Request for Proposals (RFP)
Transit Service Operation and Management

RFP Release Date: January 24, 2013

Title: Transit Operation and Management

Description: Operation and management of Sage Stage deviated fixed route and Dial-A-Ride services in Modoc County, California.

Project Period: July 1, 2013 to June 30, 2018, unless earlier terminated, with up to 2 years of optional term extension.

Project Sponsor: Modoc Transportation Agency

Deadline for Questions: February 15, 2013

Modoc Transportation Agency / Sage Stage offices
111 W. North Street
Alturas, CA 96101

Proposals Due: March 22, 2013 (Postmarks will not be accepted.) One (1) signed original and six (6) copies mailed or delivered by 2:00 P.M. to:
Modoc Transportation Agency
111 W. North Street
Alturas, CA 96101-3936
ATTN: Sage Stage Operations Proposal

Contact: Debbie Pedersen
Executive Director
Modoc Transportation Agency
Phone: (530) 233-6410
Fax: (530) 233-3744
Email: dpedersen@frontier.com
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SECTION 1: REQUEST FOR PROPOSALS

MANAGEMENT AND OPERATIONS FOR
SAGE STAGE TRANSIT SYSTEM
I. DESCRIPTION OF THE PROJECT

A. Area Profile

Modoc County is an isolated rural area in the northeast corner of California. The county borders Oregon to the north, Siskiyou County to the west, Lassen County to the south, and Nevada to the east. Alturas, the only incorporated city, lies approximately 150 miles northeast of Redding, California, 192 miles northwest of Reno, Nevada and 106 miles southeast of Klamath Falls, Oregon.

The population of the county is approximately 9,686 (Reference: US Census 2010). The region’s activity center, single incorporated city and county seat is the City of Alturas with a population of 2,827. Located at the hub formed by U.S. 395 and State Route 299, Alturas lies in a broad valley at an elevation of approximately 4,300 feet. It serves as the commercial, lodging, and tourist center of the region, as well as a limited medical care center.

The high desert climate of Modoc County is characterized by warm, dry summers and cold, moderately wet winters. Low temperatures in January average 16 degrees Fahrenheit, while the high temperatures in August average 88 degrees Fahrenheit. Annual precipitation levels range from nine to 18 inches in the valley areas to 35 inches in the southwest mountainous areas.

Modoc County’s major arterial highway is U.S. 395, connecting the county to Lakeview, Oregon to the north and Susanville, California and Reno, Nevada to the south. The county is also served by State Routes, 299 and 139, which are designated state scenic highways. The county includes the Clear Lake and Modoc National Wildlife Refuges and Modoc National Forest, which are tourist attractions in the summer, and an alpine ski area in the Warner Mountains.

B. Sage Stage Services

*Inter-city Routes*

Sage Stage is comprised of three inter-city/commuter routes. Due to limited resources and highly fluctuating demands, all Sage Stage services are operated on a reservation basis. These routes link Alturas to nearby regional centers. Intercity buses leave Alturas around 7 AM and return in late afternoon of the same day. Each intercity route is operated with one bus making a three- to four-hour layover in the terminus regional center. For passenger convenience, the bus drops off and picks up riders at specific destinations, such as hospitals, health care facilities, airports, bus and train stations, and popular locations within the city limits. The three routes are as follows:

- **Alturas – Susanville - Reno Intercity Route** operates one round trip every Monday, Wednesday and Friday.
- **Alturas to Klamath Falls Intercity Route** operates one round trip each Wednesday.
- **Alturas to Redding Intercity Route** operates one round trip every Monday and Friday.
MTA provides general public Dial-A-Ride on weekdays between 8:00 AM and 4:30 PM. This service is provided within a 10-mile radius of Alturas, including to and from the Modoc Estates and Cal Pines subdivisions. Dial-A-Ride provides curb-to-curb service to the general public and door-to-door access for elderly and disabled persons. Exhibit “D” of Section 3 of this document provides a published Sage Stage Bus Schedule and service area map as a ready reference to the current services to be provided.

C. Vehicles and Equipment
Five lift-equipped, cutaway-type buses and two lift-equipped mini vans are available to operate transit services for a total of seven vehicles. Exhibit “C” of the attached DRAFT AGREEMENT provides a complete list of vehicles and equipment owned by the MTA and provided to the CONTRACTOR for transit operation. All buses are fully equipped with fareboxes.

The MTA will provide overall administration, planning, marketing, intergovernmental and community liaison, and monitoring of the system. Fuel and all vehicle maintenance will also be provided by MTA via local vendors. Additionally, the MTA will provide all fare media, bus stop signs and street furniture. MTA will utilize the services of the CONTRACTOR to provide operations and staff, expert management, vehicle and employee insurance. Due to the remoteness of the Sage Stage service area and distances traveled on the inter-city routes, cell phones are the primary method of communication between Sage Stage staff members.

D. Operations Facility
Currently, Sage Stage buses and office are located at 111 West North Street in Alturas. MTA has purchased a new operations center in Alturas, CA that we anticipate relocating to by Summer of 2013. The future facility will include administrative offices, passenger facilities, vehicle storage and operations and maintenance space.

E. Service and Staffing Levels
Sage Stage buses operate - approximately 5,500 Vehicle Service Hours and 130,000 Vehicle Service Miles each year. These service levels are anticipated to remain relatively constant over the entire three-year contract period with current funding unchanged. If additional funding is available, MTA could expand service levels to meet Modoc County transportation needs/demands.

Currently, Sage Stage operations personnel consist of:
• 1 Transit Manager (part-time)
• 1 Receptionist/Driver (full-time)
• 4 Drivers (2 full-time, 1 part-time, 1 emergency backup)

Staffing needs are subject to change as routes and schedules are adjusted over time.
II. INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

The following shall be considered an essential part of this Request for Proposals (RFP).

A. General Information
Proposals are requested by the Modoc Transportation Agency, referred to as “MTA” herein, for the provision of labor, insurance and technical expertise for the Sage Stage deviated fixed route bus system and Dial-A-Ride services. For purposes of this RFP, independent contractors interested in submitting proposals are referred to as “OFFEROR” or “CONTRACTOR”.

Incorporated into this RFP is a DRAFT AGREEMENT which specifies the scope of work required. The successful OFFEROR to whom an award is made will be required to enter into an agreement with MTA substantially similar to the DRAFT AGREEMENT. The final AGREEMENT will incorporate changes or revisions necessitated by the RFP process and negotiations, and will be subject to review and approval of the MTA Legal Counsel. The selected OFFEROR will be responsible for meeting all requirements as specified in the DRAFT AGREEMENT, including but not limited to, employee standards and training, safety, on-time performance, reporting, billing, insurance coverage, appropriate licensing and other federal and/or state legal requirements.

B. Tentative Schedule
The proposal timeline is as follows:

- Release of RFP ............................................................January 24, 2013
- Deadline for Submission of Written Questions ..................February 15, 2013
- Response to Written Questions or Clarifications ...........February 21, 2013
- Proposals Due .............................................................March 15, 2013
- Review Proposals .......................................................March 15-22, 2013
- Award Contract ...........................................................by June 4, 2013
- Contract Start .............................................................July 1, 2013

These tentative dates, including service beginning date, are subject to change at the sole discretion of the MTA.

C. RFP Receipt Confirmation / Intent to Submit Proposal
OFFERORS must submit a letter or email to the Executive Director Debbie Pedersen, to advise the MTA that (1) OFFEROR has read and understood the Request for Proposals; (2) OFFEROR intends to participate in this solicitation; and (3) OFFEROR has designated a specific contact, including person’s name, title, complete address, email and telephone. Failure to submit such letter or email with contact information will result in no further communication from the MTA or addenda relating to this RFP.

D. Questions and Comments
All questions and comments must be submitted in writing via email to Modoc Transportation Agency Executive Director (Debbie Pedersen) dpedersen@frontier.com and in accordance with timelines in Section II, B.
E. **RFP Addenda**  
Any changes to this RFP or its requirements will be made by written addenda, and shall be considered part of the RFP. Upon issuance, such addenda shall be incorporated into the contract documents, and shall prevail over inconsistent provisions of earlier issued documentation. Addenda will be mailed electronically to the email address provided by each bidder or OFFEROR. All addenda shall be signed and attached to the proposal form. Failure to deal with or attach any addendum shall cause a proposal to be considered non-responsive; such proposals shall be rejected.

F. **Verbal Agreement or Conversation**  
No prior, current, or post award verbal conversations or agreements with any officer, agent, or employee of the MTA shall affect or modify any terms or obligations of this RFP, or any contract resulting from this procurement.

G. **Protests**  
In the event a dispute arises concerning the proposal process prior to the award of the contract, the party wishing resolution of the dispute shall submit a protest in accordance with MTA Policy and Procedure (available upon request) to the MTA Executive Director.

H. **Required Submittal Information**  
Sealed proposals must be received by MTA at the office listed below **no later than 2:00 p.m, March 22, 2013**. OFFERORS are responsible for making certain proposals are complete and delivered on time to:

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Modoc Transportation Agency  
111 West North Street  
Alturas, CA 96101-3936  
Attention: Debbie Pedersen, Executive Director
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Proposals will be accepted in person, by United States mail, by private delivery service. No proposals will be accepted by oral communication, telephone, electronic mail, telegraphic transmission or fax transmission.

Proposals may be withdrawn prior to the above scheduled time set for receiving proposals in the same manner by which proposals are accepted.

The MTA will not be liable or responsible for any late delivery of proposals. Proposals received after the date and time specified will not be considered and will be returned to OFFEROR unopened.

Each OFFEROR must submit at least one (1) original signed copy and six (6) duplicate copies of the complete proposal, plus a copy in PDF format on a CD, in a sealed envelope(s) that is marked with the words “Sage Stage Transit Services Proposal” and the name of the OFFEROR. Failure to submit the required number of proposals will constitute an incomplete submittal.
The use of the attached PROPSAL FORM is not required, but all proposals must include all required attachments and a signed price proposal. All prices and notations must be in ink or typewritten. Mistakes may be crossed out and corrections typed or written with ink adjacent thereto, and all corrections must be initialed in ink by the person signing the proposal.

Unacceptable conditions, limitations, provisos, or failure to respond to specific instructions or information requested may result in rejection of the proposal.

A bid bond or certified check in the amount of Twelve Thousand Dollars ($12,000) must accompany each proposal. All such security documents provided by OFFERORS shall be held by MTA until an award of contract. Upon award, security documents provided by unsuccessful OFFERORS shall be immediately returned. The successful OFFEROR’s bid security will be returned upon execution of an agreement between the MTA and OFFEROR, and the OFFEROR’s provision of the required. A Performance Bond is required (unless waived - see Section N below) pursuant to this RFP.

If the proposal consists of a “prime” contractor and one or more subcontractors, OFFEROR shall identify the subcontractors in the areas of their responsibility and percentage of the work to be accomplished by each subcontractor. If OFFEROR utilizes subcontractors in the proposal, OFFEROR’s services must equal sixty percent (60%) or more of the total costs of the proposal. The MTA will enter into an agreement only with the prime contractor who shall be responsible for all services required by this RFP and the attached AGREEMENT.

By submitting a proposal, OFFEROR certifies that his or her name (as well as the name of any proposed subcontractor) does not appear on the Comptroller General’s List of Ineligible Contractors for federally assisted projects.

No proposal shall be withdrawn after the date and time set for opening thereof, and all proposals shall remain in effect for ninety (90) days after the final proposal submission date.

I. Public Records and Confidentiality
The proposals shall be held in confidence and shall not be available for public review (Government Code Section 6254 (h) and (k)) until all negotiations are complete and a MTA meeting agenda is released with a recommendation for award. Upon release of such agenda, all proposals shall be public records (except financial statements, submitted under a separate cover for confidentiality, which shall be disclosed only upon order of a court with competent jurisdiction).

J. Screening, Selection and Award
Screening and selection will take place through the process described below. Contract award will be made to the OFFEROR which (a) meets REQUIRED QUALIFICATIONS OF CONTRACTOR specified in Part III of this RFP, and (b) submits the proposal considered most advantageous to MTA based on EVALUATION CRITERIA set forth under Part IV of this RFP.
Negotiations may or may not be conducted with OFFERORS; hence, the proposal should include the OFFERORS’ most favorable terms and conditions since selection may be made without discussion with any OFFEROR.

The Screening and selection process will be as follows:

Step 1: Sealed proposals will be opened and evaluated to determine compliance with REQUIRED QUALIFICATIONS OF CONTRACTOR. Proposals meeting specified requirements will be considered responsive and will be included in Step 2.

Step 2: Responsive proposals will be reviewed by an evaluation panel based on the EVALUATION CRITERIA of this RFP and the weighting criteria assigned thereto. Weighted scores from all panel members will then be added and a percentage value will be calculated and assigned to each proposal. Following such evaluation, a decision will be made whether to recommend award of the contract without further discussion to the OFFEROR receiving the highest score, or to negotiate with OFFERORS within a competitive range. Such decision is expected to be made approximately March 22, 2013.

If a decision is made to conduct negotiations with OFFERORS within a competitive range, only those OFFERORS within that competitive range will be interviewed on or near March 27, 2013. The purpose of such interviews will be to obtain additional information or clarification of each of those OFFERORS’ proposals, and to discuss modifications of such proposals.

At a minimum, the proposed project manager and a senior manager authorized to commit on behalf of the OFFEROR shall be present at interviews. Failure to provide the required personnel for the interviews may be grounds for disqualification of the proposal.

Those OFFERORS that are interviewed will then be given an opportunity to submit “best and final” offers. Such offers shall include any modifications made to the original proposals. “Best and final” offers must be received at the following address by no later than 2:00 p.m. on March 30, 2013:

MODOC TRANSPORTATION AGENCY  
c/o Debbie Pedersen, Executive Director  
111 West North Street  
Alturas, CA 96101-3936  
Phone: (530) 233-6422  
Fax: (530) 233-3744

Step 3: The evaluation panel will review “best and final” offers using the same evaluation criteria and weighting system described within this RFP. Weighted scores from all members will be added to determine which proposal has the highest score. The evaluation panel will then recommend one firm, based on the results of the final scoring, for MTA Board of Directors approval. Approval is expected by April 2, 2013.
The MTA reserves the right to withdraw this RFP at any time without prior notice. Further, the MTA reserves the right to modify the RFP schedule described above. The MTA also makes no representations that any contract will be awarded to any OFFEROR responding to this RFP. The MTA expressly reserves the right to reject any and all proposals without indicating any reasons for such rejection(s), to waive any irregularity or informality in any proposal or in the RFP procedure, and to be the sole judge of the responsibility and responsiveness of any OFFEROR and of the suitability of the materials and/or services to be rendered.

K. Lobbying
With the exception of contacting staff to ask questions regarding this RFP, any party submitting a proposal shall not contact or lobby any MTA Council/Board member, employee, or agent regarding the RFP. Any party attempting to influence proposal, submittal and review process through ex parte contact of any MTA official may have their proposal rejected.

L. Exceptions and Alternatives
OFFERORS may not, after exhausting protest avenues, take exception or make alterations to any requirement of this RFP. If an alternative proposal is submitted, it must be clearly identified as such. No such proposal shall be considered unless it satisfies all requirements of this RFP. The MTA expressly reserves the right in its sole discretion to consider such alternate proposals and to award a contract based thereon if determined to be in the MTA’s best interest.

M. OFFEROR’s Representations
In submitting a proposal, the OFFEROR affirms that he or she is familiar with all requirements of the RFP and has sufficiently informed himself or herself in all matters affecting the performance of the work or the furnishing of the labor, expert management and insurance called for in this RFP; that OFFEROR has checked the proposal for errors and omissions; that the prices stated are correct and as intended by the OFFEROR and are a complete statement of his or her prices for performing the work or furnishing the labor, expert management and insurance required. The OFFEROR waives any claim for the return of his or her bidder’s security, if on account of errors or omissions claimed to have been made by him or her in the proposal, or for any other reason, the OFFEROR should refuse or fail to execute a contract with the MTA. The above provisions shall apply equally to any proposal modifications submitted by OFFEROR in a “best and final” offer.

N. Pre-Contractual Expenses
Pre-contractual expenses are defined as expenses incurred by OFFEROR in: (1) preparing the proposal in response to this RFP; (2) submitting the proposal to the MTA; (3) negotiating with the MTA any matter related to this RFP; (4) any other expenses incurred by the OFFEROR prior to the date of award, if any, of the proposed AGREEMENT.

In any event, the MTA shall not be liable for any pre-contractual expenses incurred by OFFEROR. OFFEROR shall not include any such expenses as a part of the price proposed in response to this RFP.
O. **Performance Bond**

Within ten (10) calendar days after the award of the contract, the successful OFFEROR will be required to furnish, at OFFEROR’S own expense, a Performance Bond or other surety acceptable to the MTA, in the amount of twenty percent (20%) of annual contract cost, as a guarantee of good faith on behalf of the OFFEROR that the terms of the contract shall remain in full force and effect during the full term of the AGREEMENT between the MTA and OFFEROR. However, the MTA reserves the exclusive right to rescind this requirement at any time during the contract period.

In lieu of furnishing a Performance Bond, MTA may elect to permit the OFFEROR, upon OFFEROR’s written request, to have five percent (5%) of each contract payment retained in an interest-bearing escrow account rather than comply with the Performance Bond surety requirement. Such withholdings will be deducted from the monthly payments to a contractor until the total retention equals five percent (5%) of the annual contract cost. This escrow account will remain in effect throughout the entire term of the contract, and will continue in effect until after the date MTA releases any claims for payment.

P. **Compliance With Laws and Requirements**

By submitting a proposal, OFFEROR certifies that he or she will comply with all local, state and federal laws, regulations and requirements including, but not limited to, Equal Employment Opportunity, Disadvantaged Business Enterprise, Labor Protection, Americans with Disabilities Act, and other laws and regulations applicable to contracts utilizing state and/or federal funds. In connection with this project, the OFFEROR shall not discriminate on the grounds of race, color, or national origin.

Q. **Diadvantaged Business Enterprise Utilization**

This project is financed in part with funding received under Section 5311 of the Federal Transit Act. To comply with Federal rules and regulations, the MTA has developed and implemented a Disadvantaged Business Enterprise Program and Policy pursuant to 49 CFR Part 26. It is the policy of the MTA that equal opportunity to participate in its procurement will be provided to Disadvantaged Business Enterprise (DBE) firms.

R. **Interpretation**

The laws of the State of California shall govern all the rights and duties of the successful OFFEROR and MTA under the contract entered into pursuant to this RFP.

S. **Execution of the AGREEMENT**

The CONTRACTOR shall sign and date the AGREEMENT as an individual, partnership, limited liability, joint venture, or corporation, shall state the type of business and provide proof regarding legally authorized signature by resolution, written contract, or other authorizing documents in accordance with negotiated and agreed to services.

III. **REQUIRED QUALIFICATIONS OF CONTRACTOR**  (Step 1)

Proposals for the provision of labor, expert management and insurance for the MTA public transit system will be evaluated by MTA to determine whether or not they meet the following required minimum qualifications. **ANY PROPOSAL WHICH FAILS ON ANY OF THESE ITEMS MAY BE CONSIDERED NON-RESPONSIVE AND MAY BE REJECTED.**
A. Conflict of Interest/Ineligibility

Any proposal which indicates a conflict of interest, or is on the Comptroller General’s list of ineligible contractors for federally assisted projects, will be considered non-responsive and will be rejected.

B. Experience, Personnel and Financial Status

In order to be considered a responsive OFFEROR, the OFFEROR must have all of the following:

1. The firm or general partner of the firm must demonstrate extensive and recent experience (at least five years) in providing public transportation services for systems similar to that contemplated herein. The OFFEROR should demonstrate familiarity with the management and operation of deviated fixed-route and demand response public transit services, including all related tasks such as vehicle control and dispatch, personnel management, training, safety, compliance with ADA regulations and experience with CHP and Federal Motor Carrier inspections and FTA Drug & Alcohol reporting. A statement of qualifications demonstrating the foregoing and listing the OFFEROR’S experience in the public transit field, together with the names, addresses and telephone numbers of other public transit clients, including all other public transit system clients in California, Oregon and Nevada, shall be furnished with the proposal.

2. The OFFEROR must have and identify a proposed manager who, at the time of service start-up, has performed well in previous jobs (include resume) and has at least three (3) years recent experience in managing (as either a manager or assistant manager) public transportation services similar to those contemplated in this RFP, plus adequate managerial experience in public or private agencies supervising at least six (6) people. Managing these services means having direct supervisory responsibility for all facets of operations.

3. The OFFEROR must prove to MTA’s satisfaction that they possess sufficient organizational/manpower resources to accommodate turnover in management and other personnel without disrupting operations. Alternatively, the OFFEROR may propose measures that would mitigate such turnover.

4. The OFFEROR must submit a description of proposed staffing levels, and proposed employee benefit package that will be provided including any incentive or motivational programs. These items will be explained further in Section V Proposal Form.

5. The proposal must demonstrate that the OFFEROR possesses a good operational safety record including satisfactory inspection ratings from the California Highway Patrol or other applicable enforcement agency, by presenting evidence of such record to the MTA.

6. OFFEROR must document OFFEROR’s screening and selection program for vehicle operations employees including a proposed alcohol and substance abuse screening program in accordance with the DRAFT AGREEMENT, EXHIBIT “A” SCOPE OF WORK, Section 2.8.

7. The OFFEROR must propose a comprehensive, ongoing training, safety, and safety...
awards program for all employees associated with MTA service, with particular emphasis on drivers and personnel associated with customer service. MTA places a high priority on customer service, and the proposed training program should include customer service skills and techniques, and incentives for recognition of excellent customer service. The training program must be documented in the proposal, including specification of the hours and subject areas to be covered. Training resources must be identified, including the trainers, their qualifications and certifications/licenses held.

9. The OFFEROR must propose an adequate Management Information System (MIS) to implement and maintain the data collection, accounting, and reporting requirements of the DRAFT AGREEMENT. The proposed MIS must include a description of computer resources to be used, if any, including up-to-date software, computer equipment and personnel skilled to use such equipment.

10. The OFFEROR must have a satisfactory record of performance, including positive references from other public transit agencies that have recently contracted with the firm.

11. The OFFEROR must have adequate financial resources or the ability to obtain such resources as required during performance of the AGREEMENT and must present the MTA with financial statements, including Income Statement and Balance Sheet covering 2010, 2011, and 2012 years. If a financial statement from 2012 is not available, OFFEROR must so state and provide a financial statement for 2009 in lieu of the 2012 year. (Information on the firm’s financial status will be withheld from public review if submitted under separate cover with a request for confidentiality and unless disclosure is ordered by a court of competent jurisdiction).

12. OFFEROR’s proposed allocation of contract resources must demonstrate an understanding of scope of work requirements as described in the DRAFT AGREEMENT and attachments thereto. OFFEROR must submit a detailed cost model similar to the Suggested Pricing Sheet on the PROPOSAL FORM.

13. The insurance and bonding requirements of this RFP, including the DRAFT AGREEMENT, will be considered minimum requirements and must be complied with in every respect. OFFEROR must state renewal dates and must provide a statement of loss experience for the previous five years. The statement of loss experience must also identify any claims that may be pending at the present time.

C. Operations Facilities
The successful OFFEROR shall be required to utilize the operations facilities provided by MTA.

D. Contract Options
To be considered responsive, OFFEROR must respond to the requested contract options, if any.

E. Time Schedule/Transition Plan
Each OFFEROR shall submit a time schedule and transition plan setting forth the sequence of activities, events and associated time requirements proposed to be undertaken from the point of contract award through the first full month of system operations under the new AGREEMENT. The time schedule must provide for the transition to the new CONTRACTOR on July 1, 2013 with no disruption to existing MTA services and with new services smoothly implemented.
A. Criteria to Determine Proposals within a Competitive Range (Step 2)

Responsive proposals will be evaluated in accordance with the following four evaluation and selection criteria, listed in general order of relative importance (exact weighting of categories will not be revealed until after a contractor has been selected).

1. **Price:** MTA’s primary goal is to provide as many rides as possible for Modoc County residents in need of transportation. Unfortunately, the region is challenged by its remote location and limited funding. Providing effective transit service in Modoc County depends on many variables that fluctuate from year to year. Therefore, MTA is not requiring that OFFERORS state a firm fixed price in the PRICE PROPOSAL FORM. Rather, the price proposal will consist of the rates at which the CONTRACTOR will charge MTA for specified cost elements (labor, insurance, management fee and profit). Furthermore, the OFFEROR shall pay personnel according to the contract employee compensation schedule in “Appendix A” As discussed in the PRICE PROPOSAL FORM Cost Element Explanations section, the OFFEROR has the flexibility to create a “cost model” that the OFFEROR feels is reasonable for the provision of transit services over the next three years. The price proposal which is considered to be the most advantageous to MTA and Sage Stage will receive the highest ranking.

2. **Personnel, Organization & Management:**

   Proposed personnel (staffing level in terms of positions and approach to retention of existing service personnel, assessment of any labor contractual commitments the OFFEROR may have during and beyond the contract period); proposed training, safety and safety awards program; proposed handling of absentee situations; organizational depth (capability of handling turnover, the level of professional services in the proposal).

   Experience and references of the OFFEROR, the on-site manager and senior level supervisor or other personnel who will be available for expert advice; firm’s ability to respond to turnover in managers and key personnel.

   Overall performance on similar projects; contract retention and longevity; initiative and flexibility; safety record (CHP or equivalent safety inspection record and preventable collision accident rates); employee relations record and turnover; financial stability and capabilities; insurance coverage.

3. **Technical:**

   - Proposed management information system.
   - Understanding and commitment to EEO, DBE, and ADA requirements.
   - Demonstrated understanding of the requirements of this RFP, the DRAFT AGREEMENT and attachments. Overall proposal approach and completeness.

B. Final Selection (Step 3)

The above selection criteria, after conducting interviews, negotiations, and receiving best and final offers.
V. PRICE PROPOSAL FORM

The SUGGESTED PRICING SHEETS on the following pages may be used as a guideline to submit the OFFEROR’S price proposal for all work described in the DRAFT AGREEMENT and EXHIBIT “A” - SCOPE OF WORK. There is one pricing sheet for each year of the contract.

The OFFEROR’S price proposal must consist of estimated labor costs, insurance costs, management fee, and profit for each year of the contract period. In accordance with Section 9.1 - Price Formula, of the DRAFT AGREEMENT, the successful OFFEROR will invoice MTA directly each month for actual expenses incurred. On top of pass through expenses, the successful OFFEROR will bill MTA for management services and a mutually agreed upon amount to account for CONTRACTOR profit. The tables on pages 19, 20 and 21 display detailed cost elements which should be considered when creating this price proposal. An explanation of each cost element is provided below. Additionally, Section 3 of Exhibit A – Scope of Work includes a table displaying the distribution of duties and responsibilities for operation of the Sage Stage transit system.

A. Cost Element Explanations

Note: Items presented in plain text in the SUGGESTED PRICING SHEETS are considered fixed pricing elements. Items presented in bold text are negotiable.

1. Direct Labor – Pass Through

As staffing levels are subject to change, the purpose of this section is to provide the OFFEROR and MTA a general overview of direct labor costs.

Payroll
The OFFEROR shall pay employees according to the existing contract employee compensation schedule presented in Appendix A. The OFFEROR should provide in the proposal driver staffing level as well as estimated hours worked per month for all personnel over the contract period. For the OFFEROR’s reference Sage Stage actual hours worked, paid time off and paid holidays for each personnel position over the 27-month period from October 2010 to December 2012 is presented in Appendix B. The Sage Stage Rider’s Guide is displayed in Exhibit D of Section 3.

Employer Payroll Taxes
The OFFEROR should account for payroll taxes in the calculation of direct labor costs.

Employee Benefits & Insurance
MTA’s holiday and paid time off accrual process is presented in Appendix A. The OFFEROR may suggest a different benefit compensation schedule. Regardless, the OFFEROR must indicate the preferred method of payment for holiday and PTO hours (payment up front or throughout the contract period). CONTRACTOR will be required to either provide health insurance or an allowance towards health insurance premiums for full-time employees. A description of this benefit should be included in the proposal. Finally, workers compensation rates should be included in this section.

2. Insurance

Vehicle Insurance
The OFFEROR shall estimate vehicle insurance costs for the three year contract period
OFFEROR’s may suggest a price per vehicle, per mile or flat monthly fee. Included in
insurance costs is a Safety Bonus program. The current program is a cash bonus of $200 (less
taxes) for each year without chargeable incidents. OFFERORS may suggest a different Safety
Bonus.

**Liability Insurance**

The OFFEROR shall estimate liability insurance costs over the three year contract period.

3. **Management Fee**

This cost element accounts for expert assistance/system planning, staff training, annual
inspections, compliance requirements, annual reports and certifications and any other
management type duties which are required in the contract. The OFFEROR may fill in any
additional miscellaneous expenses in this section. The OFFEROR shall propose a rate of
payment or amount that is reasonable to cover the cost of providing these management
services.

4. **Profit**

It is up to the discretion of the OFFEROR to determine a rate or method of payment to account
for profit on top of actual expenses incurred. For example: an OFFEROR could propose a fee
as a % of total transit services expenses (labor, insurance and management) or a monthly flat
rate.

Monthly line item costs should be tallied to produce estimated annual costs for Fiscal Year 13-
14, Fiscal Year 14-15 and Fiscal Year 15-16. As stated in Section IV Evaluation and
Selection Criteria, the annual costs estimated on the PRICE PROPOSAL FORM are not fixed
total costs. Firm cost rates at which the CONTRACTOR will invoice MTA will be negotiated
in the final contract. The Suggested Pricing Sheet (or document with similar format) primarily
provides MTA a method for comparing potential CONTRACTORS.
**Suggested Pricing Sheet - Fiscal Year 13-14**

<table>
<thead>
<tr>
<th>Category</th>
<th>Line Item Cost per Month</th>
<th>Category per Month</th>
<th>Annual Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DIRECT LABOR</strong></td>
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<tr>
<td>Payroll</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>1 FT Drivers</td>
<td>X $13.55</td>
<td>X hours = $</td>
<td></td>
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<tr>
<td>1 FT Drivers</td>
<td>X $9.50</td>
<td>X hours = $</td>
<td></td>
</tr>
<tr>
<td>1 PT Drivers</td>
<td>X $9.50</td>
<td>X hours = $</td>
<td></td>
</tr>
<tr>
<td>(1) FT Receptionist/Driver</td>
<td>X $9.50</td>
<td>X hours = $</td>
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<tr>
<td>(1) PT Transit Manager</td>
<td>X $27.20</td>
<td>X hours = $</td>
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<tr>
<td><strong>Employer Payroll Taxes</strong></td>
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<tr>
<td>OASDI rate (%) X payroll costs = $</td>
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<tr>
<td>Medicare rate (%) X payroll costs = $</td>
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<tr>
<td>SUI rate (%) X max. &amp; payroll costs = $</td>
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<tr>
<td>FUI rate (%) X max. &amp; payroll costs = $</td>
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<tr>
<td>Other rate (%) X basis = $</td>
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<tr>
<td><strong>Employee Benefits &amp; Insurance</strong></td>
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<tr>
<td>Holidays basis X 6 holidays = $</td>
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<tr>
<td>Paid Time Off rate (%) X basis = $</td>
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<tr>
<td>Health Insurance: $200 allowance towards premium FT employee = $</td>
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<tr>
<td>Workers Compensation rate (%) X payroll costs = $</td>
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<tr>
<td><strong>INSURANCE</strong></td>
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<tr>
<td>- per Vehicle rate (%) X basis = $</td>
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<tr>
<td>- per Mile rate (%) X basis = $</td>
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</tr>
<tr>
<td>- Safety Bonus(1) # drivers X basis = $</td>
<td></td>
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<td></td>
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<tr>
<td>Liability Insurance rate (%) X basis = $</td>
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<tr>
<td><strong>MGMT FEE</strong></td>
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<tr>
<td>Expert Assistance / System Planning (2) basis = $</td>
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<tr>
<td>Staff Training (new &amp; on-going) basis = $</td>
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<tr>
<td>Annual Inspection(s) (vehicles &amp; terminal) basis = $</td>
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<tr>
<td>Compliance Requirements (DMV pull, MIS, etc) basis = $</td>
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<tr>
<td>Annual Reports &amp; Certs (perform, DBE, MIS, etc) basis = $</td>
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<td>Other basis = $</td>
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<tr>
<td><strong>PROFIT</strong></td>
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<tr>
<td>Total Estimated Costs $</td>
<td></td>
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</tbody>
</table>

**Notes:**
1. Safety Bonus is contractor-paid (included within insurance costs). Currently, all drivers earn $200 less taxes per year without chargeable incidents.
2. Expert Assistance / System Planning = Designated point(s) of contact available for technical assistance, system planning, compliance monitoring & reporting.
### Suggested Pricing Sheet - Fiscal Year 14-15

<table>
<thead>
<tr>
<th>Category</th>
<th>Rates</th>
<th>Basis</th>
<th>Line Item Cost per Month</th>
<th>Category per Month</th>
<th>Annual Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Payroll</strong></td>
<td></td>
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<tr>
<td>FT Drivers</td>
<td>X</td>
<td>$13.95</td>
<td>X _______ hours =</td>
<td>$ _____</td>
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</tr>
<tr>
<td>FT Drivers</td>
<td>X</td>
<td>$10.10</td>
<td>X _______ hours =</td>
<td>$ _____</td>
<td></td>
</tr>
<tr>
<td>PT Drivers</td>
<td>X</td>
<td>$10.10</td>
<td>X _______ hours =</td>
<td>$ _____ $ _____</td>
<td></td>
</tr>
<tr>
<td>(1) FT Reception/Driver</td>
<td>X</td>
<td>$10.10</td>
<td>X _______ hours =</td>
<td>$ _____</td>
<td></td>
</tr>
<tr>
<td>(1) PT Transit Manager</td>
<td>X</td>
<td>$28.60</td>
<td>X _______ hours =</td>
<td>$ _____</td>
<td></td>
</tr>
<tr>
<td><strong>Employer Payroll Taxes</strong></td>
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<tr>
<td>OASDI rate (%) X payroll costs</td>
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<tr>
<td>Medicare rate (%) X payroll costs</td>
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<tr>
<td>SUI rate (%) X max. &amp; payroll costs</td>
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<tr>
<td>FUI rate (%) X max. &amp; payroll costs</td>
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<tr>
<td>Other rate (%) X _______ basis</td>
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<tr>
<td><strong>Employee Benefits &amp; Insurance</strong></td>
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<tr>
<td>Holidays</td>
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<td>6 holidays =</td>
<td>$ _____</td>
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<tr>
<td>Paid Time Off rate (%) X _______ basis</td>
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<td>$ _____ $ _____</td>
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<tr>
<td>Health Insurance: $200 allowance towards premium X _______ FT employee =</td>
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<tr>
<td>Workers Compensation rate (%) X payroll costs</td>
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<tr>
<td><strong>INSURANCE</strong></td>
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<td>- per Vehicle rate X _______ basis</td>
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<td>$ _____ $ _____</td>
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<td>- per Mile rate X _______ basis</td>
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<tr>
<td>- Safety Bonus(1) # drivers</td>
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<tr>
<td>Liability Insurance rate X _______ basis</td>
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<td>$ _____ $ _____</td>
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<tr>
<td><strong>MGMT FEE</strong></td>
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<tr>
<td>Expert Assistance / System Planning (2)</td>
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<td>$ _____</td>
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<tr>
<td>Staff Training (new &amp; on-going)</td>
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<td>$ _____</td>
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<tr>
<td>Annual Inspection(s) (vehicles &amp; terminal)</td>
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<td></td>
<td></td>
<td>$ _____ $ _____</td>
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<tr>
<td>Compliance Requirements (DMV pull, MIS, etc)</td>
<td></td>
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<td>$ _____</td>
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<tr>
<td>Annual Reports &amp; Certs (perform, DBE, MIS, etc)</td>
<td></td>
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<td>$ _____</td>
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<tr>
<td>Other</td>
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<td>$ _____</td>
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<tr>
<td><strong>PROFIT</strong></td>
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<td>$ _____ $ _____</td>
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<tr>
<td><strong>Total Estimated Costs</strong></td>
<td></td>
<td></td>
<td></td>
<td>$ _____ $ _____</td>
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</tr>
</tbody>
</table>

Note 1: Safety Bonus is contractor-paid (included within insurance costs). Currently, all drivers earn $200 less taxes per year without chargeable incidents.

Note 2: Expert Assistance / System Planning = Designated point(s) of contact available for technical assistance, system planning, compliance monitoring & reporting.
### Suggested Pricing Sheet - Fiscal Year 15-16

<table>
<thead>
<tr>
<th>Rates</th>
<th>Basis</th>
<th>Line Item Cost per Month</th>
<th>Category per Month</th>
<th>Annual Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll</td>
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</tr>
<tr>
<td>FT Drivers</td>
<td>X $14.40</td>
<td>X _____ hours = $ _______</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FT Drivers</td>
<td>X $10.55</td>
<td>X _____ hours = $ _______</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PT Drivers</td>
<td>X $10.55</td>
<td>X _____ hours = $ _______</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) FT Reception/Driver</td>
<td>X $10.55</td>
<td>X _____ hours = $ _______</td>
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<tr>
<td>(1) PT Transit Manager</td>
<td>X $30.30</td>
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<tr>
<td>OASDI _____ rate (%)</td>
<td>X payroll costs = $ _______</td>
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<td></td>
<td></td>
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<tr>
<td>Medicare _____ rate (%)</td>
<td>X payroll costs = $ _______</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>SUI _____ rate (%)</td>
<td>X max. &amp; payroll costs = $ _______ $ _______</td>
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</tr>
<tr>
<td>FUI _____ rate (%)</td>
<td>X max. &amp; payroll costs = $ _______</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Other _____ rate (%)</td>
<td>X _______ basis = $ _______</td>
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<td></td>
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<tr>
<td>Employee Benefits &amp; Insurance</td>
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<td></td>
</tr>
<tr>
<td>Holidays _____ basis</td>
<td>X 6 holidays = $ _______</td>
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<tr>
<td>Paid Time Off _____ rate</td>
<td>X _______ basis = $ _______</td>
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<tr>
<td>Health Insurance: $200 allowance towards premium</td>
<td>X _______ FT employee = $ _______ $ _______</td>
<td></td>
<td></td>
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<tr>
<td>Workers Compensation _____ rate (%)</td>
<td>X _______ payroll costs = $ _______</td>
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<tr>
<td>INSURANCE</td>
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<tr>
<td>Vehicle Insurance</td>
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<tr>
<td>- per Vehicle _____ rate</td>
<td>X _______ basis = $ _______ $ _______ $ _______</td>
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<tr>
<td>- per Mile _____ rate</td>
<td>X _______ basis = $ _______</td>
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<tr>
<td>- Safety Bonus(1) _____ # drivers</td>
<td>X _______ basis = $ _______</td>
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<tr>
<td>Liability Insurance _____ rate</td>
<td>X _______ basis = $ _______</td>
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<tr>
<td>MGMT FEE</td>
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<tr>
<td>Expert Assistance / System Planning (2)</td>
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<tr>
<td>Staff Training (new &amp; on-going) _____ basis = $ _______</td>
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<tr>
<td>Annual Inspection(s) (vehicles &amp; terminal) _____ basis = $ _______ $ _______ $ _______</td>
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<tr>
<td>Compliance Requirements (DMV pull, MIS, etc) _____ basis = $ _______</td>
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<tr>
<td>Annual Reports &amp; Certs (perform, DBE, MIS, etc) _____ basis = $ _______</td>
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<tr>
<td>Other</td>
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<tr>
<td>PROFIT</td>
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<tr>
<td>Total Estimated Costs</td>
<td>$ _______ $ _______ $ _______</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note 1:** Safety Bonus is contractor-paid (included within insurance costs). Currently, all drivers earn $200 less taxes per year without chargeable incidents.

**Note 2:** Expert Assistance / System Planning = Designated point(s) of contact available for technical assistance, system planning, compliance monitoring & reporting.
VI. PROPOSAL FORM CHECKLIST

ATTACHED TO THIS PROPOSAL FORM ARE THE FOLLOWING ITEMS:

1. Any and all Addenda which may have been issued by MTA in connection with this RFP.
2. Bid Security
3. RFP Appendix C, New Restrictions on Lobbying
4. Statement of Qualifications
5. References
6. Organization Description
7. Proposed Staffing Plan (including manager resumes and employee benefit description)
8. Description of Management Philosophy and Personnel Policies
9. Description of Management Information (Accounting and Reporting) System
10. Description of Insurance (including statement of loss experience and pending claims)
11. Financial Statements
12. Price Proposal
13. Description of Safety Program
14. Description of Screening and Selection Program
15. Description of Training and Retraining Program
16. Time Schedule for Start-Up/Transition

Offeror: ____________________________________________________________

Phone: ______________________ Fax: _________________________________

Address: __________________________________________________________

Signature: ___________________________ Date: ______________

Title: ________________________________
# Appendix A

## Existing Personnel, Wages and Benefits

### WAGES

<table>
<thead>
<tr>
<th>Driver *</th>
<th>Receptionist/Office Assistant</th>
<th>Site Manager/Trainer</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Effective Date</strong></td>
<td><strong>Existing Wage (per hour)</strong></td>
<td><strong>Adopted Wage (per hour)</strong></td>
</tr>
<tr>
<td>Training</td>
<td>$7.50</td>
<td>$8.00</td>
</tr>
<tr>
<td>BTW/Drive</td>
<td>$6.50</td>
<td>$6.50</td>
</tr>
<tr>
<td>All Carts</td>
<td>$9.00</td>
<td>$9.00</td>
</tr>
<tr>
<td>1st</td>
<td>$6.50</td>
<td>$7.00</td>
</tr>
<tr>
<td>2nd</td>
<td>$6.00</td>
<td>$6.50</td>
</tr>
<tr>
<td>3rd</td>
<td>$5.00</td>
<td>$5.50</td>
</tr>
<tr>
<td>4th</td>
<td>$4.00</td>
<td>$4.50</td>
</tr>
<tr>
<td>5th</td>
<td>$1.00</td>
<td>$1.50</td>
</tr>
<tr>
<td>6th</td>
<td>$0.75</td>
<td>$1.00</td>
</tr>
<tr>
<td>7th</td>
<td>$0.50</td>
<td>$0.75</td>
</tr>
<tr>
<td>8th</td>
<td>$0.25</td>
<td>$0.50</td>
</tr>
<tr>
<td>9th</td>
<td>$0.00</td>
<td>$0.25</td>
</tr>
<tr>
<td>10th</td>
<td>$1.00</td>
<td>$1.50</td>
</tr>
<tr>
<td>11th</td>
<td>$1.50</td>
<td>$2.00</td>
</tr>
<tr>
<td>12th</td>
<td>$2.00</td>
<td>$2.50</td>
</tr>
</tbody>
</table>

### BENEFITS (2, 3, 4)

<table>
<thead>
<tr>
<th>Holidays</th>
<th>Min. Abs. Worked</th>
<th>Hrs. Paid</th>
<th>Percent FT</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Years Day</td>
<td>17.50 - 34.99</td>
<td>2</td>
<td>25%</td>
</tr>
<tr>
<td>President's Day</td>
<td>0 - 17.46</td>
<td>0</td>
<td>&lt;25%</td>
</tr>
<tr>
<td>Memorial Day</td>
<td>7.00 - 14.00</td>
<td>4</td>
<td>50%</td>
</tr>
<tr>
<td>4th of July</td>
<td>7.00 - 14.00</td>
<td>6</td>
<td>75%</td>
</tr>
<tr>
<td>Labor Day</td>
<td>7.00 - 14.00</td>
<td>8</td>
<td>100%</td>
</tr>
<tr>
<td>Thanksgiving Day</td>
<td>7.00 &amp; Higher</td>
<td>8</td>
<td>100%</td>
</tr>
<tr>
<td>Christmas Day</td>
<td>7.00 &amp; Higher</td>
<td>8</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Paid Time Off (PTO):**

<table>
<thead>
<tr>
<th>STATUS</th>
<th>EARNED PER PAYPERIOD (PER MINIMUM HRS. WORKED)</th>
<th>BASIS</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 36 mos.</td>
<td>1.5</td>
<td>1.5</td>
</tr>
<tr>
<td>37 - 72 mos.</td>
<td>1.5</td>
<td>1.5</td>
</tr>
<tr>
<td>73 - 126 mos.</td>
<td>1.5</td>
<td>1.5</td>
</tr>
<tr>
<td>133 mos. or more</td>
<td>1.5</td>
<td>1.5</td>
</tr>
</tbody>
</table>

**Health Insurance:**

$200 credit/month towards premium for FT employees (minimum 70 hrs. per period).

Employee must sign up for insurance when initially eligible. Otherwise, qualified employees must sign up during Open Enrollment period only (each November).

### Notes:

(a) Each driver earns annual "Safety Bonus" ($200 Checkless bonus) for performances without any chargeable incidents during each 12-month period.

(b) All benefits are "earned" after completion of new employee orientation (start of next pay period following 90 days of service).

(c) Benefits are based on minimum avg. hours worked during each bi-weekly pay period.

(d) Maximum PTO accrual is 240 hours.

(e) This table for reference only; actual wages and benefits are subject to current contract and policies.

(f) Current contractor is MV Transportation, Inc. with headquarters in Dallas, TX.
### Sage Stage Transit Services RFP

**Appendix B**

**Sage Stage Actual Hours**

**October 2012-December 2012**

<table>
<thead>
<tr>
<th>Title</th>
<th>Rate</th>
<th>Effective Description</th>
<th>12/31/10</th>
<th>3/31/11</th>
<th>6/30/11</th>
<th>9/30/11</th>
<th>12/31/11</th>
<th>3/31/12</th>
<th>6/30/12</th>
<th>9/30/12</th>
<th>12/31/12</th>
<th>Total Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>FT Driver</td>
<td>$12.70</td>
<td>Worked</td>
<td>516.00</td>
<td>452.75</td>
<td>421.50</td>
<td>476.50</td>
<td>406.00</td>
<td>481.75</td>
<td>442.75</td>
<td>570.50</td>
<td>436.00</td>
<td>4,305</td>
</tr>
<tr>
<td></td>
<td>$13.10</td>
<td>PTO</td>
<td>30.00</td>
<td>24.23</td>
<td>25.38</td>
<td>26.53</td>
<td>23.07</td>
<td>25.38</td>
<td>25.38</td>
<td>31.15</td>
<td>43.84</td>
<td>255</td>
</tr>
<tr>
<td></td>
<td>$13.55</td>
<td>Worked</td>
<td>24.00</td>
<td>8.00</td>
<td>6.00</td>
<td>12.00</td>
<td>12.00</td>
<td>8.00</td>
<td>8.00</td>
<td>16.00</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

**Active Service = 3 yrs 5 mos**

| FT Driver           | $9.90 | Worked                      | 286.75   | 494.00  | 430.00  | 1,211   |
|                     |       | PTO                         | 0.00     | 0.00    | 0.00    | 6       |
|                     |       | Holidays                    | 0.00     | 0.00    | 0.00    | 16      |

**Active Service = 7 mos**

| PT Driver           | $9.90 | Worked                      | 69.00    | 261.26  | 301     |
|                     |       | PTO                         | 0.00     | 0.00    | 0.00    |
|                     |       | Holidays                    | 0.00     | 0.00    | 0.00    |

**Active Service = 4 mos**

| FT Driver/Receptionist | $9.50 | Worked                      | 450.75   | 535.50  | 452.75  | 1,367   |
|                       |       | PTO                         | 0.00     | 0.00    | 0.00    | 7       |
|                       |       | Holidays                    | 0.00     | 0.00    | 0.00    | 16      |

**Active Service = 8 mos**

| (PT Driver)          | $24.50| Worked                      | 71.50    | 76.25   | 60.00   | 60.00   | 72.50    | 76.00   | 82.00    | 72.25   | 603       |
| (Lead Driver)        | $25.70| Worked                      | 0.00     | 0.00    | 0.00    | 0.00    | 0.00     | 0.00    | 0.00     | 0.00    | 0         |
| PT Trans Mgr         | $27.20| Worked                      | 0.00     | 0.00    | 0.00    | 0.00    | 0.00     | 0.00    | 0.00     | 0.00    | 0         |

**Active Service = 9 yrs 5 mos**

| PT Driver           | $9.50 | 11/13/12                    | 44.25    | 44      |
|                     |       | PTO                         | 0.00     | 0       |
|                     |       | Holidays                    | 0.00     | 0       |

**Resigned 12/14/2012 = 1 mos**

| PT Driver           | $9.50 | 8/21/12                     | 77.75    | 78      |
|                     |       | PTO                         | 0.00     | 0       |
|                     |       | Holidays                    | 0.00     | 0       |

**Terminated 10/30/2012 = 1 mos**

| FT Driver           | $13.95| 4/11/09                     | 510.25   | 475.75  | 391.75  | 465.00  | 386.00   | 454.50  | 404.50   | 3,990   |
|                     | $14.40| Worked                      | 31.25    | 28.84   | 29.83   | 33.87   | 27.71    | 33.87   | 27.70    | 213     |
|                     | $14.85| 4/9/11                      | 24.00    | 8.00    | 6.00    | 12.00   | 12.00    | 6.00    | 80       |

**Terminated 5/26/2012 = 13 yrs 2 mos**

| PT Driver           | $9.50 | 8/8/11                      | 187.00   | 147.25  | 165.50  | 125.25  | 625      |
|                     |       | PTO                         | 0.00     | 1.83    | 1.83    | 1.83    | 14       |
|                     |       | Holidays                    | 0.00     | 0.00    | 0.00    | 0.00    | 0        |

**Resigned 5/22/2012 = 9 mos**

| PT Driver           | $10.10| 10/10/09                    | 367.50   | 178.25  | 191.50  | 302.75  | 186.25   | 177.29  | 1,405    |
|                     |       | PTO                         | 6.86     | 3.10    | 3.10    | 6.78    | 6.16     | 4.24    | 29       |
| Office Assistant    | $10.65| 10/6/10                     | 8.00     | 4.00    | 2.00    | 6.00    | 6.00     | 4.00    | 40       |

**Terminated 3/19/2012 = 3 yrs 5 mos**

| PT Driver           | $9.90 | 1/17/09                     | 26.25    | 146.25  | 79.50   | 283     |
|                     | $10.10| Worked                      | 10.51    | 1.17    | 6.00    | 12      |
|                     | $10.95| Worked                      | 2.00     | 0.00    | 2.00    | 4       |

**Resigned 6/24/2011 = 2 yrs 10 mos**

**Total Hours from October 2010 - December 2012** 14,554
Appendix C

49 CFR PART 20--CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

(To be submitted with each bid or offer exceeding $100,000)

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

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

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

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

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

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

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

________________________________________ Signature of Contractor's Authorized Official

________________________________________ Name and Title of Contractor's Authorized Official

________________________________________ Date
SECTION 2: DRAFT AGREEMENT

MANAGEMENT AND OPERATIONS FOR
SAGE STAGE TRANSIT SYSTEM
Draft AGREEMENT

SAGE STAGE TRANSIT SYSTEM
MANAGEMENT and OPERATIONS

This AGREEMENT for management of the Sage Stage Transit System, hereinafter referred to as “Sage Stage”, is made and entered into this ______________ day of 2013 by and between the Modoc Transportation Agency, hereinafter referred to as “MTA” and, ______________________________, hereinafter referred to as “CONTRACTOR”.

WITNESSETH

WHEREAS, the MTA has determined that it requires management, operations and maintenance services for its SAGE STAGE public transit system; and

WHEREAS, CONTRACTOR has represented that it has the necessary expertise and personnel and is qualified to perform such services;

NOW, THEREFORE, it is mutually understood and agreed as follows:

1. COMPLETE AGREEMENT

This AGREEMENT and the attachments and documents incorporated herein constitute the complete and exclusive statement of the terms of the AGREEMENT between the MTA and the CONTRACTOR and it supersedes all prior representations, understanding and communications. The invalidity in whole or in part of any provision of this AGREEMENT shall not affect the validity of other provisions. MTA’s failure to insist in one or more instances upon the performance of any term or terms of this AGREEMENT shall not be construed as a waiver or relinquishment of MTA’s right to such performance by CONTRACTOR.

2. MTA DESIGNATED REPRESENTATIVES

The Executive Director or his/her designee shall have the authority to act for and exercise any of the rights of the MTA as set forth in this AGREEMENT, subsequent to the authorization of the Modoc Transportation Agency.
3. **EMPLOYMENT OF THE CONTRACTOR**

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

4. **INDEPENDENT CONTRACTOR**

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

5. **SCOPE OF WORK**

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

6. **CHANGES IN SCOPE OF WORK**

It is understood and agreed by MTA and CONTRACTOR that it may be necessary, from time to time during the term of this AGREEMENT, to modify its provisions or to revise the scope and/or extent of SAGE STAGE system operations.

6.1 **Amendment**

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

6.2 Minor Changes

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

7. INDEMNIFICATION

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

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

8. INSURANCE; BONDS; PERFORMANCE GUARANTEE

8.1 Insurance

With respect to performance of work under this AGREEMENT, CONTRACTOR shall secure and maintain, and shall require all of its subcontractors to maintain, insurance as described below:
8.1.1 WORKER’S COMPENSATION INSURANCE with statutory limits, and EMPLOYER’S LIABILITY INSURANCE with limits of not less than one million dollars ($1,000,000) per occurrence.

8.1.2 COMPREHENSIVE GENERAL LIABILITY INSURANCE with a combined single limit of not less than five million dollars ($5,000,000) per occurrence. Such insurance shall include products/ completed operations liability, owner’s and contractor’s protective, blanket contractual liability, broad form property damage coverage, and explosion, collapse and underground hazard coverage. Such insurance shall name the MTA, its appointed and elected officials, officers, employees, volunteers, agents and assigns as additionally insured; (2) be primary with respect to any insurance or self-insurance programs maintained by the MTA; and (3) contain standard cross liability provisions. Coverage shall be at least as broad as Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

8.1.3 COMMERCIAL AUTOMOBILE LIABILITY INSURANCE with a combined single limit of not less than $5,000,000 (FIVE MILLION DOLLARS) per occurrence. Such insurance shall (1) include coverage for owned, leased, hired and non-owned automobiles; (2) include Uninsured Motorist and Personal Injury Protection with coverage limits as required by law, (3) include Medical Payments with coverage limits of at least $1,000 per occurrence, (2) name the MTA, its elected and appointed officials, officers, employees, volunteers, agents and assigns as additionally insured; (3) be primary for all purposes; and, (4) contain standard cross liability provisions. Coverage shall be at least as broad as Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

8.1.4 AUTOMOBILE COLLISION AND COMPREHENSIVE INSURANCE COVERAGE for the actual cash value of MTA vehicles. Such insurance shall (1) contain deductibles of not more than five thousand dollars ($5,000), and (2) shall name the MTA as loss payee. CONTRACTOR shall be responsible for all deductibles. In case of damage or destruction of any vehicle or vehicles provided by MTA under the terms of this Agreement, MTA agrees that liability for CONTRACTOR shall be limited to the appraised fair market value of the vehicle(s) at the time of the loss. CONTRACTOR and MTA agree that the appraised fair market value shall be that value established by an appraiser or appraisers as mutually agreed upon.
8.1.5 ALL INSURANCE shall contain the following provisions:

a) Coverage shall be on an “occurrence” basis.

b) If Commercial General Liability or another form with a general aggregate is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate amount shall be twice the required occurrence limit.

c) The Liability policy must cover personal injury as well as bodily injury.

d) The Liability policy shall include a cross-liability or severability of interest endorsement.

e) Broad form property damage liability must be afforded.

f) CONTRACTOR shall include all subcontractors as insureds under its policies or shall furnish separate certificates or endorsements for each subcontractor. All coverage’s for subcontractors shall be subject to all of the requirements stated herein.

g) Insurance shall be placed with insurers with a current A.M. Best rating of no less than A: VII.

h) Policies shall name MTA, its officers, officials, agents, employees, volunteers and assigns as insureds under any policy, and the policy shall stipulate that this insurance shall operate as primary insurance and that no other insurance effected by insured will be called upon to contribute to a loss covered thereunder.

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

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

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

Such insurance shall be maintained from the time work first commences until completion of the work under this AGREEMENT. CONTRACTOR shall replace such certificates for policies expiring prior to completion of work under this AGREEMENT.
If CONTRACTOR, for any reason, fails to maintain insurance coverage, which is required pursuant to this AGREEMENT, the same shall be deemed a material breach of contract. MTA, at its sole option, may terminate this AGREEMENT and obtain damages from the CONTRACTOR resulting from said breach. Alternatively, MTA may purchase such required insurance coverage, and without further notice to CONTRACTOR, MTA may deduct from sums due to CONTRACTOR any premium costs advanced by MTA for such insurance.

### 8.2 Fidelity Bond

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

### 8.3 Performance Guarantee

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

### 9. PAYMENT

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

#### 9.1 Price Formula

CONTRACTOR shall invoice MTA for actual expenses incurred in the performance of this Agreement plus a management fee as defined below.

a) **Labor** – CONTRACTOR shall bill actual labor costs, directly traceable to
CONTRACTOR payroll registers and time cards, indicating hourly rate and number of hours paid for each employee during the calendar month.

b) **Payroll Taxes** – CONTRACT shall bill an amount to cover actual payroll taxes as follows: OASDI (FICA) __%, Medicare __%, __% SUI, and __% FUI.

c) **Worker’s Compensation** – CONTRACTOR shall bill an amount (__% labor costs) for worker’s compensation insurance, benefits, and claims as specified in Section 8.1.1 of the Agreement.

d) **Automobile and Liability Coverage** – CONTRACTOR shall bill MTA an agreed upon rate for vehicle insurance, liability coverage and claims as specified in Sections 8.1.2 through 8.1.5 of the Agreement. CONTRACTOR is responsible for all legal fees, claims, and costs in conjunction with these insurance requirements.

e) **Management/Additional Expenses** – CONTRACTOR shall bill for the following expenses, which are directly traceable to payment registers and actual bills/receipts paid by CONTRACTOR:

f) **Profit** - CONTRACTOR shall bill calculated by __________. This fee covers ___.

9.2 **Fuel** – The MTA shall pay direct costs to selected vendors for fuel and lubricants.

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

9.4 **Statistics, Invoice and Payment**

9.4.1 **Statistics**

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

1) Timesheets for CONTRACTOR employees on or before the Monday following each bi-weekly pay period;

2) Cumulative revenue miles and driver hours per service type within five (5) days of month end;

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

9.4.2 **Invoice**

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

Modoc Transportation Agency  
111 West North Street  
Alturas, CA 96101-3936  
Attention: Operations Supervisor

9.4.3 Payment

MTA shall pay all reasonable and allowable items on CONTRACTOR invoice within 21 days following receipt of the electronic invoice. The MTA may withhold payment that it believes were improper, failed to meet specifications, or otherwise questionable.

9.5 Liquidated Damages

CONTRACTOR and MTA acknowledge and agree that MTA may suffer substantial damage in the event the CONTRACTOR acts or fails to act in the manner set forth in items 1 through 5 of this section. The amount of the damage is difficult, if not impossible, to ascertain due to the nature of this Agreement and the nature of such damages. Accordingly, the parties hereto have determined to establish the provision of this Section as MTA’s compensation for damages for such acts or failures to act, and not as a penalty, and further agree that such damages are reasonable. MTA may assess liquidated damages as follows for CONTRACTOR’s act(s) or failure(s) to act:

1. Two thousand dollars ($2,000) per incident that CONTRACTOR receives an unsatisfactory rating from the California Highway Patrol (CHP) based on the annual CHP terminal inspection of CONTRACTOR’s location.

2. Twenty-five dollars ($25) per incident for each occurrence up to a maximum of $100 per day that a fixed route driver fails to call major bus stops in accordance with 49 CFR Part 37 - Transportation Services for Individuals with Disabilities (ADA). For purposes of this section, major bus stops shall be defined as any transfer point, major intersection or destination point.

3. Fifty dollars ($50) per incident for each occurrence that a scheduled departure from a bus route origination point is a missed run based on the definition established under EXHIBIT A – SCOPE OF WORK, SECTION 2.5.

4. One hundred dollars ($100) per quarter that CONTRACTOR fails to obtain an on-time performance level of ninety-five percent (95%) or better for SAGE STAGE intercity bus
routes based on the standards set forth under EXHIBIT A - SCOPE OF WORK, SECTION 2.5.

5. One hundred dollars ($100) per quarter that CONTRACTOR fails to obtain an on-time performance level of ninety-five percent (95%) or better for Route Deviation Reservation Reliability based on the standards set forth under EXHIBIT A - SCOPE OF WORK, SECTION 2.5.

6. One hundred dollars ($100) per quarter that CONTRACTOR fails to obtain an on-time performance level of ninety-five percent (95%) or better for Dial-A-Ride Reservation Reliability based on the standards set forth under EXHIBIT A - SCOPE OF WORK, SECTION 2.5.

Liquidated damages will not be assessed sooner than three months after the initiation of services under this Agreement. Liquidated damages will be assessed after observation of the incident by MTA, one of its authorized monitors, or after a complaint verified by a third party. MTA will deduct liquidated damages from payment of CONTRACTOR invoice. Where appropriate, determination of liquidated damages shall be based on sampling methods mutually agreed to by MTA and the CONTRACTOR. The determination of whether or not to assess liquidated damages shall be at the sole discretion of the MTA and shall not be subject to discussion or mediation by the CONTRACTOR.

MTA shall be entitled to take such other legal remedies as may be appropriate for such acts or failures to act, including but not limited to termination of this Agreement.

10. OPERATING REVENUES

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

11. TERM OF AGREEMENT

11.1 Base Term

This AGREEMENT shall become effective July 1, 2013 and shall continue in full force and effect through June 30, 2018 unless earlier terminated as herein provided.
11.2 Month-to-Month Extensions

Upon completion of the full term of this AGREEMENT, MTA at its sole discretion may extend the term of this AGREEMENT on a month-to-month basis up to a maximum of three (3) months. MTA shall notify CONTRACTOR of such extensions at least thirty (30) days prior to the termination date of this AGREEMENT. The compensation rates in effect during the last monthly period of the full term of this AGREEMENT shall remain in effect during any such extensions.

11.3 Option Term

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

A. **Description** - MTA may extend the service provided by CONTRACTOR under this AGREEMENT for up to two option periods of one year duration.

B. **Price** – The Monthly Billing rates shall be arrived at upon the basis of negotiations and mutual agreement, but shall be limited so that the maximum percentage increase in the AGREEMENT budget for each option period, after adjustment for any changes in the level of vehicle revenue hours to be provided, shall be no more than ninety percent (90%) of the annual increase in the Consumer Price Index for the State of California for the most recently concluded calendar year.

C. **Option Exercise Dates:** On or before April 1, 2018 for the initial option term, and on or before April 1 of the following year for the remaining option term.

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

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

Either MTA or CONTRACTOR may terminate this AGREEMENT for one or several of the following reasons:

12.1 Basis for Termination:

A. For Convenience: MTA may terminate this AGREEMENT at any time in whole or in part for its convenience and any reason, by giving CONTRACTOR ninety (90) days written notice thereof.

B. For Insufficient Funding: MTA may terminate this AGREEMENT upon thirty (30) days written notice to CONTRACTOR that insufficient funding is available from Transportation Development Act Funds to fund this AGREEMENT.

C. For Material Breach: MTA may terminate this AGREEMENT upon thirty (30) days (hereinafter “cure period”) written notice by mail or by personal service of a material default or breach in performance of any of the terms and conditions of this AGREEMENT to be kept, done or performed by CONTRACTOR, and CONTRACTOR fails, neglects or refuses for the stated cure period to remedy said defaults or to initiate remedy of said faults should the cure thereof require a period in excess of the cure period. Should the cure period expire without remedy of said defaults or initiation of such remedy by CONTRACTOR, the MTA may without further notice and without suit or other proceedings cancel this AGREEMENT.

The interpretation of whether a breach or default has occurred and the appropriateness or sufficiency of CONTRACTOR’s remedy may be subject to resolution as set forth in Paragraph 14.14, Dispute Resolution, herein.

D. For Bankruptcy: Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of CONTRACTOR or (b) a general assignment by CONTRACTOR for the benefit of creditors, or (c) any action taken by or suffered by CONTRACTOR under any insolvency or bankruptcy act shall constitute a breach of the AGREEMENT by CONTRACTOR and shall at the option of MTA terminate this AGREEMENT.

E. For Nonpayment by MTA: In the event MTA is delinquent in paying CONTRACTOR by more than fifteen (15) calendar days after MTA has received a statement by certified mail of the delinquency from CONTRACTOR, then CONTRACTOR may serve, by certified mail, a notice of its intent to suspend operations at least seven (7)
calendar days subsequent to the receipt of such notice of intention by MTA. If MTA does not correct the delinquency within said seven day period or if the parties do not agree to arbitrate the dispute under the provisions of this AGREEMENT, then CONTRACTOR may suspend operations without further notice or penalty on the date indicated by the notice.

F. By Mutual Agreement: This AGREEMENT may also be terminated at any time upon mutual agreement of both parties.

12.2 Compensation Upon Termination:

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

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

12.3 MTA Remedies On Breach

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

12.4 Transition to Future Contractor

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

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

13. **ADMINISTRATION**

13.1 **Control**

A. Contractor shall render all services under this Agreement in a manner consistent with the policies of the MTA. Modification of existing policies or adoption of new policies during the term of this AGREEMENT which affect CONTRACTOR’s performance of services shall be treated as changes pursuant to Section 6 - Changes in Scope of Work herein.

B. MTA shall not interfere with the management of CONTRACTOR’s normal business affairs and shall not attempt to directly discipline or terminate CONTRACTOR employees. MTA may advise CONTRACTOR of any employee’s inadequate performance that has a negative effect on the service being provided, and CONTRACTOR shall take prompt action to remedy the situation. In extreme and/or repetitive cases, MTA may demand removal of a CONTRACTOR employee.

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

13.2 **Force Majeure**

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

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

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

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

14.1 Audit; Retention of Records

The CONTRACTOR agrees to provide MTA, the FTA Administrator, the Comptroller General of the United States or any of their authorized representatives access to any books, documents, papers and records of the CONTRACTOR which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions. The CONTRACTOR agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

The CONTRACTOR agrees to maintain all books, records, accounts and reports required under this contract for a period of not less than three years after the date of termination or expiration of this contract, except in the event of litigation or settlement of claims arising from the performance of this contract, in which case CONTRACTOR agrees to maintain same until MTA, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. Reference 49 CFR 18.39(i)(11). FTA does not require the inclusion of these requirements in subcontracts.

14.2 Compliance With Environmental Standards

CONTRACTOR shall comply with the provisions of the Clean Air Act, as amended (42 U.S.C. 1857 et seq.), the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.), and implementing regulations, and all state laws and local ordinances with respect to transit operations and operation of the facilities involved in the AGREEMENT for which Federal assistance is given. CONTRACTOR shall report violations to the MTA, the Federal Transit Administration, and to the U. S. Environmental Protection Agency (EPA) Assistant Administrator for Enforcement and understands and agrees that MTA will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.

The CONTRACTOR also agrees to include these requirements in each subcontract exceeding $100,000 financed in whole or in part with Federal assistance provided by FTA.

14.3 Energy Conservation

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

14.4 Nondiscrimination - Title VI Civil Rights Act of 1964
Civil Rights - The following requirements apply to the underlying contract:


42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. §5332, CONTRACTOR agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, CONTRACTOR agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

Equal Employment Opportunity - The following equal employment opportunity requirements apply to the underlying contract:


The CONTRACTOR agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, sex, national origin, marital status, and actual or perceived sexual orientation. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the CONTRACTOR agrees to comply with any implementing requirements FTA may issue.

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

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

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

14.5 Disadvantaged Business Enterprises (DBE)

This contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs. The national goal for participation of Disadvantaged Business Enterprises (DBE) is 10%. The Modoc region’s goal is 4%.

The CONTRACTOR shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The CONTRACTOR shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of this DOT-assisted contract. Failure by the CONTRACTOR to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as MTA deems appropriate. Each subcontract the CONTRACTOR signs with a subcontractor must include the assurance in this paragraph (see 49 CFR 26.13(b)).

The CONTRACTOR will be required to report its DBE participation obtained through race-neutral means throughout the period of performance.

The CONTRACTOR is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the CONTRACTOR’s receipt of payment for that work from MTA. In addition, the CONTRACTOR may not withhold retention of pay from its subcontractors.

The CONTRACTOR must promptly notify MTA, whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete its work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The CONTRACTOR may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of MTA.
14.6 Charter Bus and School Bus

The CONTRACTOR agrees to comply with 49 U.S.C. 5323(d) and 49 CFR Part 604, which provides that recipients and subrecipients of FTA assistance are prohibited from providing charter service using federally funded equipment or facilities if there is at least one private charter operator willing and able to provide the service, except under one of the exceptions at 49 CFR 604.9. Any charter service provided under one of the exceptions must be "incidental," i.e., it must not interfere with or detract from the provision of mass transportation.

Pursuant to 69 U.S.C. 5323(f) and 49 CFR Part 605, recipients and subrecipients of FTA assistance may not engage in school bus operations exclusively for the transportation of students and school personnel in competition with private school bus operators unless qualified under specified exemptions. When operating exclusive school bus service under an allowable exemption, recipients and subrecipients may not use federally funded equipment, vehicles, or facilities.

14.7 Lobbying


Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31 U.S.C. 1352. Such disclosures are forwarded from tier to tier up to the recipient.

14.8 Federal Changes

CONTRACTOR shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between MTA and FTA, as they may be amended or promulgated from time to time during the term of this contract. CONTRACTOR's failure to so comply shall constitute a material breach of this contract.
14.9 Recycled Products

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

14.10 No Government Obligation to Third Parties

MTA and CONTRACTOR acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this contract and shall not be subject to any obligations or liabilities to MTA, CONTRACTOR, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract.

The CONTRACTOR agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

14.11 Program Fraud and False or Fraudulent Statements or Related Acts

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

The CONTRACTOR also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. §5307, the Government reserves the right to impose the penalties of 18 U.S.C. §1001 and 49 U.S.C. §5307(n)(1) on the CONTRACTOR, to the extent the Federal Government deems appropriate.
The CONTRACTOR agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

14.12 Suspension and Debarment

This contract is a covered transaction for purposes of 49 CFR Part 29. As such, the CONTRACTOR is required to verify that none of the CONTRACTOR, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945. The CONTRACTOR is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into.

By signing and submitting its bid or proposal, the bidder or proposer certifies as follows:

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

14.13 Privacy Act

The following requirements apply to the CONTRACTOR and its employees that administer any system of records on behalf of the Federal Government under any contract:

The CONTRACTOR agrees to comply with, and assures the compliance of its employees with, the information restrictions and other applicable requirements of the Privacy Act of 1974, 5 U.S.C. §552a. Among other things, the CONTRACTOR agrees to obtain the express consent of the Federal Government before the CONTRACTOR or its employees operate a system of records on behalf of the Federal Government. The CONTRACTOR understands that the requirements of the Privacy Act, including the civil and criminal penalties for violation of that Act, apply to those individuals involved, and that failure to comply with the terms of the Privacy Act may result in termination of the underlying contract.

The CONTRACTOR also agrees to include these requirements in each subcontract to administer any system of records on behalf of the Federal Government financed in
whole or in part with Federal assistance provided by FTA.

14.14 Breaches and Dispute Resolution

Disputes - Disputes arising in the performance of this Contract which are not resolved by agreement of the parties shall be decided in writing by the authorized representative of MTA (Executive Director). This decision shall be final and conclusive unless within [ten (10)] days from the date of receipt of its copy, the CONTRACTOR mails or otherwise furnishes a written appeal to the Executive Director. In connection with any such appeal, the CONTRACTOR shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the Executive Director shall be binding upon the CONTRACTOR and the CONTRACTOR shall abide by the decision.

Performance During Dispute - Unless otherwise directed by MTA, CONTRACTOR shall continue performance under this Contract while matters in dispute are being resolved.

Claims for Damages - Should either party to the Contract suffer injury or damage to person or property because of any act or omission of the party or of any of his employees, agents or others for whose acts he is legally liable, a claim for damages therefore shall be made in writing to such other party within a reasonable time after the first observance of such injury or damage.

Remedies - Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the MTA and the CONTRACTOR arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State of California.

Rights and Remedies - The duties and obligations imposed by the Contract Documents and the rights and remedies available therein shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by MTA or CONTRACTOR shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach therein, except as may be specifically agreed in writing.

14.15 Transit Employee Protective Agreements

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

a) General Transit Employee Protective Requirements - To the extent that FTA determines that transit operations are involved, the CONTRACTOR agrees to carry out the transit operations work on the underlying contract in compliance with terms and conditions determined by the U.S. Secretary of Labor to be fair and equitable to protect the interests of employees employed under
this contract and to meet the employee protective requirements of 49 U.S.C. A 5333(b), and U.S. DOL guidelines at 29 C.F.R. Part 215, and any amendments thereto. These terms and conditions are identified in the letter of certification from the U.S. DOL to FTA applicable to the FTA Recipient's project from which Federal assistance is provided to support work on the underlying contract.

The CONTRACTOR agrees to carry out that work in compliance with the conditions stated in that U.S. DOL letter. The requirements of this subsection (1), however, do not apply to any contract financed with Federal assistance provided by FTA either for projects for elderly individuals and individuals with disabilities authorized by 49 U.S.C. §5310(a)(2), or for projects for nonurbanized areas authorized by 49 U.S.C. §5311. Alternate provisions for those projects are set forth in subsections (b) and (c) of this clause.

(b) Transit Employee Protective Requirements for Projects Authorized by 49 U.S.C. §5310(a)(2) for Elderly Individuals and Individuals with Disabilities - If the contract involves transit operations financed in whole or in part with Federal assistance authorized by 49 U.S.C. §5310(a)(2), and if the U.S. Secretary of Transportation has determined or determines in the future that the employee protective requirements of 49 U.S.C. §5333(b) are necessary or appropriate for the state and the public body subrecipient for which work is performed on the underlying contract, the CONTRACTOR agrees to carry out the Project in compliance with the terms and conditions determined by the U.S. Secretary of Labor to meet the requirements of 49 U.S.C. §5333(b), U.S. DOL guidelines at 29 C.F.R. Part 215, and any amendments thereto. These terms and conditions are identified in the U.S. DOL's letter of certification to FTA, the date of which is set forth Grant Agreement or Cooperative Agreement with the state. The CONTRACTOR agrees to perform transit operations in connection with the underlying contract in compliance with the conditions stated in that U.S. DOL letter.

(c) Transit Employee Protective Requirements for Projects Authorized by 49 U.S.C. §5311 in Nonurbanized Areas - If the contract involves transit operations financed in whole or in part with Federal assistance authorized by 49 U.S.C. §5311, the CONTRACTOR agrees to comply with the terms and conditions of the Special Warranty for the Nonurbanized Area Program agreed to by the U.S. Secretaries of Transportation and Labor, dated May 31, 1979, and the procedures implemented by U.S. DOL or any revision thereto.

The CONTRACTOR also agrees to include the any applicable requirements in each subcontract involving transit operations financed in whole or in part with Federal assistance provided by FTA.
14.16 Incorporation of Federal Transit Administration Terms

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

14.17 Drug and Alcohol Testing

The Contractor agrees to establish and implement a drug and alcohol testing program that complies with 49 CFR Part 653 and 654, produce any documentation necessary to establish its compliance with Parts 653 and 654, and permit any authorized representative of the United States Department of Transportation or its operating administrations, the State Oversight Agency of (California), or the MTA to inspect the facilities and records associated with the implementation of the drug and alcohol testing program as required under 49 CFR Parts 653 and 654 and review the testing process. The Contractor agrees further to certify its compliance with Parts 653 and 654 and to submit the Management Information (MIS) reports annually before February 28th, electronically via FTA website at [http://www.transit-safety.volpe.dot.gov/Safety/DAMIS.asp](http://www.transit-safety.volpe.dot.gov/Safety/DAMIS.asp) and by paper copies both to (a) California Dept. of Transportation, Division of Mass Transportation M.S. 39, P.O. Box 942874, Sacramento, CA 94274-0001, and to (b) Modoc Transportation Agency, 111 W. North Street, Alturas, CA 96101-0999. To certify compliance the contractor shall use the "Substance Abuse Certifications" in the "Annual List of Certifications and Assurances for Federal Transit Administration Grants and Cooperative Agreements," which is published annually in the Federal Register. In conjunction with contract execution but not later than July 31, 2013 and within thirty (30) days of any update, the Contractor agrees to submit a copy of the Policy Statement developed to implement its drug and alcohol testing program and both (a) to the California Dept. of Transportation, Division of Mass Transportation M.S. 39, P.O. Box 942874, Sacramento, CA 94274-0001, and (b) to the Modoc Transportation Agency, 111 W. North Street, Alturas, CA 96101-3936. In addition, the contractor agrees to use a consortium for collection through A-P Tech, HCR3, Box 715, 111 W. North Street, Alturas, CA 96101, telephone (530) 640-3405. Collection services provided by same to be billed and paid by Modoc Transportation Agency; selection of the certified laboratory or Medical Review Officer to be determined and services paid for by the Contractor.

15 GENERAL PROVISIONS

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

15.2 Conflict of Transportation Interests

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

15.3 Conflicting Use

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

15.4 Interest of Members of or Delegates to Congress

No member of or delegate to the Congress of the United States shall be admitted to any share or part of this AGREEMENT or to any benefit arising therefrom.

15.5 Compliance with Laws, Rules, Regulations

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

CONTRACTOR shall pay any and all federal, state, or local taxes as applicable. Further, CONTRACTOR shall secure, on its own behalf, or on behalf of MTA if requested, any and all licenses, permits, certificates, and inspections required by law, including General Public Paratransit Vehicle inspections.

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

15.6 Headings

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

15.7 Sale or Transfer

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

15.8 Binding

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

15.9 Notice

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

CONTRACTOR:                                      MTA:
Debbie Pedersen, Executive Director
Modoc Transportation Agency
111 W. North Street
Alturas, CA 96101-3936
IN WITNESS WHEREOF, the parties have caused this AGREEMENT to be executed on the day and year first above written.

APPROVED AS TO FORM AND LEGAL CONTENT:

_________________________________________ Date: ________________, 2013

MTA Legal Counsel

MODOC TRANSPORTATION AGENCY:

_________________________________________ Date: ________________, 2013

(Name of Chairman), Chairman  Board of Directors

CONTRACTOR:

_________________________________________ Date: ________________, 2013

(Name and Title) Authorized Representative

_________________________________________

Federal Tax I.D. Number
SECTION 3: EXHIBIT A – E

MANAGEMENT AND OPERATIONS FOR
SAGE STAGE TRANSIT SYSTEM
EXHIBIT “A”
AGREEMENT - MANAGEMENT AND OPERATION
OF THE SAGE STAGE TRANSIT SYSTEM

SCOPE OF WORK

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

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

1.2. Liaison with Local Jurisdictions, Citizens Groups
MTA shall be responsible for coordinating project activities with local and regional governmental
jurisdictions, agencies and citizens groups.

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

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

1.5. Buses; Equipment
MTA shall provide to CONTRACTOR the vehicles and equipment set forth in EXHIBIT “C”
extitled “MTA VEHICLES; EQUIPMENT”. These vehicles and equipment shall be used only for
activity directly related to the transit system covered by this AGREEMENT, unless otherwise
authorized, in writing, by MTA.

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

1.7. Street Furnishings
MTA shall purchase, install, maintain and replace all street furnishings required for SAGE
STAGE operations. Such furnishings include bus stop signs and posts, benches, shelters and the
like. Further, MTA shall maintain or request CALTRANS or property owners to maintain trees
along SAGE STAGE routes and stops so as to preclude damaging vehicles by reason of low hanging trees and branches. CONTRACTOR and its employees shall cooperate with MTA by advising it of any such conditions observed during SAGE STAGE operations. Nothing heretofore shall relieve CONTRACTOR'S vehicle operators from exercising good care and caution in their vehicle operations in order to avoid such damage.

1.8. Vehicle Maintenance
Through separate contract vehicle maintenance will be provided by MTA at no cost to CONTRACTOR.

1.9. Fuel
MTA will provide all fuel for transit operations at no cost to CONTRACTOR

2. CONTRACTOR DUTIES AND RESPONSIBILITIES - OPERATIONS

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

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

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

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

2.2. Operations - Route Deviation Bus Service (Intercity Routes)
CONTRACTOR will operate demand-response route deviation bus services as specified by MTA and in strict accordance with the operating days and hours, routes and schedules set forth in the current SAGE STAGE RIDER’S GUIDE, attached hereto as Exhibit D, or any revisions thereto, and shall provide such service in a safe, professional and courteous manner, always striving for excellent customer service.

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

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

2) To avoid construction, detours, and vehicles or other obstructions within the public right of way. CONTRACTOR shall notify MTA of such obstruction caused deviation(s) as soon, as is practicable upon learning that the deviations are or may become necessary.
In the event that a SAGE STAGE route operates more than ten minutes behind schedule, CONTRACTOR shall take all available steps to restore on-time performance. CONTRACTOR shall establish procedures, subject to MTA review and approval, to restore on-time performance.

2.3. Operations - Dial-A-Ride Service
Dial-A-Ride service shall be operated in accordance with the operating days, hours and service area set forth in the current SAGE STAGE RIDER’S GUIDE, attached hereto as Exhibit D, or any revisions thereto.

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

CONTRACTOR shall also accept “subscription service” reservations (provision of repetitive trips over an extended period time without requiring that individuals call to request reservations for each trip); however, the level of subscription service provided shall not exceed fifty percent (50%) of the total number of trips available during a given hour of the day.

Depending upon fluctuations in demand for service, CONTRACTOR may operate a vehicle in Dial-A-Ride service up to the number of hours and days set forth in the current SAGE STAGE RIDER’S GUIDE; however, operation of Dial-A-Ride shall be limited to those days and hours necessary to respond to demand. CONTRACTOR shall make every effort to maximize productivity through efficient coordination of trip requests and scheduling of personnel and vehicles. In no event will the total vehicle revenue hours billed to the MTA for Dial-A-Ride Service exceed 45 hours per week without prior written authorization by the MTA.

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

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

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

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

A. Route Deviation Service Standards:

1. Schedule Reliability: A minimum of ninety-five percent (95%) of bus departures will be within one minute before to 10 minutes after the scheduled departure time as indicated by published timetables.

2. Reservation Reliability: Ninety-five percent (95%) of the route deviation reservation pickups will be served within a 30 minute window (plus or minus 15 minutes from the recorded reservation time).

3. Missed Run: Less than one percent of scheduled departures from a route terminal will be a missed run. A missed run occurs when a scheduled departure is canceled, or when a bus departs more than 15 minutes after the published departure time.

B. Dial-A-Ride Productivity Standard

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

C. Dial-A-Ride Customer Service Level Standards:

1. Reservation Reliability: Ninety-five percent (95%) of reservation trips will be served within plus or minus 10 minutes from the recorded reservation time.

2. Demand Response Wait Time (the elapsed time between a “real time” demand-response service request and passenger pickup):
   a) 100% of passengers picked up within 90 minutes.
   b) 90% of passengers picked up within 60 minutes.

3. Ride Time (the elapsed time between passenger pickup and drop off):
   a) 90% of passengers dropped off within 30 minutes; and,
   b) 100% of passengers dropped off within 60 minutes.

4. Service Refusals: Less than one service request will be refused per service day due to inability to respond at requested reservation time or within demand-response wait time standard.

5. No Show Ratio: On average, there will be less than one passenger no-show per 20 passenger trips.

2.6. Operations Personnel

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

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

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

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

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

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

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

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

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

2.8. Employee Selection and Supervision

CONTRACTOR shall be responsible (either directly or through approved subcontractors) for the employment and supervision of all employees necessary to perform SAGE STAGE operations. CONTRACTOR responsibilities shall include employee recruitment, screening, selection, training, supervision, employee relations, evaluations, retraining and termination. CONTRACTOR shall make every effort possible to employ current contractor personnel.
CONTRACTOR shall use appropriate screening and selection criteria in order to employ operations personnel. The CONTRACTOR shall perform employment, DMV, physicals, and criminal background checks of all employees associated with this agreement and shall undertake the steps necessary to assure that all such employees perform their duties in a safe, legal, professional manner at all times.

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

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

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

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

2.9. Training of Drivers and Operations Personnel

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

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

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

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

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

2.10. Driver’s Responsibilities

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

When requested, drivers of vehicles in Dial-A-Ride or Route Deviation service will provide passenger assistance to persons who have disabilities, including boarding/alighting assistance, loading and unloading of small packages, and, to the extent reasonable considering distance, travel assistance between the vehicle and the passenger’s door.

Drivers shall have available at all times during operation of any bus an accurate time piece with active second hand (or digital equivalent), set each day to conform to local public telephone system time.

2.11. Safety Program

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

CONTRACTOR shall develop, implement and maintain, in full compliance with California Law, a formal safety and accident prevention program including periodic safety meetings, participation in safety organizations, safety incentives offered by CONTRACTOR to drivers and other employees, and participation in risk management activities under the auspices of CONTRACTOR’S insurance carrier or other organization. CONTRACTOR shall provide a copy of said Safety Program and subsequent program updates to MTA.
CONTRACTOR shall participate in the State of California Department of Motor Vehicles “Driver Pull Notice Program” for appropriate monitoring of employee driver license activity.

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

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

2.13. Accident, Incident, and Complaint Procedures
CONTRACTOR shall develop, implement and maintain formal procedures, subject to MTA review and approval, to respond to accidents, incidents, service interruptions, and complaints. Such occurrences to be addressed include, but are not necessarily limited to, vehicle accidents, passenger injuries, passenger disturbances, in service vehicle failures, lift failures of buses in service, Route Deviation buses operating more than ten minutes behind schedule, and Dial-A-Ride buses operating more than thirty minutes behind promised schedule.

All traffic accidents involving MTA vehicles, irrespective of injury, shall be reported to Highway Patrol, local police or sheriff, as appropriate, and then to the MTA. CONTRACTOR will request that the law enforcement agency respond to investigate the accident. CONTRACTOR will supply MTA with copies of all accident and incident reports.

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

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

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

2.15. Operations Facility
CONTRACTOR shall utilize the current operations facility located at 111 W. North Street in Alturas, until which time MTA establishes alternate facilities. CONTRACTOR shall provide and maintain maps, information boards, official time clock, desks, tables, chairs, and other office equipment as may be appropriate. CONTRACTOR will move operations headquarters to the new transit operations center once it is established.
CONTRACTOR shall provide dispatch personnel necessary to effectively respond to incoming calls at a quality and level consistent with SAGE STAGE patron demand.

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

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

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

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

2.19. Books; Records; Reports
CONTRACTOR shall maintain all books, records, documents, accounting ledgers, and similar materials relating to work performed for MTA under this AGREEMENT on file for at least three (3) years following the date of final payment to CONTRACTOR by MTA. Original documents or certified copies shall be maintained locally at a place which shall be subject to MTA approval.

Any duly authorized representative(s) of MTA shall have access to such records for the purpose of inspection, audit and copying at reasonable times, during CONTRACTOR’S usual and customary business hours. CONTRACTOR shall provide proper facilities to MTA representative(s) for such access and inspection. Further, any duly authorized representative(s) of MTA shall be permitted to observe and inspect any or all of CONTRACTOR’S facilities and activities during CONTRACTOR’S usual and customary business hours for the purposes of evaluating and judging the nature and extent of CONTRACTOR’S compliance with the provisions of this AGREEMENT. In such instances, MTA’s representative(s) shall not interfere with or disrupt such activities.
CONTRACTOR shall collect, record and report to the MTA on a quarterly basis all accounting data for the SAGE STAGE operation in accordance with Section 99243 of the California Public Utilities Code, as is now in force or may hereafter be amended. All worksheets and detail information used to prepare these reports shall be available upon request. Each quarterly accounting report shall be provided to MTA within one month after the close of the applicable quarter.

CONTRACTOR shall collect, record and report all operational data required by the MTA in a format approved by the MTA. Such data shall include, but not be limited to, data required under the California Transportation Development Act, as amended; statistics required by the Federal Transit Administration under the Section 5310, 5311, and 5311(f) grant programs; passenger count data by fare and demographic category, vehicle hours, vehicle miles, vehicle revenue hours, vehicle revenue miles, passengers per hour, wheelchair boardings, missed trips, accidents and incidents, complaints and compliments, and dial-a-ride service requests refused and passenger no-shows.

Information concerning vehicle activity shall be collected daily on the demand response driver’s log, route driver’s report, dispatch log, and/or other forms as developed by CONTRACTOR and approved by MTA, and shall be summarized daily on the Daily Operations Summary.

The Daily Operations Summary shall be compiled into weekly, monthly, quarterly and annual reports; and shall provide data according to the individual routes, modes and total system. Individual totals shall be provided for peak hour services, weekdays, and, if needed, evenings, Saturdays and Sundays.

In addition to statistical data, Monthly Reports shall summarize employee safety program and training activities, employee turnover, herein below, and other information as may be requested from time to time.

Daily logs, reports and summaries shall be available for MTA review by 3 p.m. of the next business day following data collection. Weekly reports shall be forwarded to MTA by Tuesday of the following week. Monthly reports shall be submitted to MTA no later than the 15th day of the following month. Quarterly reports shall be compiled on a year-to-date cumulative basis and shall be submitted to the MTA within 30 days after the close of the applicable quarter.

2.20. System Promotion
CONTRACTOR shall not be responsible to undertake or fund any advertising or promotional activities on behalf of the MTA. CONTRACTOR shall, however, cooperate with MTA in any such activities initiated by the MTA by making available needed equipment, facilities and personnel at no cost or expense to MTA. CONTRACTOR also shall dispense MTA information publications, respond to patron requests for information, act as a liaison and provider of system promotion information with and to community agencies and groups, and do all other things to assist and support MTA’s advertising and public information efforts.

2.21. System Recommendations
CONTRACTOR shall continually monitor SAGE STAGE operations, facilities and equipment and shall, from time-to-time and as warranted, advise MTA and make recommendations to it upon observed deficiencies and needed improvements. MTA shall retain all authority, however, to make determinations and to take action on such recommendations.
2.22. Emergencies; Natural Disasters
In the event of an emergency or natural disaster, CONTRACTOR shall make available, to the maximum extent possible, transportation and communications services and facilities to assist MTA in ameliorating such incidents. To the extent MTA requires CONTRACTOR to provide such emergency services and facilities, CONTRACTOR shall be relieved of the obligation to fulfill the duties and responsibilities to operate SAGE STAGE herein above contained. Further, CONTRACTOR shall be entitled to be paid reasonable compensation for providing such emergency services and facilities, provided however, that the amount of such compensation and time of its payment shall be mutually agreed upon by CONTRACTOR and MTA following the conclusion of the emergency or disaster, or at such other time as they may mutually agree.

3. CONTRACTOR DUTIES AND RESPONSIBILITIES – VEHICLES

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

3.1. MTA Vehicles; Equipment
By execution of this AGREEMENT, CONTRACTOR acknowledges receipt of the vehicles and equipment listed in EXHIBIT “C” - MTA VEHICLES; EQUIPMENT, and that each and every item has been received in good working condition. In the event that MTA provides CONTRACTOR with additional buses and/or equipment at future times, this EXHIBIT shall be amended in the manner provided herein above for amendments to this AGREEMENT and CONTRACTOR shall acknowledge receipt of such additional items upon their delivery to it. Upon termination of this AGREEMENT, CONTRACTOR shall return all MTA-owned equipment to MTA, with no deferred maintenance, repair or damage, less reasonable wear and tear.

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

3.3. Vehicle Cleaning
CONTRACTOR shall maintain SAGE STAGE vehicles in a clean and neat condition at all times. The interior of all vehicles shall be kept free of litter and debris to the maximum practicable extent throughout the operating day. Vehicles shall be swept and dusted daily. Interior panels, windows, and upholstery shall be cleaned of marks as necessary. The interiors of all vehicles shall be thoroughly washed at least once per week (or more often to maintain a clean, sanitary interior), including all windows, seats, floor, stanchions and grab rails. All foreign matter such as gum, grease, dirt and graffiti shall be removed from interior surfaces during the interior cleaning process. Any damage to seat upholstery shall be reported to MTA upon discovery.
Exteriors of all SAGE STAGE vehicles shall be washed as required to maintain a clean, inviting appearance and in no event less than once per week. Exterior washing shall include bus body, all windows and wheels. Rubber or vinyl exterior components such as tires, bumper fascia, fender skirts and door edge guards shall be cleaned and treated with a preservative at least once per month, or as necessary to maintain an attractive appearance.

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

3.4. Vehicle Towing

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

3.5. Fuel

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

4. SAGE STAGE DUTIES AND RESPONSIBILITIES TABLE

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

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<td>Benefits - employee health insurance allowance</td>
</tr>
<tr>
<td>Expert management - contact available to answer technical or transit industry questions</td>
</tr>
<tr>
<td>Insurance - worker's comp, general liability, vehicle (liability, collision, comprehensive) License, inspections, certifications, &quot;pull notices&quot; and Drug &amp; Alcohol testing and reporting</td>
</tr>
<tr>
<td>Vehicle cleaning</td>
</tr>
<tr>
<td>Books, records and reports</td>
</tr>
<tr>
<td><strong>MTA</strong></td>
</tr>
<tr>
<td>System planning and administration</td>
</tr>
<tr>
<td>Advertising, promotion Schedules, passes and tickets</td>
</tr>
<tr>
<td>Vehicles</td>
</tr>
<tr>
<td>Maintenance and repairs</td>
</tr>
<tr>
<td>Fuel</td>
</tr>
<tr>
<td>Street furnishings</td>
</tr>
<tr>
<td>Operations facility and vehicle storage</td>
</tr>
<tr>
<td>Uniforms</td>
</tr>
<tr>
<td>Telephones/Cell Phones</td>
</tr>
</tbody>
</table>
Exhibit B

AGREEMENT - MANAGEMENT AND OPERATION OF THE SAGE STAGE TRANSIT SYSTEM

APPROVED AMENDMENTS

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

**AGREEMENT - MANAGEMENT AND OPERATION OF THE SAGE STAGE TRANSIT SYSTEM**

**MTA VEHICLES AND EQUIPMENT**

<table>
<thead>
<tr>
<th>Vehicle No. In service</th>
<th>Year</th>
<th>Make</th>
<th>Cutaway Model</th>
<th>VIN</th>
<th>License No.</th>
<th>Funding Source</th>
<th>Fuel Type</th>
<th>Passenger Capacity</th>
<th>Length</th>
<th>Odometer 12/31/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>T9 (12/31/12)</td>
<td>2005</td>
<td>Ford</td>
<td>E450 Goshen GCII</td>
<td>1FDXE45S85HA74604</td>
<td>1189016</td>
<td>FTA 5311</td>
<td>Unleaded</td>
<td>14 + 1wheehr Or 12 + 2wheehr</td>
<td>22'</td>
<td>127,666</td>
</tr>
<tr>
<td>T10 (12/31/12)</td>
<td>2005</td>
<td>Ford</td>
<td>E450 Goshen GCII</td>
<td>1FDXE45S65HA93866</td>
<td>1189015</td>
<td>FTA 5310</td>
<td>Unleaded</td>
<td>14 + 1wheehr Or 12 + 2wheehr</td>
<td>22'</td>
<td>148,139</td>
</tr>
<tr>
<td>T11 (12/31/12)</td>
<td>2009</td>
<td>Chevy</td>
<td>5500 Aero Elite 200</td>
<td>1GBG5V1989F404088</td>
<td>J222282</td>
<td>FTA 5311 (2 years)</td>
<td>Dura Max Diesel</td>
<td>18 + 2wheehr Or 24 + 6wheehr</td>
<td>29'</td>
<td>85,451</td>
</tr>
<tr>
<td>T12 (12/31/12)</td>
<td>2009</td>
<td>GMC</td>
<td>5500 Glaval Titan</td>
<td>1GD519X90F400884</td>
<td>1340270</td>
<td>FTA 5311f Capital FY 08/09</td>
<td>Dura Max Diesel</td>
<td>16 + 1wheehr Or 14 + 2wheehr</td>
<td>27'</td>
<td>67,208</td>
</tr>
<tr>
<td>T14 (12/31/12)</td>
<td>2009</td>
<td>GMC</td>
<td>5500 Glaval Titan</td>
<td>1GD519X90F400973</td>
<td>1340271</td>
<td>PTMISEA 07/08 08/09</td>
<td>Dura Max Diesel</td>
<td>16 + 1wheehr Or 14 + 2wheehr</td>
<td>27'</td>
<td>72,595</td>
</tr>
<tr>
<td>T15 (12/31/12)</td>
<td>2010</td>
<td>Dodge Chrysler</td>
<td>Braun Enter Van</td>
<td>2DR4N4DE6AR291700</td>
<td>1358642</td>
<td>FTA 5311f Capital 08/09</td>
<td>Unleaded</td>
<td>5 + 1wheehr Or 3 + 1wheehr</td>
<td>Mini Van</td>
<td>22,391</td>
</tr>
<tr>
<td>T16 (12/31/12)</td>
<td>2010</td>
<td>Dodge Chrysler</td>
<td>Braun Enter Van</td>
<td>2DR4N4DE6AR296724</td>
<td>1358649</td>
<td>FTA 5311 Capital 09/10</td>
<td>Unleaded</td>
<td>5 + 1wheehr Or 3 + 1wheehr</td>
<td>Mini Van</td>
<td>2,213</td>
</tr>
</tbody>
</table>
Exhibit D

Agreement - Management and Operation of the SAGE STAGE TRANSIT System

SAGE STAGE RIDER’S GUIDE

For information, visit www.sagestage.com and www.dial-a-ride.com

Call for a Ride
(530) 233-6410

Effective January 1, 2011

MOBAC Public Transit Agency

For more information, call 530-233-6410 or visit www.dial-a-ride.com

SAM, 325 East Main St., Auburn, CA 95603
Exhibit E

AGREEMENT - MANAGEMENT AND OPERATION
OF THE SAGE STAGE TRANSIT SYSTEM
SUCCESSFUL OFFEROR’s PROPOSAL

TO BE ATTACHED HERETO AS EXHIBIT F.