other obstructions within the public right of way. CONTRACTOR shall notify MTA of such obstruction caused deviation(s) as soon, as is practicable upon learning that the deviations are or may become necessary.

In the event that a SAGE STAGE route operates more than ten minutes behind schedule, CONTRACTOR shall take all available steps to restore on-time performance. CONTRACTOR shall establish procedures, subject to MTA review and approval, to restore on-time performance.

### **2.3. Operations - Local Bus Service**

Local Bus service shall be operated in accordance with the operating days, hours and service area set forth in the current **SAGE STAGE RIDER'S GUIDE**, attached hereto as *Exhibit D*, or any revisions thereto.

CONTRACTOR shall accept telephone requests for next day reservations and reservations made up to fourteen (14) days in advance. CONTRACTOR may also respond to telephone requests for same day service, but rides arranged at least one day in advance shall be given priority.

CONTRACTOR shall also accept "subscription service" reservations (provision of repetitive trips over an extended period time without requiring that individuals call to request reservations for each trip).

Depending upon fluctuations in the demand for service, CONTRACTOR may operate a vehicle for Local Bus service up to the number of hours and days set forth in the current **SAGE STAGE RIDER'S GUIDE**; however, operation of Local Bus shall be limited to those days and hours necessary to respond to demand. CONTRACTOR shall make every effort to maximize productivity through efficient coordination of trip requests and scheduling of personnel and vehicles. In no event will the total vehicle revenue hours billed to the MTA for Local Bus Service exceed 80 hours per week without prior written authorization by the MTA.

### **2.4. Charter, Special Event, Promotional, and Other Special Services**

In addition to regular SAGE STAGE operations, CONTRACTOR may from time to time, upon receiving specific written authorization by MTA, provide charter, special event, promotional, or other special transportation services within the SAGE STAGE service area using SAGE STAGE vehicles, provided that such services are determined by SAGE STAGE to be in the public interest, do not interfere with regular SAGE STAGE operations, and are in compliance with applicable federal and state statutes.

CONTRACTOR shall be entitled to compensation for such services at the normal rate specified in the AGREEMENT.

### **2.5. Service Standards**

CONTRACTOR shall strive at all times to provide service in a manner that will maximize productivity and at the same time emphasize quality customer service. Recognizing that the goals of productivity and service quality may conflict at times, the following standards are intended to be reasonably attainable by CONTRACTOR, fair to the customer and consistent with MTA expectations.

CONTRACTOR and MTA shall periodically meet to evaluate performance of the system based upon these standards. If the standards are not fulfilling their intended purpose, they shall be adjusted based upon recommendations made by CONTRACTOR with concurrence and final decision by MTA. Should it be found that CONTRACTOR'S performance has contributed to CONTRACTOR'S failure to achieve these standards, CONTRACTOR shall take all reasonable actions requested by MTA to correct deficiencies in performance. Should deficiencies persist, MTA may take whatever additional action is necessitated by the circumstances and provided for in the AGREEMENT of which this Scope of Work is a part.

#### **A. Local Bus Productivity Standard:**

1. Passengers per Vehicle Revenue Hour: Average 2.5 or greater.

### **2.6. Operations Personnel**

The CONTRACTOR shall provide, either directly or through approved subcontractors, all management, supervision, training, drivers, dispatchers, clerks, service workers, mobility management, telephone information operators, and such other personnel necessary to responsibly operate the SAGE STAGE public transit system.

For purposes of this AGREEMENT, the terms “employee(s)” and “personnel” shall include individuals employed by subcontractors that perform any of the SAGE STAGE vehicle operations functions.

## **2.7. Operations Management**

CONTRACTOR shall provide operations management at a level and capability sufficient to oversee its functions and employees.

CONTRACTOR shall designate and provide the services of a Project or General Manager and/or senior level supervisor (Manager), subject to the approval of MTA, who shall provide overall management, expert management and supervision of SAGE STAGE public transit operations under the terms of this AGREEMENT. For purposes of this agreement, expert management is defined as:

The Manager, must have a minimum of five years of experience in public transportation operations including at least three years’ supervisory experience. A bachelor’s degree in a related field from a four-year college may substitute for two years of transportation experience and one year of supervisory experience.

The Manager shall work cooperatively with MTA in matters relating to service quality, providing operational and other data as described in this Scope of Work, responding to comments from the MTA, SAGE STAGE passengers and the general public, and responding to specific requests for other assistance as the need arises. The Manager will act as health insurance administrator and human resources manager for Sage Stage drivers, operators, mobility manager and other office laborers.

Additionally, the Manager will be available for advice on technical or transit industry issues; oversee and assist in the preparation of California Highway Patrol (CHP), Federal Motor Carrier and other agency inspections; comply with requirements for Interstate Operators; be responsible for reporting and compliance with FTA Drug and Alcohol Policies; and track and monitor other proper certifications and licensing applicable to this Scope of Work.

CONTRACTOR shall assure the MTA that the Manager designated for this project will not be replaced without the prior written consent of MTA. Should the services of the Manager become no longer available to CONTRACTOR, the resume and qualifications of the proposed replacement shall be submitted to MTA for approval as soon as possible, but in no event later than five (5) working days prior to the departure of the incumbent Manager, unless CONTRACTOR is not provided with such notice by the departing employee. MTA shall respond to CONTRACTOR within three (3) working days following receipt of these qualifications concerning acceptance of the candidate for replacement Manager.

At all times, the Manager or other employee pre-designated and identified to the MTA to act for the Manager, shall be available either by phone or in person to make decisions regarding day-to-day SAGE STAGE operations, including emergency situations, or to provide coordination as necessary, and shall be authorized to act on behalf of CONTRACTOR regarding all matters pertaining to this Scope of Work.

## **2.8. Employee Selection and Supervision**

CONTRACTOR shall be responsible (either directly or through approved subcontractors) for the employment and supervision of all employees necessary to perform SAGE STAGE operations. CONTRACTOR responsibilities shall include employee recruitment, selection, pre employment screening, drug and alcohol testing, training, licensing, supervision, employee relations, evaluations, retraining, corrective actions, and termination. CONTRACTOR shall make every effort possible to employ current contractor personnel.

CONTRACTOR shall use appropriate screening and selection criteria in order to employ operations personnel. The CONTRACTOR shall perform pre employment background

investigations, DMV physicals, and criminal background checks of all employees associated with this agreement and shall undertake the steps necessary to assure that all such employees perform their duties in a safe, legal, and professional manner at all times.

CONTRACTOR shall make all reasonable efforts to ensure that employees having contact with the public in the course of their duties are of good moral character. Any such employee that is convicted of a felony or of a crime involving moral turpitude prior to or during the time of his/her employment, shall not be permitted to continue employment under this contract.

CONTRACTOR shall develop, implement and maintain an employee alcohol and substance abuse program that complies with Federal Transit Administration/Department of Transportation requirements, for all employees, including employees of subcontractors in safety-sensitive positions, personnel engaged in the operation SAGE STAGE vehicles, and equipment maintenance. Such program will comply with all applicable requirements as established by the Federal Transit Administration or by other federal or state agencies, including regulations promulgated to implement the Omnibus Transportation Employee Testing Act of 1991, as it may be amended from time-to-time.

CONTRACTOR shall at all times comply, and shall require subcontractors to comply, with applicable state and federal employment laws, including Section 1735 of the California Labor Code and Title VI of the Civil Rights Act of 1964, as amended.

Nothing in this section shall be construed by either CONTRACTOR or MTA to be in conflict with the language and intent of Article 4, Independent Contractor, of the AGREEMENT of which this Scope of Work is a part.

## **2.9. Training of Drivers and Operations Personnel**

CONTRACTOR shall develop, implement and maintain a formal training and retraining program that shall be subject to review and approval by MTA. An outline of the training program, including periodic updates, shall be on file in the offices of the MTA. All drivers, dispatchers, telephone information personnel, and supervisors shall participate in the program.

CONTRACTOR shall implement and maintain a specific training and retraining program for all drivers. The program must provide a fixed minimum number of hours of training for new employees, including classroom instruction, behind the wheel training under supervision of a certified instructor, and in-service training. The program shall include, but not necessarily be limited to, instruction covering applicable laws and regulations and defensive driving practices, disabled passenger assistance techniques, accident/incident procedures, SAGE STAGE and CONTRACTOR operating policies and procedures, employee work rules, vehicle safety inspection, equipment care and maintenance, customer relations and passenger conduct. Drivers shall be trained to operate all types of buses, wheelchair lifts and securement systems, and other equipment which they may be expected to use in the SAGE STAGE services.

All drivers shall be certified as having completed CONTRACTOR'S formal training course for new drivers as approved by MTA, and be licensed with a valid California Class B operator's license with appropriate certification(s) and medical card. Drivers of transit buses shall possess a Transit Bus Certificate as issued by the State of California Department of Motor Vehicles, pursuant to Section 12804.6 of the California Vehicle Code and shall possess a California General Public Paratransit Vehicle certificate. Drivers shall meet all applicable requirements as established by the California Highway Patrol.

CONTRACTOR shall prepare and furnish to MTA for approval and to all drivers, dispatchers, telephone operators, and supervisors a DRIVER'S MANUAL. Contents of the DRIVER'S MANUAL shall include the following subject areas: fundamentals of customer service; driver's rules; accident/incident policies; fog and inclement weather policy; vehicle inspection, care and maintenance policy and procedures, reporting procedure and pertinent sample forms.

Dispatchers, telephone operators, drivers, supervisors and any other personnel who may from

time-to-time be assigned to telephone information or reservation lines, shall be trained in customer service, customer relations skills, telephone manners, accident/incident procedures, fares, bus and demand response schedules and services, information referrals, ADA regulations regarding trip reservations, SAGE STAGE reservation procedures, and operating policies. Operations control personnel assigned to SAGE STAGE scheduling and vehicle dispatching duties shall have a detailed knowledge of applicable procedures and professional techniques.

**2.10. Driver's Responsibilities**

Drivers will, when requested by MTA, provide notices to passengers or otherwise render assistance with MTA's SAGE STAGE customer relations, promotion, marketing, monitoring and supervisory functions. Drivers will be required to honor special passes; collect, cancel and/or validate passes, tickets and coupons; and issue and collect transfers, as determined by MTA. Drivers will verify cash fares deposited in an onboard farebox. Drivers will not handle money or make change for passengers. Drivers will record ridership counts by passenger category and boarding location in accordance with procedures approved by MTA.

When requested, drivers of vehicles for SAGE STAGE services will provide passenger assistance to persons that have disabilities, including boarding/alighting assistance, loading and unloading of small packages, and, to the extent reasonable considering distance, travel assistance between the vehicle and the passenger's door.

Drivers shall have available at all times during operation of any bus, an accurate time piece with active second hand (or digital equivalent). Drivers will be responsible for ensuring accuracy of their time piece.

**2.11. Safety Program**

CONTRACTOR shall assume full responsibility for assuring the safety of passengers and operations of their personnel. CONTRACTOR shall comply with all applicable California Highway Patrol and OSHA requirements, and shall furnish MTA with copies of annual CHP vehicle/equipment inspections and CHP safety compliance reports, including driver pull notices.

CONTRACTOR shall develop, implement and maintain, in full compliance with California Law, a formal safety and accident prevention program including regularly scheduled safety meetings, participation in safety organizations, safety incentives offered by CONTRACTOR to drivers and other employees, and participation in risk management activities under the auspices of CONTRACTOR'S insurance carrier or other organization. CONTRACTOR shall provide a copy of said Safety Program and subsequent program updates to MTA.

CONTRACTOR shall, participate in the State of California Department of Motor Vehicles "Driver Pull Notice Program" for appropriate monitoring of employee driver license activity.

CONTRACTOR will require all drivers, control room personnel, and supervisors to participate in the safety program.

**2.12. Road Supervision**

CONTRACTOR shall provide road supervision as required to monitor drivers and vehicles and assist drivers in revenue service, including assistance with special events.

**2.13. Accident, Incident, and Complaint Procedures**

CONTRACTOR shall develop, implement and maintain formal procedures, subject to MTA review and approval, to respond to accidents, incidents, service interruptions, and complaints. Such occurrences shall include, but are not necessarily limited to, vehicle accidents, passenger injuries, passenger disturbances, in-service vehicle failures, wheelchair lift failures of in service buses, Route Deviation buses operating more than ten minutes behind schedule, and Local Bus service vehicles operating more than thirty minutes behind promised schedule.

All traffic accidents involving MTA vehicles, irrespective of injury, shall be reported to Highway Patrol, local police or sheriff, as appropriate, to the MTA, and to the CONTRACTOR's Manager.



CONTRACTOR will request that the law enforcement agency respond to investigate the accident. CONTRACTOR shall supply MTA with copies of all accident and incident reports.

The MTA shall be notified in writing by CONTRACTOR of all accidents and incidents resulting in loss or damage to SAGE STAGE property within 24 hours. In cases involving injury, CONTRACTOR shall notify MTA DESIGNATED REPRESENTATIVES immediately upon receipt by CONTRACTOR of such information.

**2.14. Vehicle Scheduling and Control**

CONTRACTOR shall utilize a systematic method to schedule and transport passengers using SAGE STAGE services. The method should be capable of accommodating both advance reservations and, in the case of Local Bus operation, “real time” requests for immediate service. The scheduling method shall integrate all demand for service into efficient vehicle hours that maximize productivity and assure service quality at levels prescribed in this Scope of Work.

CONTRACTOR shall implement and maintain an effective vehicle control system to maintain radio or telephone contact with all vehicles in service so as to provide supervision and guidance to vehicle operators, and respond to mechanical breakdowns, accidents and incidents in a timely and responsible manner consistent with industry practice.

**2.15. Operations Facility**

CONTRACTOR shall utilize the current operations facility located at 108 S. Main Street in Alturas, unless MTA establishes alternate facilities.

**2.16. Telephone Reservation and Information System**

CONTRACTOR shall provide dispatch personnel necessary to effectively respond to incoming calls at a quality and level consistent with SAGE STAGE patron demand.

CONTRACTOR shall make special efforts to respond to telephone service and information requests from deaf or Spanish-speaking patrons of SAGE STAGE. CONTRACTOR may provide TDD equipment for communications with deaf patrons, or use the California Relay Service for communication with deaf customers.

**2.17. Fares; Fare Collection**

All fares of any kind or character to be paid by SAGE STAGE patrons shall be established by MTA. CONTRACTOR shall assure that each patron pays the appropriate fare prior to being provided transportation service. All cash fares (or cash for authorized passes) will be paid by patrons in the exact amount due for their appropriate fare classification. Fares shall be deposited by patrons in the fareboxes provided by MTA in each vehicle. CONTRACTOR will collect or otherwise process in the manner directed by MTA all non-cash fares (vouchers, transfers, passes and like). All fares collected are the sole property of MTA.

CONTRACTOR shall, in accordance with a procedure to be specified by MTA, account for revenues collected on Route Deviation and Local Bus vehicles, reconcile fare revenues to passenger activity, and transmit such revenues to the MTA.

**2.18. Ticket Sales**

MTA shall assume all responsibility for the sale of tickets and passes to SAGE STAGE customers except that CONTRACTOR’S drivers may be required to sell day passes or punch- type passes on board the bus in accordance with procedures specified by MTA. CONTRACTOR shall assist the MTA and SAGE STAGE customers by providing accurate information to customers requesting information regarding pass and ticket sales.

**2.19. Books; Records; Reports**

CONTRACTOR shall maintain all books, records, documents, accounting ledgers, and similar materials relating to work performed for MTA under this AGREEMENT for a minimum of (3) years following the date of final payment under this AGREEMENT to CONTRACTOR by MTA. Original documents or certified copies shall be maintained locally at a place which shall be

subject to MTA approval.

Any authorized representative(s) of MTA shall have access to such records for the purpose of inspection, audit and copying at reasonable times during CONTRACTOR'S usual and customary business hours. CONTRACTOR shall provide proper facilities to MTA representative(s) for such access and inspection.

CONTRACTOR shall collect record and report to the MTA on a quarterly basis all accounting data for the SAGE STAGE operation in accordance with Section 99243 of the California Public Utilities Code, as is now in force or may hereafter be amended. All worksheets and detail information used to prepare these reports shall be available upon request. Each quarterly accounting report shall be provided to MTA within one month after the close of the applicable quarter.

CONTRACTOR shall collect record and report all operational data required by the MTA in a format approved by the MTA. Such data shall include, but not be limited to, data required under the California Transportation Development Act, as amended; statistics required by the Federal Transit Administration under the Section 5310, 5311, and 5311(f) grant programs; passenger count data by fare and demographic category, vehicle hours, vehicle miles, vehicle revenue hours, vehicle revenue miles, passengers per hour, wheelchair boardings, missed trips, accidents and incidents, complaints and compliments, and Sage Stage passenger requests refused and no-shows. Information concerning vehicle activity shall be collected daily on the demand response driver's log, route driver's report, dispatch log, and/or other forms as developed by CONTRACTOR and approved by MTA. MTA will be responsible for compiling summaries from the daily logs, reports and summaries.

**2.20. System Promotion**

CONTRACTOR shall not be responsible to undertake or fund any advertising or promotional activities on behalf of the MTA. CONTRACTOR shall, however, cooperate with MTA in any such activities initiated by the MTA. CONTRACTOR shall dispense MTA information publications, respond to patron requests for information, act as a liaison and provider of system promotion information with and to community agencies and groups, and do all other things to assist and support MTA's advertising and public information efforts.

**2.21. System Recommendations**

CONTRACTOR shall continually monitor SAGE STAGE operations, facilities and equipment and shall, from time-to-time and as warranted, advise MTA and make recommendations to it upon observed deficiencies and needed improvements. MTA shall retain all authority, however, to make determinations and to take action on such recommendations.

**2.22. Emergencies; Natural Disasters**

In the event of an emergency or natural disaster, CONTRACTOR shall make available, to the maximum extent possible, transportation and communications services and facilities to assist MTA in rectify such incidents. To the extent MTA requires CONTRACTOR to provide such emergency services and facilities; CONTRACTOR shall be relieved of the obligation to fulfill the duties and responsibilities to operate SAGE STAGE herein above contained. Further, CONTRACTOR shall be entitled to be paid reasonable compensation for providing such emergency services and facilities, provided however, that the amount of such compensation and time of its payment shall be mutually agreed upon by CONTRACTOR and MTA following the conclusion of the emergency or disaster, or at such other time as they may mutually agree.

**3. CONTRACTOR DUTIES AND RESPONSIBILITIES – VEHICLES**

All vehicle maintenance will be performed by local vendors through separate contract.

**3.1. MTA Vehicles; Equipment**

By execution of this AGREEMENT, CONTRACTOR acknowledges receipt of the vehicles and

equipment listed in EXHIBIT “C” - MTA VEHICLES; EQUIPMENT, and that each and every item has been received in good working condition. In the event that MTA provides CONTRACTOR with additional buses and/or equipment at future times, CONTRACTOR shall acknowledge receipt of such additional items, or deletion of items, and remove or include said equipment on CONTRACTOR's insurance policy. Upon termination or fulfillment of this AGREEMENT, CONTRACTOR shall return all MTA-owned equipment to MTA, in the condition received, less reasonable wear and tear.

### **3.2. Daily Vehicle Servicing**

CONTRACTOR shall, perform daily vehicle servicing on all SAGE STAGE vehicles used in revenue service. For purposes of this AGREEMENT, daily servicing will include, but not be limited to, fueling, engine oil, coolant, water and transmission fluid check/add, farebox vault pulling and replacement, wheelchair lift check, brake check, light and flasher check, interior sweeping and dusting, exterior and interior visual inspection, and check of all vehicle performance defects reported by drivers to MTA. Drivers will report to MTA any potential safety and reliability items requiring immediate attention. CONTRACTOR shall develop, implement and maintain a written checklist of items included in the daily servicing of each vehicle. The checklist will be utilized and kept on file at the MTA office. This checklist requirement may incorporate or supplement CHP required driver's pre-trip safety inspections.

### **3.3. Vehicle Cleaning**

CONTRACTOR shall, maintain SAGE STAGE vehicles in a clean and neat condition at all times. The interior of all vehicles shall be kept free of litter and debris to the maximum practicable extent throughout the operating day. Vehicles shall be swept and dusted daily. Interior panels, windows, and upholstery shall be cleaned of marks as necessary. The interiors of all vehicles shall be thoroughly washed a minimum of once per week (or more often to maintain a clean, sanitary interior), including all windows, seats, floor, stanchions and grab rails. All foreign matter such as gum, grease, dirt and graffiti shall be removed from interior surfaces during the interior cleaning process. Any damage to seat upholstery shall be reported to MTA upon discovery.

Exteriors of all SAGE STAGE vehicles shall be washed as required to maintain a clean, inviting appearance and in no event less than once per week. Exterior washing shall include bus body, all windows and wheels. Rubber or vinyl exterior components such as tires, bumper fascia, fender skirts and door edge guards shall be cleaned and treated with a preservative at least once per month, or as necessary to maintain an attractive appearance.

Buses shall be kept free of vermin and insects at all times. CONTRACTOR shall exterminate all vermin and insects from all vehicles immediately upon their discovery, utilizing safe and non-hazardous materials.

### **3.4. Vehicle Towing**

In the event that towing of any SAGE STAGE vehicle is required due to mechanical failure or damage, MTA shall be responsible to provide such towing at MTA's sole expense.

### **3.5. Fuel**

The MTA shall pay direct costs to selected vendors for fuel and lubricants. MTA will provide fuel cards for out of county fueling needs.

#### 4. SAGE STAGE DUTIES AND RESPONSIBILITIES TABLE

The following table presents the distribution of duties and responsibilities between MTA and the CONTRACTOR as discussed in this Scope of Work.

<i>Sage Stage Operations - Division of Duties and Responsibilities</i>	
<b><u>CONTRACTOR</u></b>	
Labor - management, supervision, training, drivers, mobility manager, telephone information operators	
Benefits - employee health insurance allowance	
Expert management - contact available to answer technical or transit industry questions	
Insurance - worker's comp, general liability, vehicle (liability, collision, comprehensive)	
Licensing, inspections, certifications, "pull notices" and Drug & Alcohol testing and reporting	
Vehicle cleaning	
Driver Timesheets, Invoices and documentation	
Provide vehicle and liability insurance	
Provide valid Motor Carriers and US DOT numbers for operation of all MTA vehicles	
<b><u>MTA</u></b>	
System planning and administration	
Advertising, promotion Schedules, passes and tickets	
Vehicles	
Vehicle fuel, lubricants, maintenance and repairs	
Street furnishings	
Operations facility and vehicle storage	
Telephones/Cell Phones	
Books, records and reports	

**Exhibit B**  
**Approved Amendments**

THIS SECTION OF THE DOCUMENT IS INTENTIONALLY BLANK.  
APPROVED AMENDMENTS WILL BE INCORPORATED INTO THE FINAL  
AGREEMENT PRIOR TO RATIFICATION BY THE CONTRACTOR AND  
MODOC TRANSPORTATION AGENCY

## Exhibit C

## MTA Vehicles

Vehicle No. (In Service)	Year	Make	Veh Model	VIN	License No	Funding Source	Fuel Type	Passenger Capacity	Length	Odometer on 10-19-18
T-14 (11/2009)	2009	GMC 5500	Glaval Titan	1GDE5V1909F409073	1340271	PTMISEA 07/08 08/09	Diesel Duramax	16+1 w/c or 14+2 w/c	27'	213,579
T-16 (12/27/10)	2010	Dodge Chrysler	Braun Enter Van	2D4RN4DE6AR296724	1358649	FTA 5311 Capital 09/10	Unl Gas	4+1 w/c or 2+2 w/c	Mini Van	12,094
T-17 (03/31/14)	2014	Chevy 4500	Glaval Titan II	1GB6G5BL0E1125063	1419643	FTA 5311 Capital 12/13	Diesel Duramax	14 or 12+2 w/c	24'	95,198
T-18 (03/31/15)	2015	Chevy 4500	Glaval Titan II	1GB6G5BLXE1197954	1398332	FTA 5311f Capital FY 13/14	Diesel Duramax	14 or 12+2 w/c	24'	92,860
T-19 (03/31/15)	2015	Chevy 4500	Glaval Titan II	1GB6G5BLXE1199381	1398333	RSTP+TDA	Diesel Duramax	14 or 12+2 w/c	24'	68,943
T-20 (07/26/16)	2016	Chevy 4500	Arboc	1GB6G5BLOF1287020	1475426	RSTP 14-15 & 15-16	Diesel Duramax	15 or 11+2 w/c	24'	43,590
T-21 (07/19/18)	2017	Ford T250	Transit	1FDE56PM4JKA9151Y		FTA 5311f Capital FY 16/17	Unleaded Gasoline	9 or 8+1 w/c	26'	2,736

Exhibit  
D  
SAGE STAGE  
RIDER'S GUIDE

### INTERCITY ROUTES

Sage Stage routes operate by reservation. Same day reservations and walk-on passengers are accepted when possible. At least one confirmed reservation is required for the bus to run.

#### RESERVATIONS

- To make a reservation for any of our intercity routes, call our office at (530) 233-6410, Monday thru Friday, 8 am and 5 pm.
- Please make your reservation at least one day ahead to guarantee your trip. Provide your name, phone number, pick up and drop off locations.
- At least one confirmed reservation is required for the bus to run. We highly recommend that you call 24 hours in advance to reserve your seat.

#### RESERVED SEATING

- Sage Stage buses will pick up at designated bus stops or at "flag stops" along the route where it is safe to stop.
- Please note that our major stops are signed with the sign shown here. However many of our stops in outlying areas are not signed. If you are unsure of the designated bus stop location, please ask when you call to make your reservation.
- If you wish to be picked up at a location other than a designated stop, please call the office.

#### BAGGAGE

- Passengers must load their own baggage.
- There is a limit of 2 carry on bags (maximum 40 pounds each) per passenger. For each additional 2 bags, another general fare will be charged.

#### ABOUT SAGE STAGE ACCESSIBILITY

All Sage Stage buses are wheelchair accessible and meet ADA specifications. The lifts accommodate up to 750 pounds gross weight. Please keep your wheelchair properly maintained. You must be secured to your wheelchair with a lap and shoulder belt and the wheelchair will be secured to the vehicle with a four point tie-down system. The driver will refuse to transport any wheelchair that is not properly maintained that could pose a hazard to the rider, driver, equipment and others on the bus.

#### SAGE STAGE HOLIDAYS

No bus service on Presidents Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving, Christmas Eve Day, Christmas Day and New Year's Day.

#### COURTESY & SAFETY RULES

- Passengers are prohibited use, sale, or distribution of tobacco, alcohol, controlled substances, or drugs on the bus.
- Finearms and hazardous materials may not be brought on board Sage Stage buses.
- Drivers have the right to refuse service to individuals that are intoxicated/under the influence, use profanity, or are unruly.
- Only qualified service animals are allowed on-board.
- As required by law, children must use a safety seat that is provided by the rider and be accompanied by an adult.
- All passengers must use safety belts and remain seated until the bus comes to a full stop.

#### INTERCITY FARES – One-Way

ROUTE	Zone	Discount	General
US 305	Alturas to Likely	\$6.00	\$9.00
	Alturas to Susanville	\$13.50	\$16.00
	Susanville to Reno	\$16.50	\$22.00
	Alturas to Reno	\$24.00	\$22.00
	Likely/Ravendale to Reno	\$21.00	\$26.00
SR 209	Alturas to Burney	\$12.00	\$16.00
	Burney to Redding	\$9.00	\$12.00
	Alturas to Redding	\$19.50	\$26.00
	Canby to Redding	\$16.00	\$21.00
	Adin/Bieber to Redding	\$12.00	\$16.00
SR 139	Alturas to Canby	\$6.00	\$8.00
	Alturas to Klamath Falls	\$3.50	\$16.00
	Howell/Rublake to Klamath Falls	\$4.50	\$6.00

#### Day Trip Ticket

Some Day Round Trip includes two stops in destination city

Alturas to Klamath Falls	\$26.00	\$36.00
Alturas to Redding	\$28.00	\$50.00

All Routes: Pick-up before or drop-off after wheelchair route. Same as Dial-A-Ride Fare.

#### Fare Notes:

- No cash refunds on prepaid tickets.
- Credit or debit payments accepted at the office – in person or by phone. 1 hr. pick to bus departure.
- Have exact fare ready upon boarding – cash or farecard.
- Drivers do not make change.

### ALTURAS LOCAL BUS SERVICE (530) 233-3883

LOCAL BUS SERVICE AREA

#### LOCAL BUS SCHEDULE

First Pick-up	Last Drop-off	Location
7:45 AM	8:15 PM	Zone 1
8:45 AM	4:05 PM	Zone 2
8:25 AM	4:05 PM	Zone 3

#### California Pines Arrival Times (Tues and Thurs Only)

Morning Trip	Mid Day Trip	Last Trip
8:25 AM	1:05 PM	4:05 PM

- Subscription service is available for recurring trips to/from work, school or other routine destinations.
- Buses do not travel on highways or inaccessible general routes.

#### LOCAL BUS FARES

Range	Zone	General
0.0 – 2.0 miles	1 – Within City of Alturas	\$1.00
2.1 – 5.0 miles	2 – To Modoc Estates	\$2.00
5.1 – 10.0 miles	3 – To California Pines	\$3.00

#### LOCAL BUS RESERVATIONS

Advance Reservations: (530) 233-6410  
 Same Day Reservations/Cancellations: (530) 233-3883

You can use the local bus to connect to intercity routes. We'll pick you up at your home and take you directly to the bus stop. Local bus fare applies in addition to the intercity route fee.

### LOCAL BUS MONDAY THROUGH FRIDAY

- The local bus is curbside, shared transportation within 10 miles of Alturas. It is available by advance reservation. Reservations must provide pick-up and drop-off locations.
- To make an advance reservation, call (530) 233-6410 on weekdays until 10 AM to 3:00 PM. Reservations can be made up to 14 days in advance.
- To schedule or cancel a same-day trip, call the driver directly at (530) 233-3883. Provide your name, phone number, pick-up and drop-off locations.
- If you will not be making a trip, please cancel at least one hour in advance. Otherwise you may be required to pay the fare.
- Please be ready to board when the bus arrives.
- Always allow extra time. The bus may arrive up to 15 minutes before or after the scheduled time. Routes and travel times vary by rider demand, weather and road conditions.
- Travel is scheduled on a first-come, first-served basis. Priority is given for trips to health care appointments when scheduled at least one day in advance.

**ALTURAS to KLAMATH FALLS, OR (THURSDAY)**  
Service between Alturas, Tulelake and Klamath Falls, OR

AM	PM
ALTURAS (Call to arrange pickup - extra fare required)	KLAMATH FALLS - DEPART Klamath Falls to Medford (445 Spring St)
ALTURAS * Ride Aid (5th and N. Main)	KLAMATH FALLS Walkout (3800 Washburn Way)
CANBY Clinic/Cherwon (670 Co. Rd. 83)	TULELAKE Jock's Market (305 Modoc Ave)
NEWELL Market (203 Fourth Ave.)	TULELAKE Ross Market (440 E St)
TULELAKE Jock's Market (305 Modoc Ave.)	NEWELL Market (203 Fourth Ave.)
TULELAKE Ress Market (440 E St)	CANBY Clinic/Cherwon (670 Co. Rd. 83)
KLAMATH FALLS - DROP OFFS Klamath Falls to Medford (445 Spring St)	ALTURAS * Ride Aid (5th and N. Main)
	9:50

**ALTURAS to RENO, NV (MON, WED, and FRI)**  
Service between Alturas, Susanville and Reno, NV

AM	PM
ALTURAS (Call to arrange pickup - extra fare required)	RENO - DEPART Reno/Face Airport from Door "D"
ALTURAS * Ride Aid (5th and N. Main)	RENO Amtrak
LIKELY General Store (3200 Hwy. 305)	SUSANVILLE * LBB Bus Shelter on Riverside Dr. (near Walmart)
MADELINE Old Cherwon (150 Hwy. 395)	MADELINE Old Cherwon (150 Hwy. 395)
SUSANVILLE * LBB Bus Shelter on Riverside Dr. (near Walmart)	LIKELY General Store (3200 Hwy. 395)
DOYLE Shell Station	ALTURAS * Ride Aid (5th and N. Main)
RENO Drop-offs City of Reno/Sparks (Greyhound, Amtrak, Airport and major medical facilities)	ALTURAS (Drop-offs as arranged - extra fare required)
	11:45

**ALTURAS to CANBY (TUES and THURS)**  
Service between Alturas and Canby

TUESDAY SERVICE	AM/PM	THURSDAY SERVICE	AM/PM
ALTURAS (Call to arrange pickup - extra fare required)	ALTURAS	ALTURAS (Call to arrange pickup - extra fare required)	ALTURAS
ALTURAS * Ride Aid (5th and N. Main)	ALTURAS	ALTURAS * Ride Aid (5th and N. Main)	ALTURAS
CANBY Clinic/Cherwon (670 Co. Rd. 83)	CANBY	CANBY Clinic/Cherwon (670 Co. Rd. 83)	CANBY
CANBY Clinic/Cherwon (670 Co. Rd. 83)	CANBY	CANBY Clinic/Cherwon (670 Co. Rd. 83)	CANBY
ALTURAS * Ride Aid (5th and N. Main)	ALTURAS	ALTURAS * Ride Aid (5th and N. Main)	ALTURAS

Alturas to Canby Tuesday and Thursday service is by advance reservations only.

**ALTURAS to REDDING (WEDNESDAY)**  
Service between Alturas, Bieber, Burney and Redding

AM	PM
ALTURAS (Call to arrange pickup - extra fare required)	MT. SHASTA MALL - DEPART Mail (outside Food Court)
ALTURAS * Ride Aid (5th and N. Main)	REDDING FPGA Station (last pickup in Redding)
CANBY Clinic/Cherwon (670 Co. Rd. 83)	BURNLEY * McDonalds (2744 Enterprise Dr)
ADIN Adin Supply (104 Main St)	FALL RIVER MILLS Mini Mart (43202 Hwy. 209 E)
BIEBER SR 200 and Water Street	BIEBER SR 200 and Water Street
FALL RIVER MILLS Mini Mart (43202 Hwy. 209 E)	ADIN Adin Supply (104 Main St)
BURNLEY * McDonalds (2744 Enterprise Dr)	CANBY Clinic/Cherwon (670 Co. Rd. 83)
REDDING B&S Station	ALTURAS * Ride Aid (5th and N. Main)
MT. SHASTA Mail (outside Food Court)	

**INTERCITY ROUTES & SCHEDULES**

- Sage Stage operates by reservation. Please call our office at least one day in advance to reserve your trip.
- Some day reservations and walk-on passengers are accepted when possible. However, reservations are recommended as the bus will not run unless there is at least one confirmed reservation.
- At these three stops (Alturas, Ride Aid, Susanville, Weinstadt, and Burney/McDonalds) walk-on passengers are accepted on a space available basis. All other transit stops are served by reservation only.
- If you have a reservation and will not be making the trip, please cancel at least 24 hours in advance.
- Please be at the stop by the scheduled time, as buses must depart as scheduled and cannot wait for you.
- On the schedules, AM times are shown in regular type. PM times are shown in bold.
- Fares are detailed on the other side of this guide.

Sage Stage Office: (530) 233-6410 [www.SageStage.com](http://www.SageStage.com)

**INTERCITY FARES - For a complete fare chart see other side.**

Discount **	General	WHO QUALIFIES FOR DISCOUNT FARES?
Alturas to Likely	\$8.00	Children (0 to 12 years) accompanied by a fare-paying adult.
Alturas to Susanville	\$13.50	Senior (60 years or older) with picture ID.
Susanville to Reno	\$16.50	Disabled persons meeting ADA criteria with approved application for discount and a picture ID.
Alturas to Reno	\$24.00	
Alturas to Redding	\$19.50	
Alturas to Canby	\$8.00	
Alturas to Klamath Falls	\$13.50	

\*\* Discount for seniors and disabled persons.

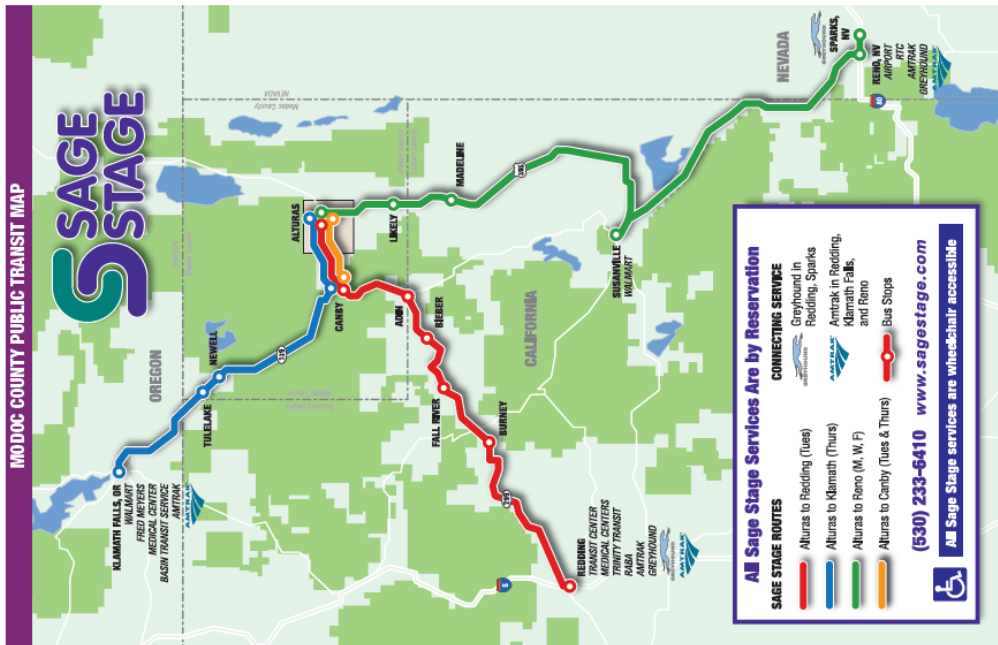




Exhibit E

SUCCESSFUL OFFEROR'S PRICE SHEETS AND PROPOSAL

		FIRST TRANSIT, INC.		Pricing Sheet - Fiscal Year 2019-2020			
		Rates	Basis	Line Item Cost per Month	Cost per Month	Annual Cost	
<b>DIRECT LABOR</b>	<b>Payroll</b>						
	1 FT Drivers	\$ 20.40 X	1,694.24	hours = \$ 2,880.21			
	2 FT Drivers	\$ 15.99 X	1,669.12	hours = \$ 4,448.20			
	2 PT Drivers	\$ 14.50 X	874.83	hours = \$ 2,114.17	\$ 9,442.58		
	<b>Employer Payroll Taxes</b>						
	OASDI	rate (%) 6.200% X	\$119,552.52	payroll costs = \$ 617.69			
	Medicare	rate (%) 1.450% X	\$119,552.52	payroll costs = \$ 144.46			
	SUI	rate (%) 1.669% X	\$119,552.52	max. & payroll costs = \$ 166.28			
	FUI	rate (%) 0.439% X	\$119,552.52	max. & payroll costs = \$ 43.74			
	Other	rate (%)		Total	\$ 972.17		
	<b>Employee Benefits &amp; Insurance</b>						
	Holidays	basis \$ 17.46 X	144	hours for 9 holidays = \$ 209.52			
	Paid Time Off	rate \$ 18.64 X	200	hours of vacation = \$ 310.67			
	Health Insurance:	\$ 564.62 X	2	FT employee = \$ 1,129.24			
	Workers Compensation	rate 7.644% X	\$119,552.52	payroll costs = \$ 761.55	\$ 2,410.98	\$ 153,908.76	
	<b>INSURANCE</b>						
	Vehicle Insurance						
	- per Vehicle	rate \$ 79.17 X	7	Vehicles \$ 554.19			
	- per Mile	rate \$ 0.2543 X	130,700	Annual miles \$ 2,770.19			
	- Safety Bonus <sup>1</sup>	#drivers \$ 200.00 X	5	Qualifying Drivers \$ 83.33			
	Liability Insurance	\$ 121.61 X	12	Months \$ 121.61	\$ 3,529.32	\$ 42,351.84	
	<b>MGMT FEE</b>						
	Expert Assistance / System Planning <sup>2</sup>	\$ 2,222.36 X	12	Months \$ 2,222.36			
	Staff Training (new & on-going vehicles & terminal)	\$ 796.17 X	12	Months \$ 796.17			
	Annual Inspection(s)			Months			
	Compliance Requirements (DMV pull, MIS, etc)			Months			
	Annual Reports & Certs (perform, DBE, MIS, etc)			Months			
	Other: Perf. Bond, Recruiting, Bkgrnd Checks, Misc. Admin.	\$ 399.85 X	12	Months \$ 399.85			
	<b>PROFIT</b>						
		\$ 866.89 X	12	Months \$ 866.89	\$ 866.89	\$ 10,402.68	
				<b>Total Estimated Costs</b>	\$ 20,640.32	\$ 247,683.84	
					Cost per month	Annual cost	

Note 1: Safety Bonus is contractor-paid (included within insurance costs). Currently, all drivers earn \$200 Less Taxes per year without chargeable incidents.  
 Note 2: Expert Assistance / System Planning = Designated point(s) of contact available for technical assistance, system planning, compliance monitoring & reporting.

*James R. Tippen*  
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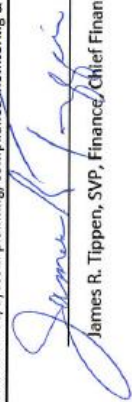
FIRST TRANSIT, INC. Pricing Sheet - Fiscal Year 2020-2021					
	Rates	Basis	Line Item Cost per Month	Cost per Month	Annual Cost
<b>DIRECT LABOR</b>					
<b>Payroll</b>					
1 FT Drivers	\$ 20.40 X	1,693.50	hours = \$ 2,878.95		
2 FT Drivers	\$ 16.79 X	1,679.36	hours = \$ 4,699.41		
2 PT Drivers	\$ 15.23 X	861.79	hours = \$ 2,187.51	\$ 9,765.87	
<b>Employer Payroll Taxes</b>					
OASDI	rate (%) 6.200% X	\$123,572.69	payroll costs = \$ 638.46		
Medicare	rate (%) 1.450% X	\$123,572.69	payroll costs = \$ 149.32		
SUI	rate (%) 1.647% X	\$123,572.69	max. & payroll costs = \$ 169.60		
FUI	rate (%) 0.425% X	\$123,572.69	max. & payroll costs = \$ 43.77		
Other	rate (%)		Total	\$ 1,001.15	
<b>Employee Benefits &amp; Insurance</b>					
Holidays	basis \$ 17.99 X	144	hours for 9 holidays = \$ 215.88		
Paid Time Off	rate \$ 18.96 X	200	hours of vacation = \$ 316.00		
Health Insurance:	rate \$ 592.93 X	2	FT employee = \$ 1,185.86		
Workers Compensation	rate 7.873% X	\$123,572.69	payroll costs = \$ 810.74	\$ 2,528.48	\$ 159,546.00
<b>INSURANCE</b>					
<b>Vehicle Insurance</b>					
- per Vehicle	rate \$ 81.54 X	7	Vehicles \$ 570.78		
- per Mile	rate \$ 0.2617 X	130,700	Annual miles \$ 2,850.13		
- Safety Bonus <sup>1</sup>	#drivers \$ 200.00 X	5	Qualifying Drivers \$ 83.33		
Liability Insurance	rate \$ 125.25 X	12	Months \$ 125.25		
<b>MGMT FEE</b>					
Expert Assistance / System Planning <sup>2</sup>	\$ 2,284.87 X	12	Months \$ 2,284.87	\$ 3,629.49	\$ 43,553.88
Staff Training (new & on-going)	\$ 819.06 X	12	Months \$ 819.06		
Annual Inspection(s) (vehicles & terminal)	X		Months		
Compliance Requirements (DMV pull, MIS, etc)	X		Months		
Annual Reports & Certs (perform, DBE, MIS, etc)	X		Months		
Other: Perf. Bond, Recruiting, Bkgrnd Checks, Misc. Admin.	\$ 407.80 X	12	Months \$ 407.80		
<b>PROFIT</b>	\$ 895.97 X	12	Months \$ 895.97	\$ 895.97	\$ 42,140.76
<b>Total Estimated Costs</b>				\$ 21,332.69	\$ 255,992.28
				Cost per month	Annual cost

Note 1: Safety Bonus is contractor-paid (included within insurance costs). Currently, all drivers earn \$200 Less Taxes per year without chargeable incidents.  
 Note 2: Expert Assistance / System Planning = Designated point(s) of contact available for technical assistance, system planning, compliance monitoring & reporting.

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FIRST TRANSIT, INC. Pricing Sheet - Fiscal Year 2021-2022						
	Rates	Basis	Line Item Cost per Month	Cost per Month	Annual Cost	
<b>DIRECT LABOR</b>						
<b>Payroll</b>						
1 FT Drivers	\$ 20.40 X	1,692.45	hours = \$ 2,877.17			
2 FT Drivers	\$ 16.79 X	1,700.75	hours = \$ 4,759.27			
2 FT Drivers	\$ 15.99 X	828.52	hours = \$ 2,208.01			
				\$ 9,844.45		
<b>Employer Payroll Taxes</b>						
OASDI	rate (%) 6.200% X	\$125,794.19	payroll costs = \$ 649.94			
Medicare	rate (%) 1.450% X	\$125,794.19	payroll costs = \$ 152.00			
SUI	rate (%) 1.650% X	\$125,794.19	max. & payroll costs = \$ 172.97			
FUI	rate (%) 0.417% X	\$125,794.19	max. & payroll costs = \$ 43.71			
Other	rate (%)		Total	\$ 1,018.62		
<b>Employee Benefits &amp; Insurance</b>						
Holidays	basis \$ 17.93 X	144	hours for 9 holidays = \$ 215.16			
Paid Time Off	rate \$ 18.29 X	277.6	hours of vacation = \$ 423.11			
Health Insurance:	\$ 622.17 X	2	FT employee = \$ 1,244.34			
Workers Compensation	rate 8.109% X	\$125,794.19	payroll costs = \$ 850.05			
				\$ 2,732.66	\$ 163,148.76	
<b>INSURANCE</b>						
<b>Vehicle Insurance</b>						
- per Vehicle	rate \$ 83.99 X	7	Vehicles \$ 587.93			
- per Mile	rate \$ 0.2692 X	130,738	Annual miles \$ 2,933.22			
- Safety Bonus <sup>1</sup>	#drivers \$ 200.00 X	5	Qualifying Drivers \$ 83.33			
Liability Insurance	\$ 129.05 X	12	Months \$ 129.05			
Expert Assistance / System Planning <sup>2</sup>	\$ 2,341.12 X	12	Months \$ 2,341.12			
Staff Training	\$ 842.63 X	12	Months \$ 842.63			
Annual Inspection(s)	(new & on-going vehicles & terminal)		Months			
Compliance Requirements	(DMV pull, MIS, etc)		Months			
Annual Reports & Certs	(perform, DBE, MIS, etc)		Months			
Other: Perf. Bond, Recruiting, Bkgnd Checks, Misc. Admin.	\$ 415.76 X	12	Months \$ 415.76			
	\$ 917.55 X	12	Months \$ 917.55			
				\$ 3,599.51	\$ 43,194.12	
<b>PROFIT</b>						
				\$ 917.55	\$ 11,010.60	
<b>Total Estimated Costs</b>						
				\$ 21,846.32	\$ 262,155.84	
Annual cost						

Note 1: Safety Bonus is contractor-paid (included within insurance costs). Currently, all drivers earn \$200 Less Taxes per year without chargeable incidents.  
 Note 2: Expert Assistance / System Planning = Designated point(s) of contact available for technical assistance, system planning, compliance monitoring & reporting.

  
 James R. Tippen, SVP, Finance, Chief Financial Officer, First Transit, Inc.

FIRST TRANSIT, INC. Pricing Sheet - Fiscal Year 2022-2023					
	Rates	Basis	Line Item Cost per Month	Cost per Month	Annual Cost
<b>DIRECT LABOR</b>					
<b>Payroll</b>					
1 FT Drivers	\$ 20.40 X	1,691.79	hours = \$ 2,876.04		
2 FT Drivers	\$ 17.62 X	1,706.02	hours = \$ 5,010.01		
2 FT Drivers	\$ 16.79 X	815.35	hours = \$ 2,281.62	\$ 10,167.67	
<b>Employer Payroll Taxes</b>					
OASDI	rate (%) 6.200% X	\$130,592.59	payroll costs = \$ 674.73		
Medicare	rate (%) 1.450% X	\$130,592.59	payroll costs = \$ 157.80		
SUI	rate (%) 1.621% X	\$130,592.59	max. & payroll costs = \$ 176.41		
FUI	rate (%) 0.402% X	\$130,592.59	max. & payroll costs = \$ 43.75		
Other	rate (%)		Total	\$ 1,052.69	
<b>Employee Benefits &amp; Insurance</b>					
Holidays	basis \$ 18.44 X	144	hours for 9 holidays = \$ 221.28		
Paid Time Off	rate \$ 18.94 X	312.91	hours of vacation = \$ 493.88		
Health Insurance:	\$ 653.35 X	2	FT employee = \$ 1,306.70		
Workers Compensation	rate 8.352% X	\$130,592.59	payroll costs = \$ 908.92	\$ 2,930.78	\$ 169,813.68
<b>INSURANCE</b>					
<b>Vehicle Insurance</b>					
- per Vehicle	rate \$ 86.51 X	7	Vehicles \$ 605.57		
- per Mile	rate \$ 0.2770 X	130,737	Annual miles \$ 3,017.96		
- Safety Bonus <sup>1</sup>	#drivers \$ 200.00 X	5	Qualifying Drivers \$ 83.33		
Liability Insurance	\$ 132.92 X	12	Months \$ 132.92	\$ 3,839.78	\$ 46,077.36
<b>MGMT FEE</b>					
Expert Assistance / System Planning <sup>2</sup>	\$ 2,409.56 X	12	Months \$ 2,409.56		
Staff Training (new & on-going)	\$ 866.50 X	12	Months \$ 866.50		
Annual Inspection(s) (vehicles & terminal)	X		Months		
Compliance Requirements (DMV pull, MIS, etc)	X		Months		
Annual Reports & Certs (perform, DBE, MIS, etc)	X		Months		
Other: Perf. Bond, Recruiting, Blgrnd Checks, Misc. Admin.	\$ 424.27 X	12	Months \$ 424.27		
	\$ 950.99 X	12	Months \$ 950.99	\$ 3,700.73	\$ 44,408.76
<b>PROFIT</b>					
				\$ 950.99	\$ 11,411.88
<b>Total Estimated Costs</b>				\$ 22,642.64	\$ 271,711.68
				Cost per month	Annual cost

Note 1: Safety Bonus is contractor-paid (included within insurance costs). Currently, all drivers earn \$200 Less Taxes per year without chargeable incidents.  
 Note 2: Expert Assistance / System Planning = Designated point(s) of contact available for technical assistance, system planning, compliance monitoring & reporting.

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FIRST TRANSIT, INC. Pricing Sheet - Fiscal Year 2023-2024						
DIRECT LABOR	Line Item Cost per Month	Cost per Month	Annual Cost	Rates	Basis	Line Item Cost per Month
<b>Payroll</b>						
1 FT Drivers	\$ 3,101.56			\$ 22.00 X	1,691.76	hours =
2 FT Drivers	\$ 5,217.75			\$ 18.51 X	1,691.33	hours =
2 FT Drivers	\$ 2,406.45			\$ 17.62 X	819.45	hours =
		\$ 10,725.76				
<b>Employer Payroll Taxes</b>						
OASDI	\$ 711.66			rate (%) 6.200% X	\$137,741.37	payroll costs =
Medicare	\$ 166.44			rate (%) 1.450% X	\$137,741.37	payroll costs =
SUI	\$ 179.98			rate (%) 1.568% X	\$137,741.37	max. & payroll costs =
FUI	\$ 43.73			rate (%) 0.381% X	\$137,741.37	max. & payroll costs =
Other				rate (%)		Total
		\$ 1,101.81				
<b>Employee Benefits &amp; Insurance</b>						
Holidays	\$ 233.76			basis \$ 19.48 X	144	hours for 9 holidays =
Paid Time Off	\$ 518.96			rate \$ 20.12 X	309.52	hours of vacation =
Health Insurance:	\$ 1,373.08			\$ 686.54 X	2	FT employee =
Workers Compensation	\$ 987.49			rate 8.603% X	\$137,741.37	payroll costs =
<b>INSURANCE</b>		\$ 3,113.29	\$ 179,290.32			
Vehicle Insurance				rate \$ 89.10 X	7	Vehicles
- per Vehicle	\$ 623.70			rate \$ 0.2850 X	130,736	Annual miles
- per Mile	\$ 3,105.20			#drivers \$ 200.00 X	5	Qualifying Drivers
- Safety Bonus <sup>1</sup>	\$ 83.33			\$ 136.91 X	12	Months
Liability Insurance	\$ 136.91					
<b>MGMT FEE</b>		\$ 3,949.14	\$ 47,389.68			
Expert Assistance / System Planning <sup>2</sup>	\$ 2,489.38			\$ 2,489.38 X	12	Months
Staff Training (new & on-going)	\$ 891.90			\$ 891.90 X	12	Months
Annual Inspector(s) (vehicles & terminal)						Months
Compliance Requirements (DMV pull, MIS, etc)						Months
Annual Reports & Certs (perform, DBE, MIS, etc)						Months
Other: Perf. Bond, Recruiting, Bkgrnd Checks, Misc. Admin.	\$ 433.32			\$ 433.32 X	12	Months
<b>PROFIT</b>		\$ 3,814.60	\$ 45,775.20			
		\$ 995.40	\$ 11,944.80	\$ 995.40 X	12	Months
<b>Total Estimated Costs</b>						
	\$ 23,700.00		\$ 284,400.00			Annual cost
		\$ 995.40				Cost per month

Note 1: Safety Bonus is contractor-paid (included within insurance costs). Currently, all drivers earn \$200 Less Taxes per year without chargeable incidents.  
 Note 2: Expert Assistance / System Planning = Designated point(s) of contact available for technical assistance, system planning, compliance monitoring & reporting.

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