

CONTRACT SERVICES AGREEMENT

By and Between

**THE CITY OF BELL,
A MUNICIPAL CORPORATION**

and

GLOBAL PARATRANSIT, INC.

**AGREEMENT FOR CONTRACT SERVICES
BETWEEN
THE CITY OF BELL, CALIFORNIA
AND
GLOBAL PARATRANSIT, INC.**

THIS AGREEMENT FOR CONTRACT SERVICES (herein“ Agreement”) is made and entered into this 19th day of ~~September~~ 2012 by and between the City of Bell, a municipal corporation (“City”) and Global Paratransit, Inc, (“Contractor”). City and Contractor are sometimes hereinafter individually referred to as “Party” and hereinafter collectively referred to as the “Parties”). (The term Contractor includes professionals performing in a consulting capacity.)

RECITALS

A. City has sought, by issuance of a Request for Proposals or Invitation for Bids, the performance of the services defined and described particularly in Section 1 of this Agreement.

B. Contractor, following submission of a proposal or bid for the performance of the services defined and described particularly in Section 1 of this Agreement, was selected by the City to perform those services.

C. Pursuant to the City of Bell’s Municipal Code, City has authority to enter into this Agreement Services Agreement and the City Manager has authority to execute this Agreement.

D. The Parties desire to formalize the selection of Contractor for performance of those services defined and described particularly in Section 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. SERVICES OF CONTRACTOR

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the “Scope of Services” attached hereto as Exhibit “A” and incorporated herein by this reference, which services may be referred to herein as the “services” or “work” hereunder. As a material inducement to the City entering into this Agreement, Contractor represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Contractor shall at all times faithfully, competently and to the best of its

ability, experience and talent, perform all services described herein. Contractor covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase "highest professional standards" shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

1.2 Contractor's Proposal.

The Scope of Service shall include the Contractor's scope of work or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

Contractor shall keep itself informed concerning, and shall render all services hereunder in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

1.4 Licenses, Permits, Fees and Assessments.

Contractor shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes penalties or interest levied, assessed or imposed against City hereunder.

1.5 Familiarity with Work.

By executing this Agreement, Contractor warrants that Contractor (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Contractor discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Contractor shall immediately inform the City of Bell such fact and shall not proceed except at City's risk until written instructions are received from the Contract Officer.

1.6 Care of Work.

The Contractor shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be

responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

1.7 Warranty.

Contractor warrants all Work under the Agreement (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the Work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Agreement or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the Work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of Bell any defect in the Work or non-conformance of the Work to the Agreement, commence and prosecute with due diligence all Work necessary to fulfill the terms of the warranty at his sole cost and expense. Contractor shall act sooner as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the Work (or work of other contractors) damaged by its defective Work or which becomes damaged in the course of repairing or replacing defective Work. For any Work so corrected, Contractor's obligation hereunder to correct defective Work shall be reinstated for an additional one year period, commencing with the date of acceptance of such corrected Work. Contractor shall perform such tests as the City may require to verify that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Agreement. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstatement of equipment and materials necessary to gain access, shall be the sole responsibility of the Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the Work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the City, regardless of whether or not such warranties and guarantees have been transferred or assigned to the City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Agreement, to the reasonable satisfaction of the City, the City shall have the right to correct and replace any defective or non-conforming Work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the City for any expenses incurred hereunder upon demand. This provision may be waived in Exhibit "B" if the services hereunder do not include construction of any improvements or the supplying of equipment or materials.

1.8 Prevailing Wages.

Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 1600, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "Public Works" and "Maintenance" projects. If the Services are being performed as part of an applicable "Public Works" or "Maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. City shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Contractor shall make copies of the prevailing rates of per diem wages for

each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Contractor's principal place of business and at the project site. Contractor shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. (See Exhibit "B.")

1.9 Further Responsibilities of Parties.

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

1.10 Additional Services.

City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Contractor, incorporating therein any adjustment in (i) the Agreement Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor. Any increase in compensation of up to five percent (5%) of the Agreement Sum or \$25,000, whichever is less; or in the time to perform of up to one hundred eighty (180) days may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City. It is expressly understood by Contractor that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Contractor hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Contractor anticipates and that Contractor shall not be entitled to additional compensation therefore.

1.11 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.

2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, City agrees to pay Contractor the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed \$384,000 (Three hundred and eighty four thousand) unless additional compensation is approved pursuant to Section 1.9. Cost adjustments for the second and subsequent years will be made to the contractor's annual prices using the Consumer Price Index for All Urban Consumers, Los Angeles Area-all items as published by the U.S.

Department of Labor, Bureau of Statistics. The adjustment will be made in the first month of each new contract year.

2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion, (ii) payment in accordance with specified tasks or the percentage of completion of the services, (iii) payment for time and materials based upon the Contractor's rates as specified in the Schedule of Compensation, provided that time estimates are provided for the performance of sub tasks, but not exceeding the Contract Sum or (iv) such other methods as may be specified in the Schedule of Compensation.

2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses if an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contractor at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Contractor is required to attend additional meetings to facilitate such coordination, Contractor shall not be entitled to any additional compensation for attending said meetings.

2.4 Invoices.

Each month Contractor shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. The invoice shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories.

City shall independently review each invoice submitted by the Contractor to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Contractor which are disputed by City, or as provided in Section 7.3. City will use its best efforts to cause Contractor to be paid within forty-five (45) days of receipt of Contractor's correct and undisputed invoice. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Contractor for correction and resubmission.

2.5 Waiver.

Payment to Contractor for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Contractor.

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance.

Contractor shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Contractor, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the Agency, if the Contractor shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Contractor be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Contractor's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Inspection and Final Acceptance.

City may inspect and accept or reject any of Contractor's work under this Agreement, either during performance or when completed. City shall reject or finally accept Contractor's work within forth five (45) days after submitted to City. City shall accept work by a timely written acceptance, otherwise work shall be deemed to have been rejected. City's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Section X, pertaining to indemnification and insurance, respectively.

3.5 Term.

Unless earlier terminated in accordance with Article 8 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding three (3) years from the date hereof. The City has the sole option to renew the Contract with the Contractor for two one-year extensions.

ARTICLE 4. COORDINATION OF WORK

4.1 Representatives and Personnel of Contractor.

The following principals of Contractor (Principals) are hereby designated as being the principals and representatives of Contractor authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

Reza Nasrollahy
(Name)

President
(Title)


(Name)

CFD
(Title)

(Name)

(Title)

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services hereunder. All personnel of Contractor, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the foregoing Principals may not be replaced nor may their responsibilities be substantially reduced by Contractor without the express written approval of City. Additionally, Contractor shall make every reasonable effort to maintain the stability and continuity of Contractor's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Contractor shall notify the City of Bell any changes in Contractor's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

4.2 Status of Contractor.

Contractor shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Contractor shall not at any time or in any manner represent that Contractor or any of Contractor's officers, employees, or agents are in any manner officials, officers, employees or agents of City. Neither Contractor, nor any of Contractor's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Contractor expressly waives any claim Contractor may have to any such rights.

4.3 Contract Officer.

The Contract Officer shall be such person as may be designated by the City Manager of City. It shall be the Contractor's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Contractor shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the Chief Administrative Officer, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.4 Independent Contractor.

Neither the City nor any of its employees shall have any control over the manner, mode or means by which Contractor, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Contractor's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Contractor shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Contractor in its business or otherwise or a joint venture or a member of any joint enterprise with Contractor.

4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for the Agency to enter into this Agreement. Therefore, Contractor shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the Agency. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of Agency. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of Agency.

ARTICLE 5. INSURANCE, INDEMNIFICATION AND BONDS

5.1 Insurance Coverages - Dial-A-Ride Paratransit Program and Fixed Route Bus Program.

The Contractor shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance which shall cover all elected and appointed officers, employees and agents of City:

(a) Comprehensive General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than \$5,000,000.00 per occurrence or if a general aggregate limit is used, either the general aggregate limit shall apply separately to this contract/location, or the general aggregate limit shall be twice the occurrence limit.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the Contractor and the City against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Contractor in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance (Form CA 0001 (Ed 1/87) including "any auto" and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage in an amount not less than either (i) bodily injury liability limits of \$100,000 per person and \$300,000 per occurrence and property damage liability limits of \$150,000 per occurrence or (ii) combined single limit liability of \$5,000,000. Said policy shall include coverage for owned, non-owned, leased and hired cars.

All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees and agents as additional insureds and any insurance maintained by City or its officers, employees or agents shall apply in excess of, and not contribute with Contractor's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of insurance are cancelled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until the Contractor has provided the City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the City's Interim City Manager or other designee of the City due to unique circumstances.

5.2 Insurance Coverages - Demand Response Taxi Dial-A-Ride Program

The Contractor shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance which shall cover all elected and appointed officers, employees and agents of City:

(d) Comprehensive General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence

basis for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than \$2,000,000.00 per occurrence or if a general aggregate limit is used, either the general aggregate limit shall apply separately to this contract/location, or the general aggregate limit shall be twice the occurrence limit.

(e) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the Contractor and the City against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Contractor in the course of carrying out the work or services contemplated in this Agreement.

(f) Automotive Insurance (Form CA 0001 (Ed 1/87) including "any auto" and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage in an amount not less than either (i) bodily injury liability limits of \$100,000 per person and \$300,000 per occurrence and property damage liability limits of \$150,000 per occurrence or (ii) combined single limit liability of \$1,000,000. Said policy shall include coverage for owned, non-owned, leased and hired cars.

All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees and agents as additional insureds and any insurance maintained by City or its officers, employees or agents shall apply in excess of, and not contribute with Contractor's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of insurance are cancelled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until the Contractor has provided the City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the City's Interim City Manager or other designee of the City due to unique circumstances.

Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements.

5.3 General Insurance Requirements.

All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees and agents as additional insureds and any insurance maintained by City or its officers, employees or agents shall apply in excess of, and not contribute with Contractor's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may

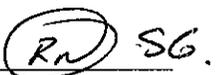
not be amended or cancelled by the insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of insurance are cancelled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in conformance with Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until the Contractor has provided the City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City. City reserves the right to inspect complete, certified copies of all required insurance policies at any time. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to City.

All certificates shall name the City as additional insured (providing the appropriate endorsement) and shall conform to the following "cancellation" notice:

CANCELLATION:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATED THEREOF, THE ISSUING COMPANY SHALL MAIL THIRTY (30)-DAY ADVANCE WRITTEN NOTICE TO CERTIFICATE HOLDER NAMED HEREIN.

[to be initialed]

 .
Agent Initials

City, its respective elected and appointed officers, directors, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities Contractor performs; products and completed operations of Contractor; premises owned, occupied or used by Contractor; or automobiles owned, leased, hired or borrowed by Contractor. The coverage shall contain no special limitations on the scope of protection afforded to City, and their respective elected and appointed officers, officials, employees or volunteers. Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims. The Contractor agrees that the requirement to provide insurance shall not be construed as limiting in any way the extent to which the Contractor may be held responsible for the payment of damages to any persons or property resulting from the Contractor's activities or the activities of any person or persons for which the Contractor is otherwise responsible nor shall it limit the Contractor's indemnification liabilities as provided in Section 5.3. .

In the event the Contractor subcontracts any portion of the work in compliance with Section 4.5 of this Agreement, the contract between the Contractor and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Contractor is required to maintain pursuant to Section 5.1, and such certificates and endorsements shall be provided to City.

5.4 Indemnification.

To the full extent permitted by law, Contractor agrees to indemnify, defend and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Contractor, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Contractor is legally liable ("indemnitors"), or arising from Contractor's reckless or willful misconduct, or arising from Contractor's indemnitors' negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

(a) Contractor will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;

(b) Contractor will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Contractor hereunder; and Contractor agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Contractor hereunder, Contractor agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

Contractor shall incorporate similar, indemnity agreements with its subcontractors and if it fails to do so Contractor shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Contractor in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City's sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City's negligence, except that design professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Contractor and shall survive termination of this Agreement.

5.5 Sufficiency of Insurer or Surety.

Insurance or bonds required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of

Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City due to unique circumstances. If this Agreement continues for more than 3 years duration, or in the event the Risk Manager of City (“Risk Manager”) determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Contractor agrees that the minimum limits of the insurance policies and the performance bond required by Section 5.4 may be changed accordingly upon receipt of written notice from the Risk Manager; provided that the Contractor shall have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of City within 10 days of receipt of notice from the Risk Manager.

ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

6.1 Records.

Contractor shall keep, and require subcontractors to keep, such ledgers books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the “books and records”), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of 3 years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. In the event of dissolution of Contractor’s business, custody of the books and records may be given to City, and access shall be provided by Contractor’s successor in interest.

6.2 Reports.

Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Contractor hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Contractor is providing design services, the cost of the project being designed, Contractor shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the “documents and materials”) prepared by Contractor, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by the City of Bell

its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Contractor will be at the City's sole risk and without liability to Contractor, and Contractor's guarantee and warranties shall not extend to such use, revise or assignment. Contractor may retain copies of such documents for its own use. Contractor shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to the City of Bell any documents or materials prepared by them, and in the event Contractor fails to secure such assignment, Contractor shall indemnify City for all damages resulting therefrom.

6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Contractor in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Contractor. Contractor shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the Contract Officer.

(b) Contractor, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Contractor gives City notice of such court order or subpoena.

(c) If Contractor, or any officer, employee, agent or subcontractor of Contractor, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Contractor for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Contractor's conduct.

(d) Contractor shall promptly notify City should Contractor, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent Contractor or be present at any deposition, hearing or similar proceeding. Contractor agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Contractor. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Contractor covenants and agrees to submit to the personal

jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Riverside.

7.2 Disputes; Default.

In the event that Contractor is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Contractor for any work performed after the date of default. Instead, the City may give notice to Contractor of the default and the reasons for the default. The notice shall include the timeframe in which Contractor may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Contractor is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Contractor does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give notice of the Contractor's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

7.3 Retention of Funds.

Contractor hereby authorizes City to deduct from any amount payable to Contractor (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Contractor's acts or omissions in performing or failing to perform Contractor's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Contractor, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Contractor to insure, indemnify, and protect City as elsewhere provided herein.

7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by the City of Bell any work or services by Contractor shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or

different times, of any other rights or remedies for the same default or any other default by the other party.

7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

7.7 Liquidated Damages.

Since the determination of actual damages for any delay in performance of this Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, the Contractor and its sureties shall be liable for and shall pay to the City the sum of five hundred dollars (\$500.00) as liquidated damages for each working day of delay in the performance of any service required hereunder, as specified in the Schedule of Performance (Exhibit "D"). The City may withhold from any monies payable on account of services performed by the Contractor any accrued liquidated damages.

7.8 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Contractor, except that where termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Contractor reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to Agency, except that where termination is due to the fault of the Agency, the period of notice may be such shorter time as the Contractor may determine. Upon receipt of any notice of termination, Contractor shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.9 Termination for Default of Contractor.

If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

7.10 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of Agency Officers and Employees.

No officer or employee of the Agency shall be personally liable to the Contractor, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Contractor covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Contractor's performance of services under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Contractor agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the Agency shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

8.3 Covenant Against Discrimination.

Contractor covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. Contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

8.4 Unauthorized Aliens.

Contractor hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, et seq., as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Contractor so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should the any liability or sanctions be imposed against City for such use of unauthorized aliens, Contractor hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer, CITY OF BELL, City Hall, 6330 Pine Avenue, Bell, California 90201 and in the case of the Contractor, to the person at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.4 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Contractor and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall

not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY:

CITY OF BELL, a municipal corporation

M. Williams

City Manager

ATTEST:

[Signature]

City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

[Signature]
David Aleshire, City Attorney

CONTRACTOR:

By: [Signature]
Name: Reza Nasrollahi
Title: President

By: [Signature]
Name: Sam Grinberg
Title: CFO

Address: 400 W Compton Blvd.
GARDENA CA 90248

Two signatures are required if a corporation.

NOTE: CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO DEVELOPER'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

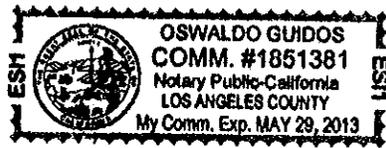
COUNTY OF

On 10-09-12 before me Oswaldo Guidos personally appeared Reza Naskollahy And Semyon Grinberg, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature: [Handwritten Signature]
Oswaldo Guidos, Notary



OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER

- Individual Corporate Officer (checked) - President and CEO
Partner(s) - Limited General
Attorney-in-Fact
Trustee(s)
Guardian/Conservator
Other

DESCRIPTION OF ATTACHED DOCUMENT

City of Bell Contract Services
(37) Pages
Notarized 10/09/12

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))
Global Paratransit, Inc.

SIGNER(S) OTHER THAN NAMED ABOVE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

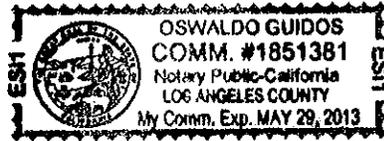
COUNTY OF

On 10-09, 12 before me, Oswaldo Guidos, personally appeared Rosa Nasrallah and Semyon Grinberg. I proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature: [Handwritten Signature]
Oswaldo Guidos, Notary



OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER

- Individual Corporate Officer (checked), Partner(s), Attorney-in-fact, Trustee(s), Guardian/conservator, Other. Includes checkboxes for Limited and General.

DESCRIPTION OF ATTACHED DOCUMENT

City of Bell, Contract Services
(37) Pages
Notarized 10/09/12

SIGNER IS REPRESENTING:
(NAME OF PERSON(S) OR ENTITY(IES))
Global Paratransit, Inc.

SIGNER(S) OTHER THAN NAMED ABOVE

**EXHIBIT A
SCOPE OF WORK**

I. CONTRACTOR SHALL PERFORM THE FOLLOWING SERVICES:

Contractor will operate: 1) a dial-a-ride paratransit advanced reservation program for eligible residents, 2) a fixed route bus program for the general public, and 3) a demand responsive Taxi based program also to serve eligible residents (collectively "Public Transportation Services"). Contractor will act as the prime contractor and will manage, coordinate, and furnish all personnel, equipment, services and supplies necessary to operate the paratransit and fixed route bus elements of the program. Contractor will subcontract with Fiesta Taxi Cooperative, Inc. to provide the demand responsive Taxi service. However, even in that, Contractor shall be responsible for meeting all the conditions and requirements of this Agreement with either its own employees and resources or resources made available through subcontracting with Fiesta Taxi as will be set forth in detail below under Section I.C. of this Exhibit.

A. ADVANCED RESERVATION DIAL-A-RIDE PARATRANSIT PROGRAM

Contractor will provide advanced reservation dial-a-ride transportation services ("DAR Transportation Services") based upon the curb-to-curb concept for registered riders who are senior citizens and/or disabled.

Service Area: Contractor will provide DAR Transportation services within the boundaries of the City of Bell. Service will also be provided to the following medical and Shopping Areas outside of the City Boundaries.

- a. Stonewood Mall, 9250 Firestone Blvd, Downey, CA
- b. Medical Center, 9515 Telegraph Road, Downey, CA
- c. Kaiser Medical Center, 9449 Imperial Highway, Downey, CA
- d. Medical Offices located between 9000 and 9600 Telegraph Road, Downey, CA
- e. Kaiser Permanente Hospital, Located at the corner of Rosecrans and Clark

Eligible Users: Contractor will provide the DAR Transportation Services to City of Bell Residents who are either 60 years of age and older or are physically disabled, regardless of age.

Client Management Services: Contractor will provide the personnel and equipment necessary to receive applications, verify eligibility, maintain the corresponding client database and issue an electronic swipe card bearing client identification photograph. The swipe card will be capable of interfacing with a GPS system, an electronic billing system and a computer data management system. Contractor may negotiate with the City a location at a City facility to perform this service if selected contractor's operation center is not conveniently located to serve the residents of the City of Bell.

Fares: Currently the City has not established any fares for the DAR program and is providing the service free of charge. Should the City decide to establish a fare, the contractor will be responsible for collecting the fare according to the fare structure established by the City. Contractor will also be responsible for counting the fares daily, reconciling the receipts with the ridership, and deducting the fare revenues from the monthly invoice.

Response Time: All vehicles shall arrive within a twenty (20) minute window of the scheduled pickup time (ten (10) minutes before and ten (10) minutes after).

Pick-Up and Drop-Off Policy: Vehicles will offer curb-to-curb service for eligible riders. In cases where the rider is not waiting at the curb, the driver will beep the horn gently to signal arrival. The driver will wait three (3) minutes from the designated pick-up time for the passenger to arrive at the designated pickup location.

Advanced Reservation Period: Contractor will be allowed to require a maximum advanced reservation of 24 hours prior to the desired pick up time. Contractor may waive this requirement if conditions and vehicle availability allow a more immediate pick up time at no additional cost to the City.

Days and Hours of Operation: The Advanced Reservation DAR Transportation Services will be provided during the following times.

Week Days Monday - Friday	Week Ends (Saturday Only)	Holidays
7:00 AM to 5PM	9:00 AM to 3:00 PM	No Service

Annual Service Hours: Contractor will provide 2,832 service hours of DAR Transportation services annually.

Holidays: Contractor will not be required to provide services on the following holidays:

- New Years Day
- Martin Luther King Jr. Day
- Presidents Day
- Memorial Day
- Independence Day(4th of July)
- Labor Day
- Thanksgiving Day
- Christmas Day

Reservation Services: Contractor will provide reservation services Monday through Friday from 6:30 AM to 7:30 PM and from 8:30 AM to 6:00 PM on weekends.

Telephone system: Contractor shall provide a telephone system sufficient to receive the volume of customer reservation calls. Calls shall be answered within 30 seconds and hold times should not exceed two minutes. Phone system should include Telephone Digital Display (TDD) capability.

Computer Assisted Dispatch/Routing System: Contractor shall provide a computer assisted Dispatch and Routing system capable of maintaining a list of patrons, patron ride history, ride time, and scheduled pick-up time. The system should also provide subscription, next day and real time reservations and dispatch, and have the capability of verifying no show trips.

Drivers: All drivers shall hold California Drivers License of the Class required to drive transit vehicles and transport passengers and meet all applicable local, state and federal requirements. Drivers should be alert, clean, careful, courteous, sober, drug free and competent in their driving skills.

Vehicles: All vehicles provided by the Contractor must meet California Highway Patrol (CHP) inspection requirements, and all other vehicle systems must be in good working order. All vehicles must have working air conditioning and be accessible for senior citizens and handicapped persons. Wheelchair accessible vehicles (ramp or lift-equipped) shall be available within the same service parameters as regular sedan service. The wheelchair accessible vehicles shall meet all requirements of the Americans with Disabilities Act (ADA) of 1990 and all applicable amendments thereto.

B. FIXED ROUTE BUS SERVICE PROGRAM

Contractor will provide the city with planning, equipment, and properly trained personnel for the successful operation of a Community Fixed Route Service.

Days and Hours of Operation: Contractor shall furnish fixed route bus transportation services during the following hours:

<u>Week Days Monday – Friday</u>	<u>Week Ends (Saturday Only)</u>	<u>Holidays</u>
7:00 AM to 7 PM	9:00 AM to 3:00 PM	No Service

Holidays: Contractor will not be required to provide services on the following holidays:

- New Years Day
- Martin Luther King Jr. Day
- Presidents Day
- Memorial Day
- Independence Day(4th of July)
- Labor Day
- Thanksgiving Day
- Christmas Day

Annual Service Hours: Contractor will provide 3,336 hours of fixed route bus transportation services annually.

Eligibility: The fixed route bus service is intended to be available to any resident of the City of Bell.

Fares: Currently the City has not established any fares for the Bus program. Should the City decide to establish a fare, the contractor will be responsible for collecting the fare according to the fare structure established by the City. Contractor will also be responsible for counting the fares daily, reconciling the receipts with the ridership, and deducting the fare revenues from the monthly invoice.

Bus Route: Contractor will define the fixed route for the bus service and present the route to the City for its approval no later than 60 days after the receipt of the Notice to Proceed. The bus route is subject to approval by the City.

Vehicle (Bus): Contractor will use one of Chevrolet Goshen Vehicles furnished by the City to provide fixed route bus service. Depending upon demand, The City may request Contractor to provide one larger bus with a capacity for 18 passengers. The cost of the 18 passenger bus shall be the \$ 19,560 and is stipulated in the Contractor's Proposal.

C. DEMAND RESPONSE TAXI DIAL-A-RIDE SERVICE

Contractor proposes to subcontract with Fiesta Taxi for the daily operation of the Demand Responsive Taxi element of the Public Transportation Services. Contractor shall be the City's contact and shall also be responsible for meeting all the conditions and requirements of this Agreement with either its own employees and resources or resources made available through subcontracting with Fiesta Taxi.

Contractor understands that as part of its subcontract with Fiesta Taxi, it shall require Fiesta Taxi to comply with all the provisions of this Agreement. Furthermore, Contractor understand and fully agrees that to pursuant

to the terms of Section 5.4 of this Agreement fully indemnify, defend and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the use of Contractor of Fiesta Taxi as its subcontractor or out of conduct of Fiesta Taxi and its personnel.

Taxi Cab Owner's Permit: Contractor shall, at all times during the term of this Agreement, have and maintain a valid Taxicab Owner's Permit to operate taxicabs in accordance with the policies and provisions of the complete chapter and sections in the Municipal Code and other applicable law.

Dispatch Center: Contractor shall have a computerized dispatch center capable of dispatching taxis in a timely and efficient manner to the City of Bell. Contractor to provide the necessary personnel to operate the Dispatch Center during normal service hours from 6:00AM to 9:00PM daily.

Electronic Swipe Card: Taxi vehicles shall be equipped with an electronic swipe card reader capable of interfacing with a GPS, an electronic billing system and a computer data management system.

Taxi Drivers: Driver Qualifications: The Contractor shall furnish drivers who are at all times:

- a. Licensed to operate a vehicle in the State of California as well as maintain a valid medical certificate and any other licenses required by applicable Federal, State or local regulations.
- b. Alert, careful, courteous and competent in their driving habits.
- c. Neat and clean in appearance
- d. Enrolled in the DMV Pull Notice Program, and shall meet the following criteria:
 - i. No more than three (3) moving violations during the five (5) year period preceding application for this program; and
 - ii. No more than one (1) moving violation within the twelve (12) month period preceding application for this program; this will continue to be monitored during each semi-annual review of the driving record; and
 - iii. No reckless driving violations shall be allowed; evidence of reckless driving violation shall be grounds for removal from this program; and
 - iv. Under no condition shall an applicant be accepted as a driver for this program if he or she has ever been convicted of a felony and/or he or she has ever been convicted of a drug or alcohol offense or had his or her license suspended due to a drug or alcohol offense and, if convicted after employment of such offense, shall be considered grounds for immediate dismissal from this program;
- e. Licensed to operate a vehicle in the State of California as well as maintain a valid medical certificate and any other licenses required by applicable Federal, State or local regulations.
- f. Alert, careful, courteous and competent in their driving habits. Neat and clean in appearance

Testing and Driving Records: To the extent legally permissible, Contractor shall provide a program for drug testing of drivers and other personnel in a form reasonably acceptable to the City. Contractor shall have in place pre-employment and random testing procedures in full compliance with Federal drug-testing law (40USC, Section 702, Drug-Free Workplace Act, 1988; 40 CFR, Part 29.600-29.635, Subpart F. Drug-Free Workplace).

Within the 30 days of approval of the contract and semi-annually during the term, Contractor shall submit to the City, updated listings of drivers employed to provide service to the City of Bell. In no event shall the Contractor employ any person as a driver who possesses a driving record with a citation for driving under the influence.

Driver Training: All drivers shall receive initial and ongoing training in, at minimum the following:

- Defensive Driving
- Emergency First-Aid
- Passenger Assistance Techniques, Including Operation of Lift-Equipment
- General Vehicle Handling and Safety
- Passenger Relations

"New Hire" training shall be no less than the minimum required by law and shall include both classroom and behind-the-wheel training. The City requires that drivers receive at least 50% of their defensive driver training and the "hands on" portion of the sensitivity training prior to providing service in this program. All remaining new-hire driver training must be completed no more than thirty (30) days after any given driver begins providing service.

"Refresher" training is required for all drivers on an annual basis and may be addressed through routine safety meetings. Monthly safety meetings shall be conducted for all personnel associated within this contract to advise them of changes in procedure and to reinforce practices related to provision of quality service. The Contractor shall maintain records of new-hire training completion and safety meeting attendance.

Taxi Vehicles: Contractor residents must provide both standard Taxi Sedans and ADA compliant wheel chair accessible vehicles.

Number of Annual Taxi Rides: Contractor to provide 10,000 Taxi Rides per Year.

Eligible Riders: The Eligible Riders are residents of Bell 60 years of age or older and the disabled of any age.

Hours of Service: The hours of service for the Taxi Based Dial-A-Ride are from 6:00 AM to 9:00 PM Daily seven days a week.

Service Area: Contractor will provide Demand Responsive Taxi Based Dial-A-Ride Transportation Services within the boundaries of the City of Bell. Service will also be provided to the following medical and Shopping Areas outside of the City Boundaries.

- a. Stonewood Mall, 9250 Firestone Blvd, Downey, CA
- b. Medical Center, 9515 Telegraph Road, Downey, CA
- c. Kaiser Medical Center, 9449 Imperial Highway, Downey, CA
- d. Medical Offices located between 9000 and 9600 Telegraph Road, Downey, CA
- e. Kaiser Permanente Hospital, Located at the corner of Rosecrans and Clark

II. IN PROVIDING ALL SERVICES, CONTRACTOR SHALL COMPLY WITH THE FOLLOWING PROVISIONS:

Vehicles. Contractor will assume full responsibility of the proper operation of all the vehicles used all in the Public Transportation Services; whether directly owned or if is owned by the City or by its subcontractor. All

vehicles and vehicle equipment required to perform the Public Transportation Services, will be maintained by Contractor in good repair and in a condition satisfactory to the City.

- Vehicle Repairs

Contractor will not operate a vehicle in revenue service with visible body damage without consent from City of Bell. This includes any vehicle that sustains significant damage from any cause, fault or no fault of Contractor. Upon approval from City, Contractor will repair City owned vehicles immediately when it is determined such damage impairs the proper and safe mechanical operation of the vehicle. All other damage shall be repaired in a reasonable amount of time. At no time, will the City be required to repair, replace or maintain any vehicle required for the operation of the Public Transportation Service.

- Vehicle Maintenance

All vehicles used in service to the City shall be maintained in safe, comfortable and clean working order. Contractor at its sole cost and expense, shall provide all repairs, parts, lubricants and supplies required for operation of vehicles. Contractor shall ensure that adequate preventative maintenance is in place at reasonable intervals to prevent the need for major repairs. Contractor shall have the facilities and personnel to provide all routine and selected major repairs, although sub-contracts for bodywork or selected major repairs are acceptable. Maintenance records must be maintained and kept current by the Contractor.

All vehicle repair or maintenance work must be performed or approved by a certified vehicle mechanic. Contractor personnel must have the ability to repair or to procure service for accessory equipment such as, but not limited to, fare boxes, radios and lift equipment.

- Vehicle Cleanliness

All vehicles used in the City of Bell Public Transportation service will be cleaned on a daily basis. Daily cleaning consists of the following:

- o Cleaning all windows, removing all dust, fingerprints and head prints;
- o Removing all dust from seats, dashboards, wheel wells, rails and ledges;
- o Sweeping or vacuuming all floor areas; mopping or cleaning all liquid spills;
- o Maintaining a vehicle free of paper and debris;
- o Repairing all damaged seats; and
- o Removing Graffiti.

- Vehicle Equipment

Contractor at its sole cost and expense, will maintain stores of fuel, lubricants, tires, and other consumables, repair/replacement parts and supplies required for the maintenance and operation of the vehicles utilized in providing City of Bell Public Transportation Services.

- Warranty Repairs

Contractor understands its responsibility to assume all coordination with the original equipment manufacturer of the vehicles if necessary to keep the vehicles in safe and good operating condition. This responsibility includes negotiating and processing all vehicle warranty claims through the manufacturer's own warranty, extended warranties or credits as a result, for the length of time warranty is in effect. This is a task routinely performed by Contractor in the maintenance of Access Service vehicles.

- Vehicle Breakdown

Maintenance of vehicles assigned to the City of Bell Public Transportation will be performed at a time that ensures maximum availability of vehicles for transportation service. Such schedule does not preclude necessary maintenance during normal hours; it is only to ensure that the maximum number of vehicles will be available for service during the peak periods. Sufficient maintenance personnel are on site or available, if needed, during the entire vehicle operation period. Such maintenance personnel will, therefore, be available to respond to a vehicle failure that may occur to an in-service vehicle. Should the failure render the vehicle inoperable with a passenger on board, Contractor shall take appropriate action to transfer the passenger to another ride within 20 minutes. And tow service for the inoperable vehicle shall be provided in a timely manner.

- Vehicle Markings

Contractor will mark the Paratransit and Fixed Route Transit vehicles in a manner prescribed by the designated City of Bell representative. These vehicles will be easily recognized and marked as serving the City of Bell. Moreover, Contractor will not cause only such advertising material, audio, video or similar devices, as many be specified and/or approved by the City of Bell to ever be affixed to such a location or locations on the vehicles as the City of Bell shall direct. No payment or consideration received by the City of Bell in connection with such advertising or notice will be paid to Contractor

- Removal/Return to Service

At the instruction of the designated City of Bell representative or an appropriate regulatory agency, any equipment will be removed from service. Whether the removal is due to mechanical failure, non-conformance with contract specifications, or pertaining to any state code or law, Contractor will make any and all corrections and repairs to the equipment, at its own expense, and submit the vehicle for re-inspection prior to it being released back into service.

- Back-up Vehicles

At no such time will the removal of a vehicle from service negatively compromise the operation of the City of Bell Public Transportation Service. Contractor will possess a back-up vehicle of like-kind, capacity and that meets all local and state specifications. The backup vehicle will be of a capacity that will allow normal service operation. Contractor will only bill for the actual service hours the backup unit is used. Cost of possessing the backup unit and maintaining the unit in acceptable conditions is included in the corresponding capital and maintenance costs on the price sheet.

Any back-up vehicle provided by Contractor will meet California Highway Patrol (CHP) inspection requirements. All other vehicle systems will be in good working order. All vehicles will have working air conditioning and will be accessible for senior citizens and handicapped persons. Wheelchair accessible vehicles (ramp or lift- equipped) will be available within the same service parameters as regular sedan service. The wheelchair accessible vehicles will meet all requirements of the Americans with Disabilities Act (ADA) of 1990 and all applicable amendments thereto.

- Vehicle Inspection

Contractor will submit any vehicle used in the Public Transportation service to the designated City of Bell representative at any time to inspect, examine or test any equipment used in the performance of operations as described herein in order to ensure compliance with these specifications. It is understood that the inspections may take the form of vehicle inspections, ride- alongs, visual cleanliness inspections, inspections of records pertinent to the program operations, or other inspections as needed. These inspections are expected to be arranged in advance so that adequate back-up vehicles are provided in the case of vehicle inspections.

- Return of Vehicles

Upon termination or completion of the contract term, Contractor shall be responsible for the return of all vehicles furnished by the City of Bell for the operation of the DAR Transportation Services to the City of Bell in the condition in which they were received with the exception of normal wear and tear. This includes, but is not limited to, body condition, systems condition and function, all ancillary equipment (intact and functional) and overall vehicle operation and performance. The City will conduct individual inspections on each vehicle with its last Preventative Maintenance cycle prior to the scheduled return to the City of Bell. The inspection schedule shall be coordinated with the City of Bell, City Manager or designee, with facilities and required support necessary for the inspections to be supplied by Contractor.

Contractor shall steam clean thoroughly the engine compartment, engine, chassis, transmission, oil coolers, drive train, and suspension prior to inspection. Such inspections will ensure any necessary repairs are completed and will require Contractor to conduct any needed repairs.

Contractor shall have seven (7) days in which to complete those repairs once Contractor has been notified of any deficiencies requiring repair. Should for any reason the length of time required to complete repairs would impact the ability to meet service demands, or should through the inspection process it is found that the repairs were not made as instructed by the City, the City shall have the right to waive Contractor's right to make repairs which are necessary to bring vehicles into compliance under the terms of the contract. Under such waiver condition, the City of Bell may make repairs itself, or assign another company of the City's choosing to perform all required repairs and charge the Contractor the cost of such repairs from any moneys otherwise owed.

Passenger Assistance: Drivers are not permitted to assist a passenger to and from the door of any residence or building but will provide assistance in boarding and deboarding the vehicle.

Record Keeping and Reports: Contractor shall be required to maintain all project records for good business practices or as required by the City, the Los Angeles County Metropolitan Transportation Authority (LACMTA) and State and Federal laws and regulations. The Contractor will maintain all required monthly operating data and prepare all reports needed to meet the NTD reporting requirements

All reporting documents shall be produced accurately and in a timely manner as indicated herein on a monthly basis as required by the City, and at the frequency established by the City. These reports shall be submitted in a form compatible with the existing format. The Contractor shall submit additional written reports as requested by the City for specific purposes. Reports shall include, but are not limited to: monthly statistical reports that include; ridership by time of day; and drivers logs and dispatch logs for dates requested for the purpose of documenting on-time performance standards.

Inspection of Operational Records. The City reserves the right to audit all of the Contractor's operational records related to the Public Transportations Services.

Incident Reports. All drivers shall be required to complete "Incident Reports" arising out of any unusual occurrences during service. Such reports must be submitted to City of Bell review within forty-eight (48) hours and shall be submitted after incidents such as, but not limited to: disputes with passengers, passenger complaints, passenger injury, illness or misconduct, or situations that do not follow established policies.

Accident Reports. All patron and vehicle accidents shall be reported to the City by telephone immediately during normal business hours and not later than 8:00 a.m. the following day (regardless of the amount of damage or lack thereof) and a police report must be immediately obtained from law enforcement agency that responded to accident. The Contractor must submit written Accident Reports to the City within twenty-four (24) hours of any accident.

Management Reports. The Contractor shall furnish a report with each month's billing giving standard boarding, trip information in terms of miles and hours, and meter cost and other statistics. The number of trips shall be reported separately from the number of riders transported. The Contractor shall furnish additional reports at the City's request.

Monitoring Customer Satisfaction. Contractor shall design and apply a Customer Survey instrument that will collect information and measure the degree of customer satisfaction with the services being provided. Contractor is encouraged to use internet or web based instruments to facilitate customer feed-back. Contractor shall submit a plan and methodology for collecting customer feed-back and measuring satisfaction to the City of Bell for its approval. Results of the survey shall be reported to the City quarterly by an independent firm retained by the contractor for the purpose of tabulating and reporting the results of the customer service survey.

Complaints. The contractor shall institute a procedure for receiving, logging and resolving customer and citizen complaints by collecting pertinent information and deriving a resolution. City reserves the right to exclude any of Contractor's employees or drivers from participating in the Dial-A-Ride Program due to findings relating to a complaint or service issue. Complaints and their resolution shall be reported to the City of Bell within 10 days of their receipt.

Drug and Alcohol Compliance:

(a) The Contractor shall comply with the City's mandatory controlled substance and alcohol testing certification program for taxicab drivers adopted in accordance with the provisions of California Government Code Section 53075.5 (b)(3)(A). Additionally, the City, as a grantee of the United States Department of Transportation (USDOT) requires compliance with Federal Transit Administration (FTA) drug and alcohol testing rules, including, without limitation, Title 49 of the Code of Federal Regulations (CFR), Part 655 (Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations) and Part 40 (Procedures for Transportation Workplace Drug and Alcohol Testing Programs) and Contractor shall comply with the FTA's drug and alcohol testing rules.

(b) In providing transportation service or performing "safety-sensitive" functions for the City, Contractor shall comply with the standards adopted by the City for Drug and Alcohol Testing. As used in this section, "safety-sensitive" functions are defined as follows: operating a revenue service vehicle, even when not in revenue service; operating a non-revenue service vehicle, when it is required to be operated by a Commercial Driver's License (CDL) holder; controlling dispatch or movement of a revenue service vehicle; maintaining (including repairs, overhaul, and rebuilding) a revenue service vehicle or equipment used in revenue service; and carrying a firearm for security purposes. Any supervisor who performs, or may be required to perform any of the functions listed above is also considered a safety-sensitive employee.

(c) Contractor has the responsibility to review and analyze all job functions within the company to determine which job classifications are considered "safety-sensitive".

(d) Contractor must certify that it has or will establish and implement a drug and alcohol testing program in accordance with the requirements of 49 CFR Part 40 and Part 655.

(e) Contractor must submit its drug and alcohol testing program to the City of Bell upon executing this Agreement.

(f) Contractor shall provide annual statistical reports, using the applicable forms required by the FTA, (for the year ending in December) to the City, within fifteen (15) days of transmittal thereof to the FTA. These reports include training records and statistics for all of the following required types of tests: pre-Employment; random; post-accident ; follow-up; and return to duty.

(g) On Pre-Employment tests, Contractor shall quarterly provide the City with a complete list of covered employees with negative pre-employment test results, completed USDOT Federal Custody and Control Form (CCF) and completed USDOT Breath Alcohol Testing form. Results of testing shall also be made available to the City upon request.

(h) Contractor shall retain the following records for a five (5) year period: verified Positive Drug screen results; alcohol test records of 0.02 or greater; documentation of refusal to take a required drug or alcohol test; documentation of employee disputes; evidential breath device calibration documentation; employee evaluation and referrals; and annual MIS reports.

(i) Contractor shall retain the following records for a period of three (3) years: information obtained through previous employer record checks.

(j) Contractor shall retain the following records for a period of two (2) years: records related to the collection process (excluding EBT calibration); and education and training records.

(k) Contractor shall retain the following records for a period of one (1) year: alcohol test results of less than 0.02; and records of negative drug test results

California Department of Motor Vehicles (DMV) “ Pull Notice” Practices: Contractor shall comply with the requirements of the California Department of Motor Vehicles Pull Notice Program.

Gratuities: Under no circumstance shall the driver or contracted personnel for the Demand Response Taxi Dial-A-Ride Program accept gratuities and/or tips from the patron or public when operating under contract with the City of Bell.

Personnel: Management of the day-to-day operations of the services shall be vested in the Contractor. At all times during hours of operation, Contractor shall provide all necessary management, operational, and administrative personnel whose expertise, experience and responsiveness shall ensure efficient operation of the all the service described herein.

Services shall be managed by the Contractor in accordance with City policies and procedures and within the parameters established by the City. Dial-A-Ride Service includes financing from the City's Proposition A and/or C Local Return funds; and other subsidies. Therefore, Contractor shall agree to comply with any conditions required by the City of Bell or the Los Angeles County Metropolitan Transportation Authority (LACMTA).

The portions of Contractor's response to the RFP that describes in detail the performance and function of all personnel, including Project Manager(s) and Data Manager(s) or Analyst(s), the recruiting and hiring practices and employee hiring and disciplinary procedures and practices and is hereby incorporated herein. Contractor shall at all times comply with the provisions of said plans,

Changes in Personnel: The Contractor must provide notice in writing to the City when there are new hires or reassignment of project personnel providing services pursuant to this Agreement. In addition, City shall be notified regarding any changes in proposed personnel duties or hours for the following personnel: Project Manager, Data Managers or Analyst(s).

Uniforms and Identification Badges: Contractor shall require its drivers to wear a suitable and appropriate uniform as a means of identifying the employee. All other employees of Contractor who come into contact with the public shall carry suitable identification badges or cards upon their person. The burden of uniform purchase is the sole responsibility of the Contractor. The uniform choice will be coordinated and approved by the City of Bell.

Employee Appearance and Conduct: All employees, while engaged in services described in this Agreement, shall be attired in uniform. Contractor shall use its best efforts to assure that all employees present a neat appearance and conduct themselves in a courteous manner. Contractor shall regularly train its employees in customer courtesy and shall prohibit the use of loud or profane language. If any employee is found not to be courteous or not to be performing services in the manner required by this Agreement, Contractor shall take all appropriate corrective measures.

Background Check: The Contractor must provide notice in writing to the City when there are new hires or reassignment of project personnel providing services pursuant to this Agreement. In addition, City shall be notified regarding any changes in proposed personnel duties or hours for the following personnel: Project Manager, Data Managers or Analyst(s).

Financial Statements: The City Manager may elect to review Contractor's annual financial statements. Contractor shall have financial statements annually prepared. Within ninety (90) days of a City request, Contractor shall allow the Chief Administrative Officer, his/her designee or an auditor selected by the City to review copies of the financial statements at the Contractor's local office, or other such mutually-agreeable premises of Contractor. City and Contractor agree to use reasonable efforts to protect the confidential nature of the Contractor's financial statements.

EXHIBIT "B"
SPECIAL REQUIREMENTS
(Superseding Contract Boilerplate)

Section 1.8 "Prevailing Wages" is deleted in its entirety.

The following Section 3.6 is added:

Termination Due to Funding: The Parties acknowledge and agree that the availability of Proposition A funds to the City is not within the control of the City. If the City's allotment of Proposition A funds is reduced from its current level the City shall promptly notify Contractor of the fact and of the level of funding that it will have available for the paratransit service. In such event, the City and Contractor shall meet and cooperate to negotiate a revised services Agreement. If the parties are unable to reach such an Agreement, this Agreement shall terminate and neither party shall be deemed in default. (See Exhibit "B.")

EXHIBIT "C"
COMPENSATION

I. Contractor shall perform the following tasks at the following rates:

	RATE	Unit
A. Dial-A-Ride Paratransit Service	\$45.78	Service Hour
B. Fixed Route Bus Service	\$44.68	Service Hour
C. Taxi Based Dial-A-Ride:		
	\$2.65	Flag Drop
	\$2.45	Per Mile
	15%	Administrative Fee
	\$0.50	Per Trip -Swipe Card Billing Fee
	\$5,000	One Time Only- Swipe Card Start Up

II. The City will compensate Contractor for the Services performed upon submission of a valid invoice. Each invoice is to include:

- A. Number of Service Hours for Fixed Bus Route.
- B. Number of Service Hours for the Paratransit Route.
- C. Detail of each taxi ride provided and the cost calculation for each ride.

III. Not to Exceed Amount:

The Combined Annual Compensation for the Fixed Bus, Paratransit and Demand Based Taxi service shall not exceed \$384,000.00 per Section 2.1 of this Agreement. Cost Adjustments for the

second and subsequent years will be made to the Contractors annual price using the Consumer Price Index for All Urban Consumers, Los Angeles Area-all items, as published by the U.S. Department of Labor, Bureau of Labor Statistics.

Service Complaint Penalties.

Service complaints include, but are not limited to: missed pick-ups, failure to pick-up, late (xx minutes or greater) pick-ups, and/or rude behavior (including asking/demanding tip).

For every third (3rd) verified complaint the City receives about the contractor, it will deduct one hundred dollars (\$100.00) per verified complaint during any calendar month. Thus creating a three hundred dollar (\$300.00) deduction in any calendar month if there were three verified complaints.

City will notify Contractor in writing that said penalty is imminent and request Contractor to reduce their invoice by the penalty amount in the following month's invoice. Invoice shall clearly identify such transaction.

Service Incentives increase.

Contractor may earn an annual incentive of two (2) percent of the annual contract payment if the following conditions are met:

- a. Contractor has maintained a 95% good or better customer service rating.
- b. All reports have been submitted to City in a timely and acceptable form.
- c. Ridership level have been consistently increasing.
- d. Response time goals have been met 95% of the time
- e. Terminal Inspection reports (California Highway Patrol) have a Satisfactory or better rating.
- f. Vehicles have been maintained in A-1 condition as demonstrated by date stamped digital photo surveys, random City Inspections, and vehicle maintenance reports.
- g. Contractor has not had more than five (5) verified complaints during the year of operation and not had a penalty assessed.

City will notify Contractor in writing that said incentive is achieved and request Contractor to increase their invoice by the incentive amount in the following month's invoice. The Invoice shall clearly identify such transaction.

EXHIBIT "D"
SCHEDULE OF PERFORMANCE

A. PARATRANSIT SERVICES

Days and Hours of Operation: Contractor shall furnish fixed route bus transportation services during the following hours:

Week Days Monday – Friday	Week Ends (Saturday Only)	Holidays
7:00 AM to 7 PM	9:00 AM to 3:00 PM	No Service

B. FIXED ROUTE BUS TRANSPORTATION SERVICES

Days and Hours of Operation:

The Advanced Reservation DAR Transportation Services will be provided during the following times.

Week Days Monday - Friday	Week Ends (Saturday Only)	Holidays
7:00 AM to 5PM	9:00 AM to 3:00 PM	No Service

C. DEMAND BASED TAXI SERVICE

Hours of Service:

The hours of service for the Taxi Based Dial-A-Ride are from 6:00 AM to 9:00 PM Daily seven days a week.

D. COMMENCEMENT OF SERVICES:

Services will commence on _____, 2012.