

0220-00210-0258

TRANSMITTAL

TO
City Council

DATE
08/01/16

COUNCIL FILE NO.

FROM
The Mayor

COUNCIL DISTRICT
All

**Proposed Agreement for
the Citywide Paratransit Program and technical
support services for the Charter Bus Program**

Transmitted for your consideration. See the
City Administrative Officer report attached.



(Ana Guerrero)

MAYOR

MAS:IR:06160194

Report From
OFFICE OF THE CITY ADMINISTRATIVE OFFICER
Analysis of Proposed Contract
(\$25,000 or Greater and Longer than Three Months)

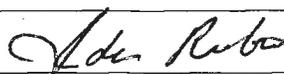
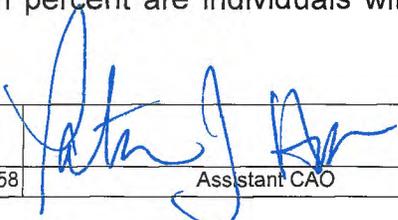
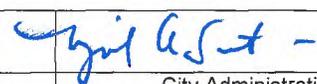
To: Mayor	Date: 07-29-16	C.D. No. All	CAO File No.: 0220-00210-0258				
Contracting Department/Bureau: Department of Transportation		Contact: Corrine Ralph (213) 928-9745					
Reference: Department of Transportation transmittal dated June 21, 2016; referred for report from Mayor dated July 18, 2016							
Purpose of Contract: Provide program coordination and administration services for the Cityride Paratransit Program and technical support services as needed for the Charter Bus Program.							
Type of Contract: (X) New contract () Amendment		Contract Term Dates: September 1, 2016 to August 31, 2021 (Five Years)					
Contract/Amendment Amount: Not exceed \$6,100,000							
Proposed amount up to \$6,100,000 + Prior award(s) \$0 = Total \$6,100,000							
Source of funds: Proposition A Local Transit Assistance Fund							
Name of Contractor: Keolis Transit Services, LLC. dba MyTransit Plus							
Address: 6053 West Century Blvd, 9 th Floor, Los Angeles, CA 90045							
	Yes	No	N/A*	8. Contractor has complied with:	Yes	No	N/A*
1. Council has approved the purpose	X			a. Equal Employmt. Oppty./Affirm. Action	X		
2. Appropriated funds are available	X			b. Good Faith Effort Outreach**	X		
3. Charter Section 1022 findings completed	X			c. Equal Benefits Ordinance	X		
4. Proposals have been requested	X			d. Contractor Responsibility Ordinance	X		
5. Risk Management review completed	X			e. Slavery Disclosure Ordinance	X		
6. Standard Provisions for City Contracts included	X			f. Bidder Certification CEC Form 50	x		
7. Workforce that resides in the City: 82 %				*N/A = not applicable ** Contracts over \$100,000			

COMMENTS

The Department of Transportation (DOT) requests authority to execute a five year contract with Keolis Transit Services LLC dba MyTransit Plus for the continued operation of the Cityride Paratransit Program Coordinator service at a total cost not to exceed \$6.1 million. The current contract expires on August 31, 2016 and DOT has selected the current incumbent (Keolis Transit Services LLC dba MyTransit Plus) as the Program Coordinator. The term of the new contract will start from September 1, 2016 to August 31, 2021 and will be funded by the Proposition A Local Transit Assistance Fund. The 2016-17 Adopted Budget provides \$1.1 million for the Paratransit Program Coordinator Services and funding will be allocated in subsequent years through the annual budget process.

BACKGROUND

The City's Dial-A-Ride Program provides supplemental transportation services to seniors 65 years and older and individuals with disabilities. There are currently 31,000 active Cityride clients and a total of 120,000 members in the Program. Per DOT approximately eighty-five percent of the existing members are seniors and fifteen percent are individuals with disabilities under the age of 65. This

		
IR	Analyst	City Administrative Officer
0220-00210-0258	Assistant CAO	

program provides subsidized fare values for clients who meet the eligibility requirements which can be used on the Dial-A-Ride vans or City of Los Angeles permitted taxi cabs.

Contracting and Selection Process

On April 15, 2016, the Department released a Request for Proposal (RFP) for the continued operation of the Paratransit Program Coordinator and Transit Technology Services. Two proposals were received by the submission deadline date of June 2, 2016. Of the two proposals received, one was deemed non-responsive due to failure to complete the Business Inclusion Program outreach process and thus was not scored. The remaining proposal submitted by Keolis Transit Services LLC dba My Transit Plus was evaluated by a panel consisting of representatives from DOT and received a score of 100 percent, plus eight percent for the local business program.

The selection criteria was based on the following:

- Qualification of the Firm;
- Proposed Staff and Organization of Operations;
- Operating Methodology; and,
- Cost Effectiveness.

The RFP criteria required that the selected contractor must have a minimum of five years experience in performing the same or similar paratransit coordinator services and must be able to furnish proof of ability to perform the terms of the proposal.

Keolis through its predecessor companies has been the Cityride Paratransit Program coordinator for the past 15 years, and has continued to demonstrate their commitment to the program by introducing innovative technology and the provision of excellent customer service to Cityride clients. Keolis is based in Los Angeles and has an extensive background in providing paratransit program coordinator services, shuttle service, fixed route services and related technical programming services for a variety of city and state governments, transit authorities and municipalities.

Proposed Services and Technology Enhancements

The Paratransit Program Coordinator will coordinate the administration of the Cityride program and related tasks and will be responsible for the following services:

- Determining membership eligibility and registration approval;
- Sale and distribution of fare media;
- Mailing program literature and program correspondence;
- Providing customer service;
- Database program management and record-keeping, including statistical reporting;
- Monitoring customer satisfaction through surveys;
- Administration of electronic transit fare card technology, including continuation of taxi systems and dial-a-ride system interface with Cityride electronic fare cards in real-time; and,
- Development of a new online registration system for Cityride clients and an online fare value sale system. Currently, these functions are handled solely through the mail. Clients will have the option of continuing with mail registration and mail order, if preferred.

In addition, they will also provide technical support for the Charter Bus program which is administered by the DOT, on behalf of the Mayor and Council Districts. This support will include hosting the system on their servers, updates and modifications and/or routine maintenance of the system as directed by DOT.

Proposed Contract Costs

The Department's attached report provides a detailed breakdown of the cost components over the five year term. Below is a brief summary of the total cost of the key components:

Summary of Cost Components	Total Five Year Cost
1. Personnel	\$2,724,617
2. Administration (equipment, office space, telephone etc..)	1,459,729
3. Subcontractors/Consulting	286,693
4. Card Processing	235,726
5. Re-Registration Process	114,422
6. Printing and Postage	106,183
7. Other Costs (Charter Bus system)	103,152
8. Profit (15%)	754,579
9. Total Annual Costs	<u>5,785,100</u>
10. Expansion Transaction Costs	197,499
11. Expansion Profit (15%)	29,624
12. Total Expansion Costs	<u>227,123</u>
Total Annual + Expansion	<u>\$6,012,223</u>

It should be noted that the DOT Transit Service System is currently undergoing a Line by Line analysis of the existing DASH, Commuter Express and Cityride services and it is anticipated the analysis will be available for Council and Mayor consideration in Fall 2016. The analysis may recommend changes or modifications to existing programs to improve the overall service quality and delivery. In anticipation of a potential expansion for the Cityride Program, the proposed contract authorizes up to \$227,123 for additional transaction costs for card processing should the Cityride Program increase services by providing more fare value to clients. These anticipated costs have been included in the proposed contract to allow DOT the ability to increase service levels, should increased services be approved by the Council and Mayor. Per DOT, the Cityride contract has an established baseline of 120,000 transactions per year and additional transactions cannot be unilaterally triggered by the contractor unless approved by the City.

The 2016-17 Adopted Budget provides \$1.150 million in funding in the Proposition A Local Transit Assistance Fund 385, Appropriation Account Number 94N241, Paratransit Program Coordinator and is sufficient to cover Year One of the proposed contract (\$1.146M). Funding for subsequent years will be allocated as part of the budget process.

Miscellaneous Provisions

The Office of the City Administrative Officer completed the Charter Section 1022 Determination on June 23, 2016 with an economic finding that it is overall less expensive to contract out these services than having city forces perform this work. In addition, Keolis Transit Services LLC dba MyTransit Plus has complied with the City contracting requirements and has submitted all applicable forms.

RECOMMENDATION

That the Council and the Mayor authorize the General Manager of the Department of Transportation to execute a contract with Keolis Transit Services LLC dba MyTransit Plus for a term of five years from September 1, 2016 to August 31, 2021 at a cost not to exceed \$6.1 million to provide services as part of the Paratransit Program Coordinator and Transit Technology Service program, subject to the approval of the City Attorney as to form and legality.

FISCAL IMPACT STATEMENT

There is no General Fund impact. Funding is available for the proposed contract within the Proposition A Local Transit Assistance Fund. Funding for subsequent years of the contract will be provided in those fiscal year budgets. The City's obligation is limited to the availability of appropriations. The recommendations comply with City Financial Policies in that sufficient special fund revenues are available and eligible for this purpose.

MAS:IR: 06160194

ATTACHMENTS

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

2016 JUL 20 PM 3: 23

Date: July 13, 2016

To: The Honorable Eric Garcetti, Mayor
Attention: Mandy Morales, Legislative Coordinator

From: Seleta J. Reynolds, General Manager
Department of Transportation

Subject: **SELECTION OF CONTRACTOR TO PROVIDE CITYRIDE PARATRANSIT PROGRAM
COORDINATOR AND TRANSIT TECHNOLOGY SERVICE**

SUMMARY

The Department of Transportation (LADOT) is requesting authority to execute a five year contract with Keolis Transit Services LLC dba MyTransit Plus, for an amount not to exceed \$6,100,000 for the continued provision of services for the Cityride Paratransit Program Coordinator and Transit Technology services.

RECOMMENDATION

That the Council:

Authorize the General Manager, LADOT, to execute a contract with Keolis Transit Services LLC dba MyTransit Plus (Keolis) for a five year term for an amount not to exceed \$6,100,000 to provide services as part of the Cityride Paratransit Program Coordinator and Transit Technology Service program, subject to the approval of the City Attorney as to form and legality.

DISCUSSION

LADOT received proposals from two firms by the submission deadline established in the Request for Proposal (RFP) of June 2, 2016. The firms that submitted proposals were the incumbent provider Keolis and Airport Connection Inc. dba Roadrunner Shuttle.

A review of the submitted proposals for compliance with the City's standard contracting requirements showed the proposal from Keolis was responsive and in accordance with the criteria established in the RFP. The proposal from Airport Connection Inc. dba Roadrunner Shuttle was deemed non-responsive due to not complying with the City of Los Angeles administrative requirements, specifically not conducting the required Business Inclusion Program outreach. LADOT is recommending to award the contract to Keolis.

The evaluation panel, consisting of representatives from LADOT, evaluated and scored the responsive proposal (see Attachment 1) and recommended the selection of Keolis.

The proposal was evaluated based on the following criteria:

RFP Evaluation Criteria

<u>Categories</u>	<u>Points</u>
1. Qualifications of Proposer	20
2. Qualifications of Proposed Staff and Organization of Operations	20
3. Operating Methodology	20
3. Cost Effectiveness	<u>40</u>
Total	100 (per rater)

The cost proposed by the incumbent firm is an increase of only 4% in the first year compared to their current contract's fifth year for current service levels, and if new services requested in the next contract that are not currently required in the present contract are excluded from the comparison, the increase is only 0.7%. Attachment 2 lists the proposed costs.

The City's adopted budget for the Cityride Paratransit Program Coordinator and Transit Technology Service Program during Fiscal Year 2016-2017 is \$1,100,000.

BACKGROUND

LADOT has contracted with paratransit program coordinators since the 1990's to provide reliable, quality, and cost-effective Cityride Paratransit Program coordinator service. The Cityride paratransit program coordinator provides registration, fare value sales, customer support, and other services for the LADOT's Cityride program, which provides Dial-A-Ride and taxi trips to seniors 65 years old or older and individuals with disabilities, for medical, commercial, and recreational purposes. Currently, there are approximately 31,000 active Cityride clients. Cityride clients are eligible to make a quarterly payment to the City to receive subsidized fare value, which may be used for either Dial-A-Ride trips or taxi service.

On August 5, 2011, the City Council authorized LADOT to negotiate and execute a contract for a five-year term for the continued operation of the Cityride Paratransit Program coordinator service with MyTransitPlus. MyTransitPlus was purchased by Keolis Transit America, Inc. in 2012 and 2014, the contract was amended to allow the contractor to implement the new Charter Bus Program reservation system. The current contract with Keolis Transit Services LLC dba MyTransitPlus is due to expire on August 31, 2016.

On April 15, 2016, LADOT issued a Request for Proposals for the continued operation of Cityride Paratransit Program Coordinator and Transit Technology Service. LADOT received a proposal from two firms by the submission deadline of June 2, 2016. LADOT is requesting authority to award a contract to Keolis Transit Services LLC dba MyTransitPlus. The following is the business location of the selected proposer:

Keolis Transit Services LLC dba MyTransitPlus
6053 W. Century Blvd., Suite 900
Los Angeles, CA 90045

Honorable Eric Garcetti
Mayor

3

July 13, 2016

FINANCIAL IMPACT

There is no impact on the Budget. Sufficient funds have been included in the City's adopted FY 2016-17 Proposition A Local Transit Assistance (PALTA) Budget.

SJR:gh

Attachments:

- 1- Proposed Contract Rates
- 2- Contract with Keolis Transit Services LLC dba MyTransitPlus, Inc.

AGREEMENT BETWEEN
THE CITY OF LOS ANGELES
AND
KEOLIS TRANSIT SERVICES LLC
dba MYTRANSITPLUS
FOR THE OPERATION OF
CITYRIDE PARATRANSIT PROGRAM COORDINATOR
AND TRANSIT TECHNOLOGY SERVICE
PROGRAM

AGREEMENT
BETWEEN
THE CITY OF LOS ANGELES
AND
KEOLIS TRANSIT SERVICES LLC dba MYTRANSITPLUS

THIS AGREEMENT is made and entered into this ___ day of _____ 2016, by and between the City of Los Angeles, a municipal corporation (hereinafter referred to as the "City"), and Keolis Transit Services LLC dba MyTransitPlus, a California Corporation, (hereinafter referred to as the "Contractor").

WITNESSETH

WHEREAS, the City would like to obtain Cityride Paratransit Program Coordinator and Transit Technology Services; and

WHEREAS, the City issued a Request for Proposal (RFP) dated April 15, 2016 for firms interested in providing such services, which RFP and Addendum are on file in the office of the City and is incorporated herein by reference, and

WHEREAS, the Contractor has the management and technical expertise and other assets necessary for the operation of the Cityride Paratransit Program Coordinator Transit Technology Service; and

WHEREAS, the Contractor submitted a proposal in response to the RFP which is dated June 2, 2016, and is incorporated herein by this reference (collectively the "Proposal"), and

WHEREAS, the said Proposal was selected as responsive received by the City for the function of Cityride Paratransit Program Coordinator and Transit Technology Service for said services (C.F.# _____), and

WHEREAS, the City has requested that the Contractor serve as the Cityride Paratransit Program Coordinator and Transit Technology Service and the Contractor has agreed to provide the services requested in the time and manner set forth in the RFP and Proposal incorporated into this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, the parties hereto agree as follows:

SECTION 1. INTRODUCTIONS AND CONDITIONS PRECEDENT

A. Parties to the Agreement

The Parties to this Agreement are:

1. The City of Los Angeles, a municipal corporation, having its principal office at 200 North Spring Street, Los Angeles, CA 90012.

2. The Contractor, known as Keolis Transit Services LLC dba MyTransitPlus, located at 6053 W. Century Blvd., 9th Floor, Los Angeles, CA 90045.

B. Representatives of the Parties and Services of Notices

1. The Representatives of the respective parties who are authorized to administer this Agreement and to whom formal notices, demands and communications shall be given are as follows:

- a. The representative of the City shall be, unless otherwise stated in the Agreement:

Corinne Ralph, Chief of Transit Programs
Bureau of Transit Services, LADOT
City of Los Angeles
Department of Transportation
100 S. Main Street, 10th Floor
Los Angeles, CA 90012

- b. The representative of the Contractor shall be:

Steve Shaw, President and CEO
Keolis Transit Services LLC dba MyTransitPlus
6053 W. Century Blvd., 9th Floor
Los Angeles, CA 90045

2. Notices. Formal notices, demands and communications to be given by either party shall be made in writing and may be effected by personal delivery or by mail. The notice of breach of agreement, liquidated damages, or performance penalties will be sent via certified mail.
3. Changes. If the name of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice shall be given, in accordance with this section, within five (5) working days of said change.

C. Contract Modifications

The Agreement fully expresses all understanding of the parties concerning all matters covered and shall, with the RFP, its addendum and Keolis Transit Services LLC dba MyTransitPlus's RFP response (the "Proposal"), constitute the total Agreement. Except as may otherwise be provided herein, no addition to, or alternative of, the parties, their officers, agents or employees, shall be valid unless made in the form of a written amendment to this Agreement, which is formally approved by the Mayor and City Council of City and executed by the parties. No modification or addition to this

Agreement shall have any effect whatsoever unless set forth in writing, approved by the Mayor and City Council of City, and signed by both parties.

D. Conditions Precedent

1. Required Facilities. The Contractor shall, prior to the commencement of service, have all facilities required for all necessary functions in place for the operation, administration and maintenance of service.
2. Personnel Position and Task Report. The Contractor shall, prior to the commencement of service, and on a quarterly basis thereafter, provide the required Personnel Position and Task Report (see Exhibit 3 of the RFP).
3. Insurance Requirements. The Contractor shall comply with all of the insurance requirements under this Agreement. The insurance requirements released with the RFP, incorporated herein by this reference, describe in detail the insurance coverage and amounts required by this Agreement.
4. Changes to Documentation. Changes to the foregoing documents affecting the performance of the Contractor under this Agreement shall receive City approval in writing before the Contractor may effect the change.
5. Contract Assignment. This contract is not to be assigned to a substitute contractor, a successor in interest, or a purchaser of the current Contractor without the expressed permission of the City. If the City does not approve or grant permission to a subsequent contractor to assume the services outlined in this contract, then the contract will be terminated.

SECTION II. TERMS OF CONTRACT

A. Contract Period

1. This Agreement shall be in effect for five years from September 1, 2016 through August 31, 2021.
2. City obligations under this contract are contingent upon the City's ability to obtain the funds from the funding agencies and the availability of City funds in this and subsequent fiscal year budgets to finance operating costs of this contract.
3. Contractor shall perform service hereinafter indicated strictly in accordance with the terms and conditions of this Contract.

B. Program Budget

1. The Program Budget shall control the expenditures of this Contract and is a detailed

itemized listing by cost category of all items approved for expenditures. All items approved for payment or reimbursement shall fall within the expenditure control categories shown in Exhibit I – Program Budget Summary in accordance with Section IV of this Contract.

2. Prior to the execution of this Agreement, the Contractor shall submit to the City for approval, in writing, the following documents:
 - a. The Contractor's accounting procedures;
 - b. The Contractor's Personnel Policies and Procedures, which shall include personnel practices, an organizational chart, job descriptions and benefits;

C. Minor Changes

1. For any change which does not significantly affect the scope of work as set forth in the total Agreement, the period of performance, payment or any terms or conditions included under this Agreement, a Change Notice shall be prepared and signed by the City's Head of Transit Operations or authorized representative and Contractor's Chief Executive Officer.

SECTION III. CONTRACTOR DUTIES AND SCOPE OF WORK

A. Independent Contractor/Status of the Contractor

1. In rendering service hereunder, the Contractor shall be and remain an independent Contractor. It is expressly understood and acknowledged by the parties hereto that any amounts payable hereunder shall be paid in gross amount, without reduction for any federal or state withholding or other payroll taxes, or any other governmental taxes or charges. The Contractor is responsible for assuming and remitting any applicable federal or state withholding taxes, estimated tax payments, social security payments, unemployment compensation payments, or any other fees or expenses whatsoever.
2. The Contractor shall refrain from any action that would create or tend to create obligations, expressed or implied, on behalf of the City, it being understood that the Contractor is not and shall not be the legal representative or agent of the City and that the Contractor shall not be authorized to make any promise, warranty or representation except as specifically provided for in this Agreement or as otherwise agreed to in writing between the parties.
3. The City shall have no liability to any subcontractor(s) for payment for service under this Agreement or other work performed for the Contractor and any subcontractor contract entered into by the Contractor pursuant to the conduct of service under this Agreement. It shall be duly noted that the responsibility

for payment for technical services or any other work performed shall be the sole responsibility of the Contractor.

4. All personal properties, including equipment (computers, copying machines, etc.), purchased with capital and start-up funds provided under this Agreement, shall become the property of the City and shall be returned to the City upon termination of this Agreement, except as provided otherwise. All property purchased with funds provided under this Agreement shall be approved by the City, prior to the purchase, and used and maintained by the Contractor as indicated in this Agreement, Addendum and in the RFP. Contractor shall maintain an inventory of property purchased by the City and provide an updated inventory to the City following any such purchase.

B. Service Delivery

1. The Contractor shall coordinate the administration of the Cityride Paratransit Program and Transit Technology Service and related tasks in accordance with the City's operating policies, standards and procedures and the terms and conditions specified and indicated in this Agreement, Addendum and the RFP. The Contractor shall also be responsible for operating in compliance with the governmental codes, regulations, and directives applicable to such programs and as defined in this Agreement.
2. All service to be operated as part of this contract shall be in compliance with the Americans with Disabilities Act (ADA) of 1990.
3. The City shall monitor the service in order to assess the performance of the Contractor in delivering the service. The City shall maintain the right to assess performance penalties against the Contractor, as set forth in the Request for Proposal (Section IV), based on the Contractor's failure to meet the established standards. These standards and performance penalties applicable thereto shall be charged as described in the RFP.

SECTION IV. COMPENSATION

- A. The City shall pay the Contractor an amount not to exceed \$6,012,223.00 for the complete and satisfactory performance of the terms and conditions of this Agreement for the period September 1, 2016 to August 31, 2021. The Contractor shall comply with compensation provisions as indicated in the RFP, which include the following.
 1. The City must approve all of the Contractor's accounting or administrative procedures used in the planning, controlling, monitoring, and reporting of all fiscal matters relating to auditable documents. The Contractor's system of accounting procedures shall be approved by the City prior to any disbursement of funds to the Contractor.

2. The Contractor shall maintain a system of internal fiscal control in accordance with commonly accepted accounting practices as approved by the City. Internal fiscal control comprises the plan of organization and all of the coordinated methods and measures adopted within an organization to safeguard its assets, check the adequacy and the reliability of its accounting data, promote operating efficiency and assure adherence to prescribed management policies.
3. The Contractor agrees that, should the City determine that the Contractor's record keeping, reporting techniques or data collection are inadequate to allow for effective monitoring and evaluation of the program, the City shall have the right to demand whatever record it deems adequate to correct such deficiencies in matters pertaining to the execution of this contract. Should these books and records, still not meet the minimum standards of the accepted accounting practices of the City, the City reserves the right to withhold any or all payments to the Contractor until such time as they meet these standards.
4. The Contractor shall submit requisitions for payment of reimbursement to the City on a monthly basis. These reimbursements shall represent actual costs. The total cumulative monthly reimbursements shall be limited to the amounts shown in the appropriate cost categories in Exhibit I – Program Budget Summary. The monthly billing to the City shall be based on reimbursements, less any repayment for advance funds, etc. The format and the degree of detail to be included in the requisitions shall be subject to the approval of the City and shall not be changed except upon written approval of the City.
5. The City agrees to pay invoices within 30 days upon receipt of invoices, if invoices and supporting documents are accurate. However, the Contractor agrees that the City has the right to withhold any and all payments to the Contractor until required reports, supporting documents, or accurate invoices are provided.
6. In compliance with the City of Los Angeles requirements under Charter Section 262(a), the Contractor agrees to submit invoices that conform to City standards and include, at a minimum, the following information:
 - a. Name and address of company or firm
 - b. Name and address of City department being billed
 - c. Date of the invoice and period covered
 - d. Reference to contract number
 - e. Description of completed task and amount due for the task
 - f. Certification by a duly authorized officer
 - g. Remittance address
7. All invoices shall be submitted on the Company's letterhead, contain the company's official logo, or contain other unique and identifying information

such as name and address of company or individual. Evidence that tasks have been completed, in the form of a report, shall be attached to invoices, as applicable.

8. Invoices and supporting documentation shall be prepared at the sole expense and responsibility of the Contractor. The City will not compensate the Contractor for any costs incurred for invoice preparation.
9. The City may request in writing, changes to the content and format of the invoice and supporting documentation at any time. The City reserves the right to request additional supporting documentation to substantiate costs at any time.
10. Payments to the Contractor may be withheld by the City if the Contractor fails to comply with the provisions of this Agreement.

SECTION V. DOCUMENTS, RECORDS AND AUDITS

A. Audits and Inspections

1. The Contractor agrees that the City, or any of its duly authorized representatives, shall, for the purpose of audit and examination be permitted to inspect all work, materials, payroll, and other data and records with regard to the project, and to audit the books, records, and accounts with regard to the project.
2. It is agreed that examination of books, records, accounts, contracts, invoices, materials, records of personnel, time sheets and payroll records, conditions of employment, reports, and other statistical data relating to all matters covered by this Agreement will be made in accordance with generally accepted auditing standards applicable in the circumstances and that as such, said examinations does not require a detailed audit of all transactions. Testing and sampling methods may be used in verifying invoices and related reports submitted by the Contractor. Deficiencies ascertained by the use of such testing and sampling methods by applying the "percentage of error" obtained from such testing and sampling to the entire period of reporting under examination will be binding on the Contractor and to that end shall be admissible in court to prove any amounts due to the City from records and figures in court to rebut the sampling method. In the event any deficiency in the amount of five percent (5%) or greater of the compensation payable to the City hereunder is ascertained, the Contractor agrees to pay the City for the entire cost of the audit as well as any other deficiencies, payments and liquidated damages due under this or any other provision of this contract within 30 days of receipt of the City's billing.
3. At any time during normal business hours and as often as the City may deem

necessary, the Contractor shall make available to the City for examination, all necessary records with regard to the service provision.

4. The City reserves the right to dispatch auditors of its choosing to any site where any phase of the project is being conducted, controlled, or advanced in any way, however tangible or intangible. Such sites may include the home office, any branch office or other locations of the Contractor if such sites or the activities performed thereon have any relationship to the program covered by this Agreement. City auditors shall be provided with adequate and appropriate workspace in order to conduct audits and shall be allowed to interview any employees of the Contractor. It is the responsibility of the Contractor to insure the cooperation of all employees with any procedure pertaining to the audit.
5. All project records prepared by the Contractor shall be owned by the City and be made available to the City at no additional charge. The City may elect to authorize representatives of other project funding partners to inspect, audit and analyze the records of the Contractor in operating this service, preparing the bid for this service, or of the operation of any similar service.
6. The City shall have the authority to make physical inspections and to require such physical safeguarding devices as locks, alarms, safes, fire extinguisher, sprinkler system, etc., to safeguard property and/or equipment authorized by this Agreement.
7. When a fiscal or special audit determines that the Contractor has received payments from the City which are questionable under the criteria set forth herein, the Contractor shall be notified and given the opportunity to justify questioned items prior to the City's final audit report.
8. If such audit finds that the City's dollar liability for such service is less than payments made by the City to Contractor, then Contractor agrees that the difference shall be either:
 - a. repaid forthwith by Contractor to City by cash payment, or
 - b. at LADOT's General Manager's option, credited against any future payments hereunder to Contractor.

If such audit finds that City's dollar liability for service is more than payments hereunder to Contractor, then the difference shall be paid to Contractor by the City, provided that in no event shall the City's maximum obligation, as set forth in this Agreement, be exceeded.

9. The City shall determine any amount to be paid to the Contractor during the period of audit. The City has the authority to withhold funds pending a final determination by the City of questioned expenditures to the City.

SECTION VI. STANDARD CONTRACT PROVISIONS

A. Termination of Contract

The City may terminate this contract without cause, in whole or in part, at any time by written notice to the Contractor. The Contractor shall be paid its reasonable costs, including contract closeout costs, and profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim for payment to the City. If the Contractor has any property in its possession belonging to the City, the Contractor shall account for the same, and dispose of it in the manner the City directs.

B. Standard Provisions and Mandatory City Requirements

Hereby incorporated by reference into this contract are the Standard Provisions for City Personal Services Contracts, revised 03/09, which are attached hereto as Appendix A and included herein by reference, and the Mandatory City Contract Requirements, General City Reservations, and Protest Procedures, revised 05/15, which are attached hereto as Appendix B and included herein by reference.

C. Contractor Evaluation Program

At the end of this contract, the City will conduct an evaluation of the Contractor's performance. The City may also conduct evaluations of the Contractor's performance during the term of the contract. As required by Section 10.39.2 of the Los Angeles Administrative Code, evaluations will be based on a number of criteria, including the quality of the work product or service performed, the timeliness of performance, the Contractor's compliance with budget requirements, and the expertise of personnel that the Contractor assigns to the contract. The Contractor will be provided with a copy of the final City evaluation and allowed 14 calendar days to respond. The City will use the final City evaluation, and any response from the Contractor, to evaluate proposals and to conduct reference checks when awarding other personal services contracts.

SECTION VII. MISCELLANEOUS

1. Neither party assumes any liability for failure to fulfill the terms and conditions of this Agreement caused by events beyond the reasonable control of such party. Such events may include, but are not restricted to the following: natural disaster, acts of government in either its sovereign or contracted capacity, a failure or shortage of fuel, water, fuel oil, or other utility or services, strikes, riots, fires, floods, epidemics, war, insurrection or other national or local emergency, freight embargo, impassability of routes due to construction, and unusually severe weather but in every case the failure to perform must be beyond the control and without the fault or negligence of the Contractor or its subcontractor.
2. This Agreement, the RFP, addendum, the Proposal and all exhibits contain the entire

understanding between the Contractor and City. No modification or addition to this Agreement shall have any effect whatsoever unless set forth in writing, approved by the Mayor and City Council of City, and signed by both parties hereto.

3. Any item of work contained in either the RFP or the Proposal shall be performed by the Contractor as though it appears in this Agreement. In the event of any conflict, the terms of this Agreement and the RFP govern over the Proposal unless specifically stated otherwise.
4. The Contractor shall only process additional Expansion transactions or bill the City additional Expansion costs (Form C-II – Cost Components, Line 15) after receiving express written instruction from City.
5. Disputes regarding the interpretation or application of any provisions shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties. The City shall make every effort to limit the negotiating period for a time not to exceed 30 days. Failure to come to a negotiated settlement will allow the aggrieved party to seek recourse in the courts of law (refer to the Standard Provisions for City Personal Services Contracts, Appendix A, Section PSC-8 of the RFP).
6. The failure of the City to insist upon strict performance by Contractor of any provision hereunder in every one or more instances shall not constitute a waiver of such provision by City, nor shall, as a result, City relinquish any rights that it may have under this Contract.
7. This Agreement shall be binding on and inure to the benefit of the heirs, executors, administrators and assigns of the parties hereto.

IN WITNESS WHEREOF, the City of Los Angeles and the Contractor have caused this agreement to be executed by their duly authorized representatives.

Executed for:

The City of Los Angeles

Executed for:

Keolis Transit Services LLC
dba MyTransitPlus

Seleta J. Reynolds
General Manager
Department of Transportation

Steve Shaw
President and CEO
Keolis Transit Services LLC
dba MyTransitPlus

Date: _____

Date: _____

Approved as to Form and Legality:

Mike Feuer, City Attorney

ATTEST:

Holly L. Wolcott, City Clerk

Michael Nagle
Deputy City Attorney

City Clerk
City of Los Angeles

Date: _____

Date: _____

Council File Number: _____

Contract Number: _____

Date of City Council Approval of original Contract: _____

**FORM C-II
COST COMPONENTS**

This form identifies the key cost components for the operation of this service. This cost information will be used in the evaluation of proposals. In addition, Form C-II-A must be submitted which details back-up calculations in preparing all component costs in Form C-II.

COST COMPONENTS

	Year 1	Year 2	Year 3	Year 4	Year 5	5 Year Total
1 Personnel	\$511,799	\$529,259	\$543,388	\$561,924	\$578,246	\$2,724,617
2 Administration	\$282,648	\$293,245	\$289,481	\$294,240	\$300,115	\$1,459,729
3 Subcontractors/Consultants	\$54,000	\$55,620	\$57,289	\$59,007	\$60,777	\$286,693
4 Card Processing	\$44,400	\$45,732	\$47,104	\$48,517	\$49,973	\$235,726
5 Re-Registration Process	\$0	\$0	\$114,422	\$0	\$0	\$114,422
6 Printing and Postage	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510	\$106,183
7 Other Costs	\$46,752	\$14,100	\$14,100	\$14,100	\$14,100	\$103,152
8 Sub-Total	\$959,599	\$958,555	\$1,087,002	\$999,644	\$1,025,721	\$5,030,521
9 Profit (15% of Line 8)	\$143,940	\$143,783	\$163,050	\$149,947	\$153,858	\$754,579
10 Total Annual Cost (Lines 8+9)	\$1,103,539	\$1,102,339	\$1,250,052	\$1,149,590	\$1,179,579	\$5,785,100
11 Expansion Personnel/Admin Costs	\$0	\$0	\$0	\$0	\$0	\$0
12 Expansion Transaction Costs	\$37,200	\$38,316	\$39,465	\$40,649	\$41,869	\$197,499
13 Expansion Sub-Total	\$37,200	\$38,316	\$39,465	\$40,649	\$41,869	\$197,499
14 Expansion Profit (15% of Line 13)	\$5,580	\$5,747	\$5,920	\$6,097	\$6,280	\$29,624
15 Expansion Total Annual Cost (Lines 13+14)	\$42,780	\$44,063	\$45,385	\$46,746	\$48,149	\$227,123
16 Expansion Plus Original Total Annual Cost (Lines 10+15)	\$1,146,319	\$1,146,402	\$1,295,437	\$1,196,336	\$1,227,728	\$6,012,223

**FORM C-II-A
COST COMPONENTS**

This form identifies the key cost components for the operation of this service. This cost information will be used in the evaluation of proposals, and at a later date as additional data to document the costs. Please include detailed back up calculations made in preparing all component costs.

COST COMPONENTS

	Year 1	Year 2	Year 3	Year 4	Year 5	5 Year Total
1 Personnel/Salaries						
A. Salaries						
Project Manager	\$ 90,346	\$ 93,057	\$ 95,481	\$ 98,724	\$ 101,685	\$ 479,293
Database Manager	\$ 83,520	\$ 86,026	\$ 88,267	\$ 91,265	\$ 94,002	\$ 443,080
Programmer(s)						
Sr. Transit Specialist	\$ 37,936	\$ 39,074	\$ 40,092	\$ 41,454	\$ 42,697	\$ 201,252
Transit Specialists	\$ 225,199	\$ 231,955	\$ 237,998	\$ 246,081	\$ 253,463	\$ 1,194,696
Other						
B. Benefits	\$ 74,798	\$ 79,148	\$ 81,550	\$ 84,402	\$ 86,398	\$ 406,296
2 Administration						
Office Space/Rent	\$ 90,395	\$ 93,107	\$ 95,900	\$ 98,777	\$ 101,740	\$ 479,919
Consumable Supplies	\$ 3,500	\$ 3,570	\$ 3,641	\$ 3,714	\$ 3,789	\$ 18,214
Office Equipment Purchase/Rental	\$ 6,802	\$ 12,195	\$ 2,000	\$ 2,000	\$ 2,000	\$ 24,997
Office Furniture Purchase/Rental						
Insurance	\$ 7,632	\$ 7,855	\$ 9,179	\$ 8,699	\$ 9,198	\$ 42,563
Telephone	\$ 121,000	\$ 121,908	\$ 122,822	\$ 123,743	\$ 124,671	\$ 614,143
Security Improvements	\$ 1,000	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126	\$ 5,309
Storage (Pick-up)	\$ 26,000	\$ 26,780	\$ 27,583	\$ 28,411	\$ 29,283	\$ 138,038
Mail Processing System (automated)	\$ 16,000	\$ 16,480	\$ 16,974	\$ 17,484	\$ 18,008	\$ 84,946
Fare Card Technology Systems						
Other - Server Connectivity	\$ 10,320	\$ 10,320	\$ 10,320	\$ 10,320	\$ 10,320	\$ 51,600
3 Subcontracts/Consultants						
Professional Consulting Services	\$ 54,000	\$ 55,620	\$ 57,289	\$ 59,007	\$ 60,777	\$ 286,693
Professional Training Services						
Temporary Personnel Services						
4 Card Processing Fees						
Card Processing Fees	\$ 44,400	\$ 45,732	\$ 47,104	\$ 48,517	\$ 49,973	\$ 235,726
5 Re-Registration Process						
Re-Registration Process	\$ -	\$ -	\$ 114,422	\$ -	\$ -	\$ 114,422
6 Printing and Postage						
Printing	\$ 5,000	\$ 5,150	\$ 5,305	\$ 5,464	\$ 5,628	\$ 26,546
Postage/P.O. Box Fees	\$ 15,000	\$ 15,450	\$ 15,914	\$ 16,391	\$ 16,883	\$ 79,637
7 Other						
Charter Bus Reservation System	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 60,000
Cityride Online Registration System	\$ 25,652	\$ -	\$ -	\$ -	\$ -	\$ 25,652
Cityride Online Fare Value Purchase System	\$ 9,100	\$ 2,100	\$ 2,100	\$ 2,100	\$ 2,100	\$ 17,500
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8 Sub-Total	\$ 959,599	\$ 958,555	\$ 1,087,002	\$ 999,644	\$ 1,025,721	\$ 5,030,521
9 Profit (15% of Line 8)	\$ 143,940	\$ 143,783	\$ 163,050	\$ 149,947	\$ 153,858	\$ 754,579
10 Total Annual Cost (Lines 8+9)	\$ 1,103,539	\$ 1,102,339	\$ 1,250,052	\$ 1,149,590	\$ 1,179,579	\$ 5,785,100
11 Expansion Personnel/Admin Coats	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12 Expansion Transaction Costs	\$ 37,200	\$ 38,316	\$ 39,465	\$ 40,649	\$ 41,869	\$ 197,499
13 Expansion Sub-Total	\$ 37,200	\$ 38,316	\$ 39,465	\$ 40,649	\$ 41,869	\$ 197,499
14 Expansion Profit (15 % of Line 13)	\$ 5,580	\$ 5,747	\$ 5,920	\$ 6,097	\$ 6,280	\$ 29,624
15 Expansion Total Annual Cost (Lines 13+14)	\$ 42,780	\$ 44,063	\$ 45,385	\$ 46,746	\$ 48,149	\$ 227,123
16 Expansion Plus Original Total Annual Cost (Lines 10+15)	\$ 1,146,319	\$ 1,146,402	\$ 1,295,437	\$ 1,196,336	\$ 1,227,728	\$ 6,012,223

Custom Development:	
1 Development of the Cityride participant web portal to allow participants to add value to Cityride account with a credit card and to check account balance. This includes setup, development and implementation of the web portal. This is a one-time fee.	\$ 5,000
Annual support and hosting fee for web portal (ongoing cost)	\$ 2,100
Integration - There will be integration required between the MJM application and Keolis application to determine eligibility and to send back information to Keolis on the payment and relevant information. This is a one-time fee.	\$ 2,000
Credit Card Services - The web portal will be integrated to the credit card processor securely to allow participants to make payments for trips. If LADOT uses an MJM established merchant account, credit card fees including discount rate and transaction fees will apply. If LADOT does not use an MJM merchant account, a compatible account must be used and there will be a gateway fee of \$.05 per transaction applied.	
Additional Web Based Training for Staff, after initial staff training	\$100/hour
Custom Software Development available at an hourly cost (TBD)	\$150/hour
Expansion Credit Card Processing is the marginal cost to process an anticipated additional 120,000 annual credit card transactions based upon the current unit pricing of \$.37 per transaction for all transactions up to 200,000 annual transactions. The per transaction cost drops to \$.34 if the annual volume exceeds 200,000 transactions. The unit prices have been escalated at the rate of 3% year over year.	