



Regular Meeting of the Board of Directors

ONLINE ZOOM MEETING PER GOVERNOR'S ORDER N-29-20

Tuesday, May 26, 2020

10:00 a.m.

Antelope Valley Transit Authority Community Room
42210 6th Street West, Lancaster, California
www.avta.com

AGENDA

In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please contact the Clerk of the Board at (661) 729-2206 at least 72 hours prior to the scheduled Board of Directors meeting. All accommodation requests will be handled swiftly and resolving all doubts in favor of access.

In response to Governor's Executive Order N-29-20, this meeting will be conducted online through Zoom. The public may access the meeting as follows:

Click here to join: <https://us02web.zoom.us/j/84015205873>

or

Dial by telephone to join: (669) 900-6833

Meeting ID: 840 1520 5873

Password: 519354

PUBLIC COMMENTS ON AGENDIZED ITEMS MAY BE SUBMITTED VIA EMAIL TO clerkoftheboard@avta.com OR BY TELEPHONE AT 661/729-2206 AT LEAST TWO HOURS PRIOR TO THE START OF THE MEETING.

Translation services for Limited English Proficiency (LEP) persons are also available by contacting the Clerk of the Board at least 72 hours prior to the meeting.

Please turn off, or set to vibrate, cell phones, pagers, and other electronic devices for the duration of this meeting.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL:

Chairman Marvin Crist, Vice Chair Dianne Knippel, Director Steve Hofbauer, Director Angela Underwood-Jacobs, Director Michelle Flanagan, Director Richard Loa

APPROVAL OF AGENDA

PUBLIC BUSINESS – AGENDIZED AND NON-AGENDIZED ITEMS:

If you would like to address the Board on any agendized or non-agendized items, your comments must be submitted via email to clerkoftheboard@avta.com or by telephone at 661/729-2206 at least two hours prior to the start of the meeting and will be read by the Clerk of the Board during the Public Business portion of the agenda. **State law generally prohibits the Board of Directors from taking action on or discussing non-agenda items; therefore, your matter will be referred to the Authority's Executive Director/CEO for follow-up.** Each comment is limited to three (3) minutes.

SPECIAL REPORTS, PRESENTATIONS, AND REQUESTS FOR DIRECTION (SRP): During this portion of the meeting, staff will present information not normally covered under regular meeting items. This information may include, but is not limited to budget presentations, staff conference presentations, or information from outside sources that relates to the transit industry. **Staff will seek direction as is necessary from the Board with regard to the following item(s).**

SRP 1 LEGISLATIVE REPORT FOR MAY – JUDY VACCARO-FRY

SRP 2 OPERATIONS KEY PERFORMANCE INDICATORS (KPI) REPORT – MARTIN TOMPKINS

SRP 3 MAINTENANCE KPI REPORT – CECIL FOUST

CONSENT CALENDAR (CC): Items 1 through 8 are consent items that may be received and filed and/or approved by the Board in a single motion. If any member of the Executive Board wishes to discuss a consent item, please request that the item be pulled for further discussion and potential action.

CC 1 BOARD OF DIRECTORS MEETING MINUTES OF APRIL 28, 2020 – KAREN DARR

Recommended Action: Approve the Board of Directors Regular Meeting Minutes of April 28, 2020.

CC 2 FINANCIAL REPORT FOR APRIL 2020 – JUDY VACCARO-FRY

Recommended Action: Receive and file the Financial Report, including Quarterly Treasurer, Capital Reserve, and Farebox Recovery information, for April 2020.

CC 3 GRANT STATUS REPORT – JUDY VACCARO-FRY

Recommended Action: Receive and file the Grant Status Report.

CC 4 AMENDMENT NO. 1 TO CONTRACT #2019-64 WITH BROWN ARMSTRONG ACCOUNTANCY CORPORATION FOR CPA FINANCIAL AUDITING SERVICES – LYLE BLOCK

Recommended Action: Authorize the Executive Director/CEO to execute Amendment No. 1 to Contract #2019-64 with Brown Armstrong Accountancy Corporation, Bakersfield, CA for CPA financial auditing services for a one-year period not to exceed \$58,000 with three one-year optional renewal periods remaining.

CC 5 AMENDMENT NO. 1 TO CONTRACT #2019-35 WITH VINSA, INC. FOR WORKERS' COMPENSATION, PROPERTY AND CASUALTY INSURANCE POLICIES FOR FISCAL YEAR 2020/2021 (FY 2021) – LYLE BLOCK

Recommended Action: Authorize the Executive Director/CEO to execute Amendment No. 1 to Contract #2019-35 with Vinsa, Inc., Lancaster, CA for workers' compensation, property and casualty insurance policies for FY 2021 for an estimated amount of \$435,932.

CC 6 LOCAL AGENCY INVESTMENT FUND (LAIF) INVESTMENTS FOR FY 2021 – JUDY VACCARO-FRY

Recommended Action: Adopt Resolution 2020-004, a Resolution appointing the Executive Director/CEO as Treasurer and the Director of Finance and Administration as Auditor-Controller; delegating investment authority to the Treasurer; adopting a policy for the investment of surplus transit funds for FY 2021 beginning July 1 2020 through June 30, 2021, and rescinding Resolution No. 2019-004.

CC 7 PORTABLE RESTROOMS – LYLE BLOCK

Recommended Action: Approve the purchase of up to five commercial grade portable restroom trailers equivalent to Ameri-Can Engineering model 831 traditional with ADA lift room for an amount not to exceed \$380,000, plus applicable taxes and freight charges.

CC 8 EMERGENCY SOLE SOURCE CONTRACT #2020-39 WITH PEOPLEREADY, INC. FOR COVID-19 SANITIZING, DISINFECTING, AND STERILIZING BUS FLEET – LYLE BLOCK

Recommended Action: Ratify Emergency Sole Source Contract #2020-39 with PeopleReady, Inc., Tacoma, WA to sanitize, disinfect, and sterilize the interior of AVTA's bus fleet for an amount not to exceed \$233,728, plus applicable sales tax.

NEW BUSINESS (NB):

NB 1 ELECTION OF BOARD OFFICERS FOR FY 2021 – KAREN DARR

Recommended Action: Board of Directors nominate and elect a Chair and Vice Chair for FY 2021.

NB 2 FY 2021 PRELIMINARY BUDGET ASSUMPTIONS – JUDY VACCARO-FRY

Recommended Action: Approve the FY 2021 Preliminary Budget Assumptions and provide direction to staff regarding fiscal priorities for the final FY 2021 Budget.

NB 3 CONTRACT #2020-46 TO MOTOR COACH INDUSTRIES, INC. FOR 45-FOOT BATTERY ELECTRIC BUS PROJECT – MACY NESHATI

Recommended Action: Authorize the Executive Director/CEO to execute Contract #2020-46 with Motor Coach Industries, Inc., Des Plaines, IL, for a term of two years not to exceed an amount of 30,959,263.54, plus applicable sales tax.

NB 4 CONTRACT #2020-50 WITH COMPLETE COACH WORKS FOR RETRO-FIT OF EV STAR ADA SHUTTLE BUSES – MACY NESHATI

Recommended Action: Authorize the Executive Director/CEO to award Contract #2020-50 to Complete Coach Works, Riverside, CA to retro-fit eight EV Star ADA shuttle buses that will aid in loading and unloading of ADA passengers in a safe and effective manner for an amount not to exceed \$120,000.

NB 5 PUBLIC SAFETY PROGRAMMING AGREEMENT NO. A-6992 BETWEEN THE ANTELOPE VALLEY TRANSIT AUTHORITY AND CITY OF PALMDALE - MACY NESHATI

Recommended Action: Approve Agreement No. A-6992, a Public Safety Programming Agreement between the City of Palmdale and the Antelope Valley Transit Authority and authorize the Executive Director/CEO to execute the agreement and all necessary documents.

NB 6 PUBLIC SAFETY PROGRAMMING AGREEMENT NO. 2020-53 BETWEEN THE ANTELOPE VALLEY TRANSIT AUTHORITY AND CITY OF LANCASTER - MACY NESHATI

Recommended Action: Approve Agreement No. 2020-53, a Public Safety Programming Agreement between the City of Lancaster and the Antelope Valley Transit Authority and authorize the Executive Director/CEO to execute the agreement and all necessary documents.

CLOSED SESSION (CS):

PRESENTATION BY LEGAL COUNSEL OF ITEM(S) TO BE DISCUSSED IN CLOSED SESSION:

- CS 1 Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a)
Pending Litigation (tendered to Transdev): Jane Doe v. Transdev et al.
LASC Case No. 19AVCV00835
- CS 2 Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(d)(2)
Significant exposure to litigation (one potential case)
- CS 3 Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(d)(4)
Consideration of whether to initiate litigation (one potential case)

RECESS TO CLOSED SESSION

RECONVENE TO PUBLIC SESSION

REPORT BY LEGAL COUNSEL OF ACTION TAKEN IN CLOSED SESSION

REPORTS AND ANNOUNCEMENTS (RA):

- RA 1 Report by the Executive Director/CEO

MISCELLANEOUS BUSINESS – NON-AGENDA BOARD OF DIRECTORS ITEMS:

During this portion of the meeting, Board Members may address non-agenda items by briefly responding to statements made or questions posed by the public, asking a question for clarification, making a brief announcement, or making a brief report on their own activities. **State law generally prohibits the AVTA Board of Directors from taking action on or discussing items not on the agenda.** Matters will be referred to the Executive Director/CEO for follow-up.

ADJOURNMENT:

Adjourn to the Regular Meeting of the Board of Directors on June 23, 2020 at 10:00 a.m. in the Antelope Valley Transit Authority Community Room, 42210 6th Street West, Lancaster, CA.

The agenda was posted by 6:00 p.m. on May 21, 2020 at the entrance to the Antelope Valley Transit Authority, 42210 6th Street West, Lancaster, CA 93534.

Copies of the staff reports and attachments or other written documentation relating to each proposed item of business on the agenda presented for discussion by the Board of Directors are on file in the Office of the Executive Director/CEO. Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the AVTA to the Board of Directors less than 72 hours prior to that meeting are on file in the Office of the Executive Director/CEO. These documents are available for public inspection during regular business hours at the Customer Service window of the AVTA at 42210 6th Street West, Lancaster or by contacting the Clerk of the Board at (661) 729-2206.

Legislative Update

Presentation to AVTA Board of Directors
May 26, 2020



STATE



State Update

NO MOVEMENT SINCE FEBRUARY

- AB 1350: persons 18 years or under.
- AB 2012: persons 65 years of age or over.
- AB 2176: persons attending the California Community Colleges, the California State University, or the University of California.



State Budget Update

On May 14, the Governor's May revise was released; key takeaways:

- Projected deficit = \$54.3 billion; \$13.4 billion in the current budget year, and \$40.9 billion the next year
- Expected loss in sales tax revenues = 27.2%
- Proposed Cap-and-Trade budget = \$965 billion in both January and May revise budget, down from \$1.4 billion last year
- Public Transit Agencies—\$3.6 billion allocated to offset lost fares and revenue from sudden loss of ridership.
- June 15 - Budget must be passed



GOVERNOR
Gavin Newsom



FEDERAL



COVID-19

On Friday May 15th, the House approved H.R. 6800, the \$3 trillion "HEROES Act" coronavirus relief bill by a vote of 207-199.

This bill faces an uphill battle in the Senate and is not expected to pass in its current form.



Thank you!
Questions?



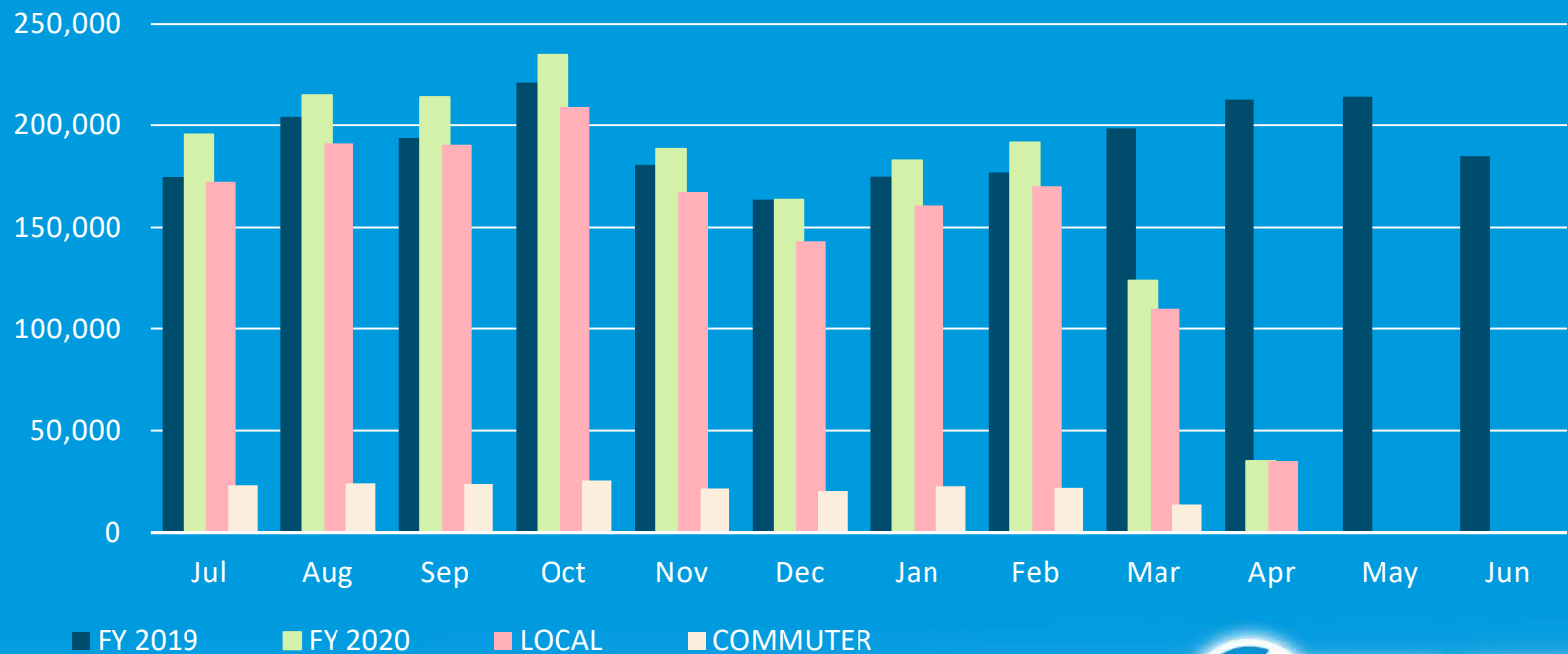
FY 2020 Monthly Operations Key Performance Indicators

Presentation to the Board of Directors
May 26, 2020

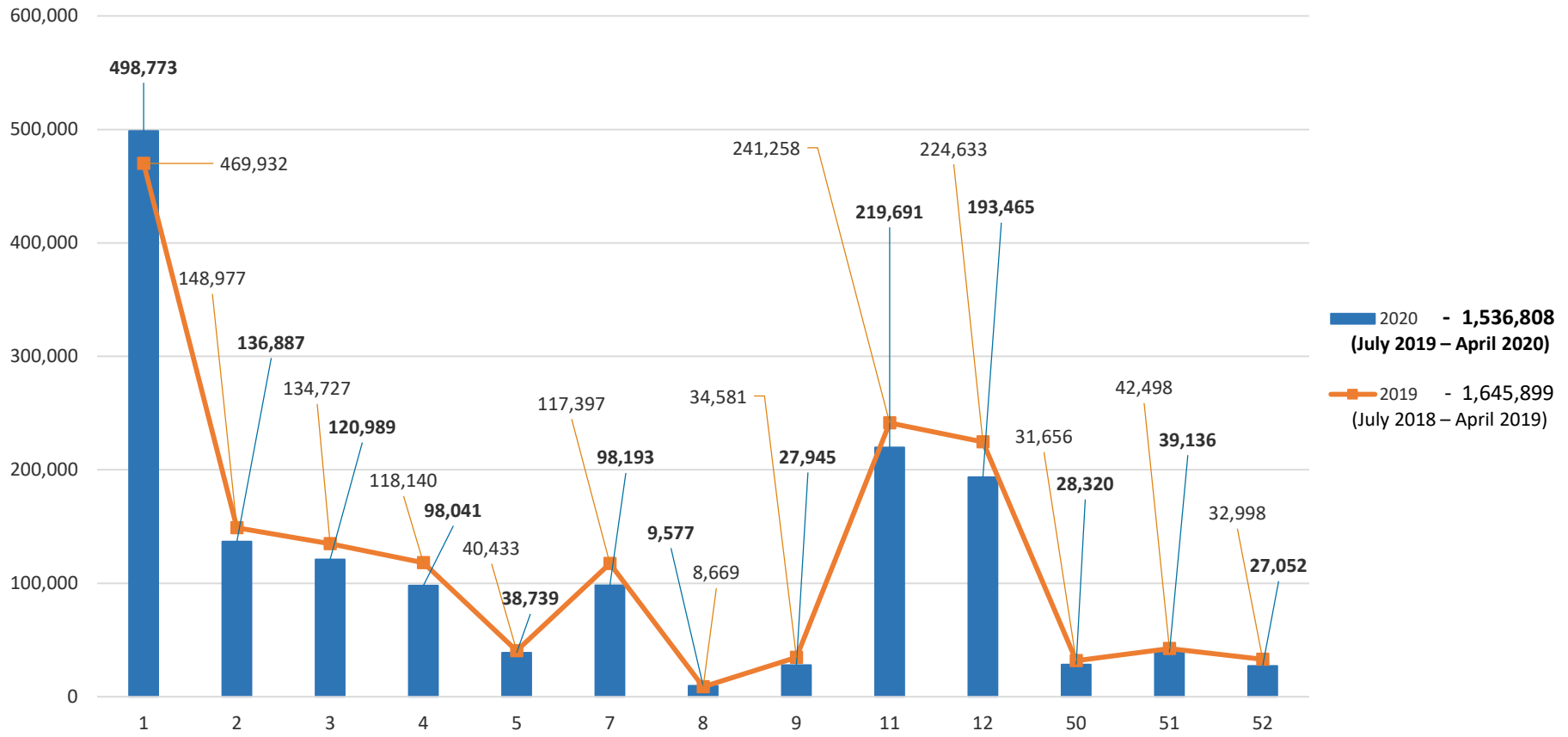


MONTHLY BOARDING ACTIVITY

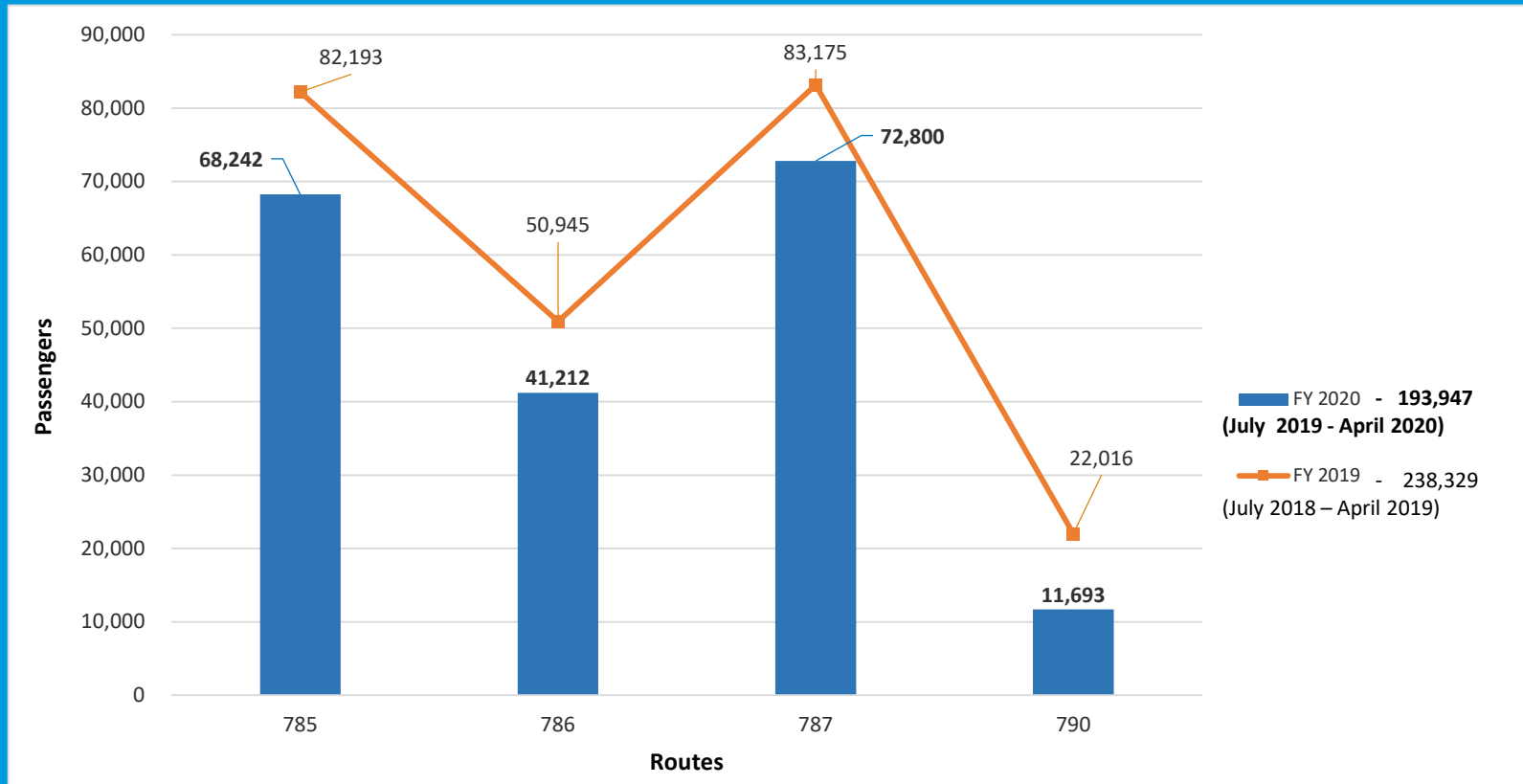
	April FY 2020	March FY 2020
System	35,168	123,727
Local	35,168	110,092
Commuter	-	13,635



ANNUAL RIDERSHIP LOCAL ROUTES



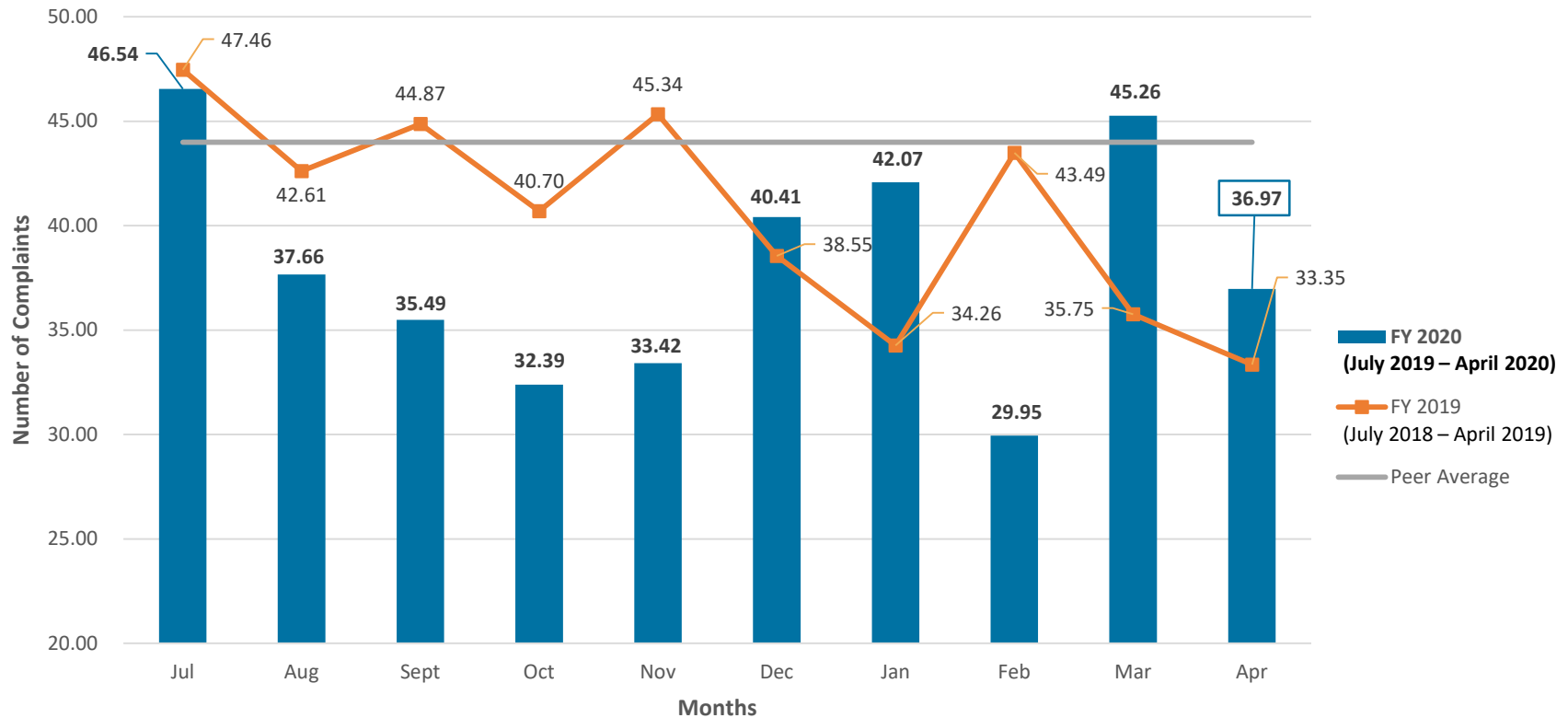
ANNUAL RIDERSHIP COMMUTER ROUTES



COMPLAINTS/100,000 BOARDINGS

APRIL - SYSTEM WIDE AVERAGE: 36.97

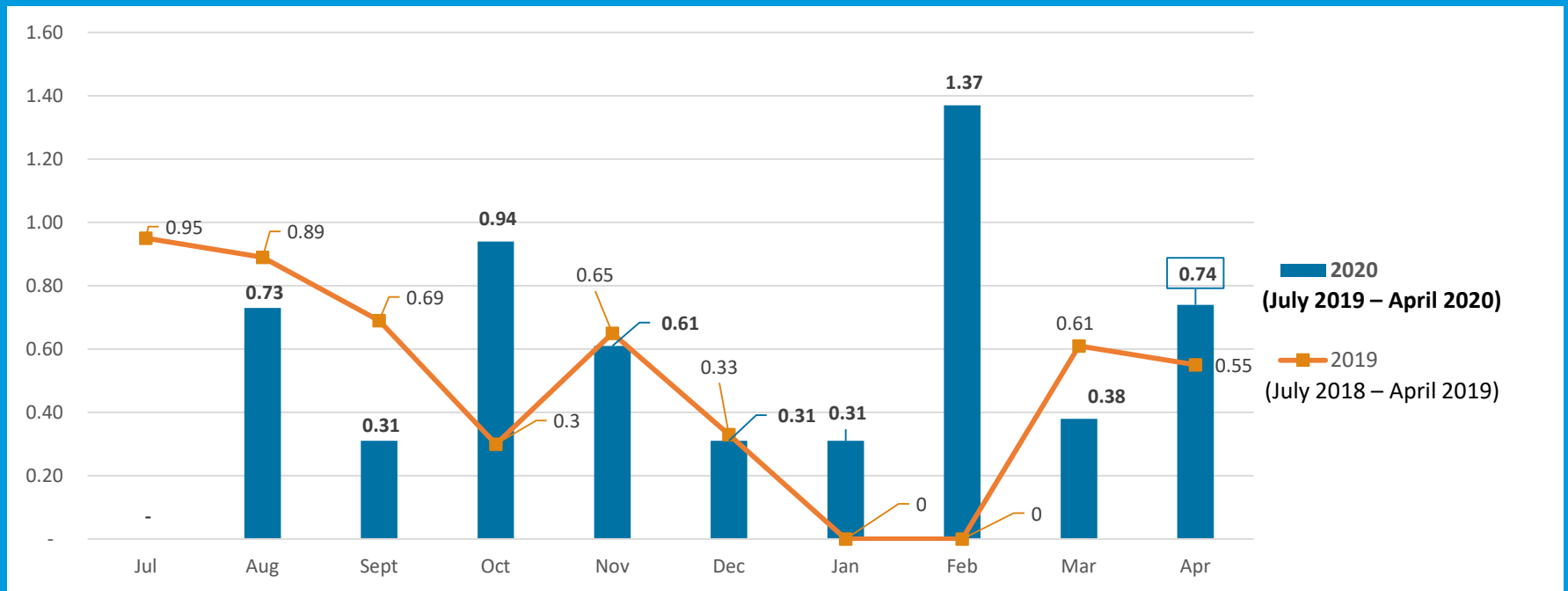
PEER AVERAGE: 44.00





PREVENTABLE ACCIDENTS/100,000 MILES

APRIL - SYSTEM WIDE AVERAGE: 0.74



KEY PERFORMANCE INDICATORS

	April FY 2020	March FY 2020	April FY 2019
Boarding Activity	35,168	123,727	212,907
Complaints / 100,000 Boardings	36.97	45.26	33.35
Preventable Accidents / 100,000 Miles	0.74	0.38	0.55

Thank you!

Questions?



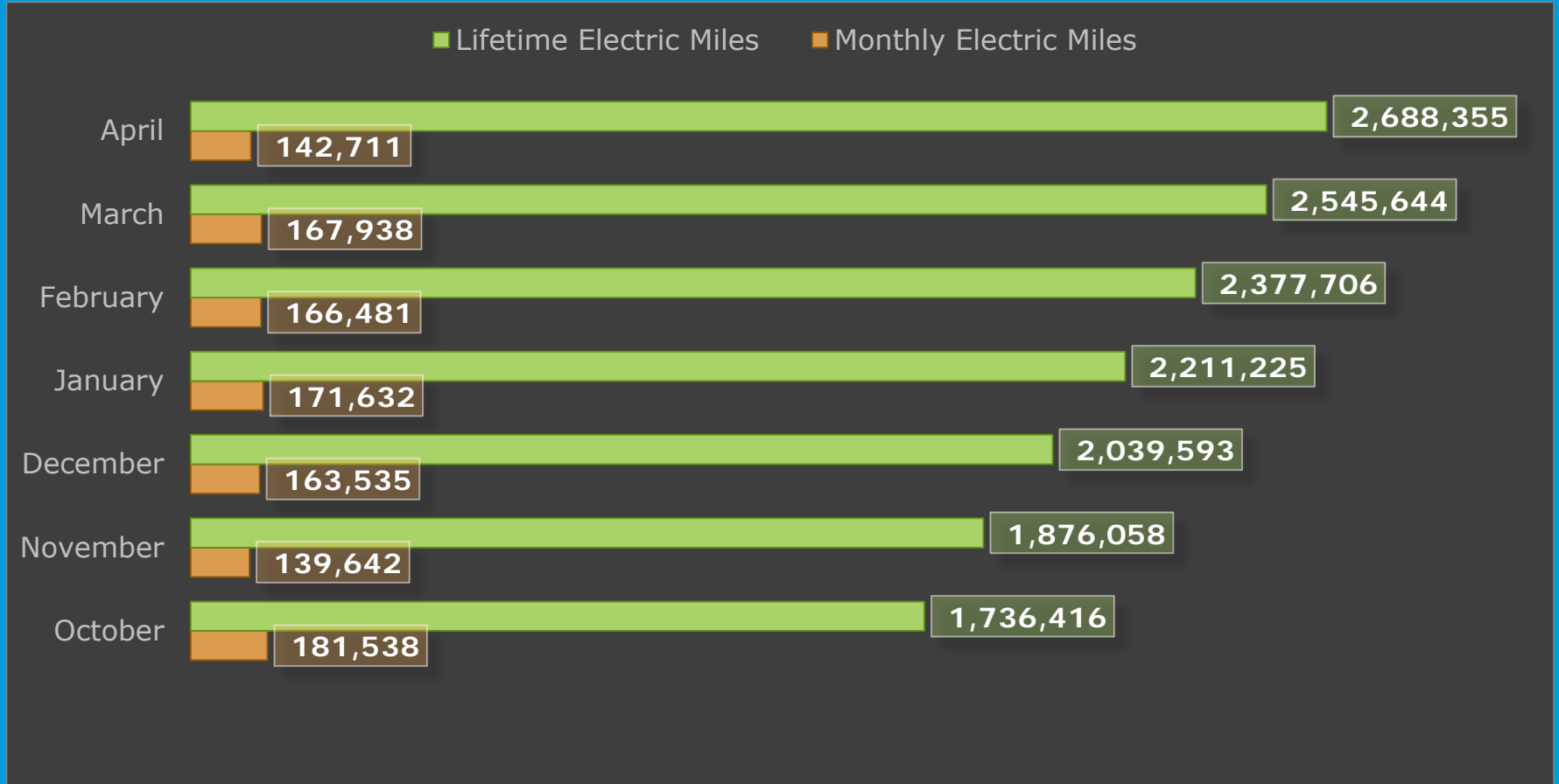
April 2020 Maintenance Key Performance Indicators

Presentation to the Board of Directors

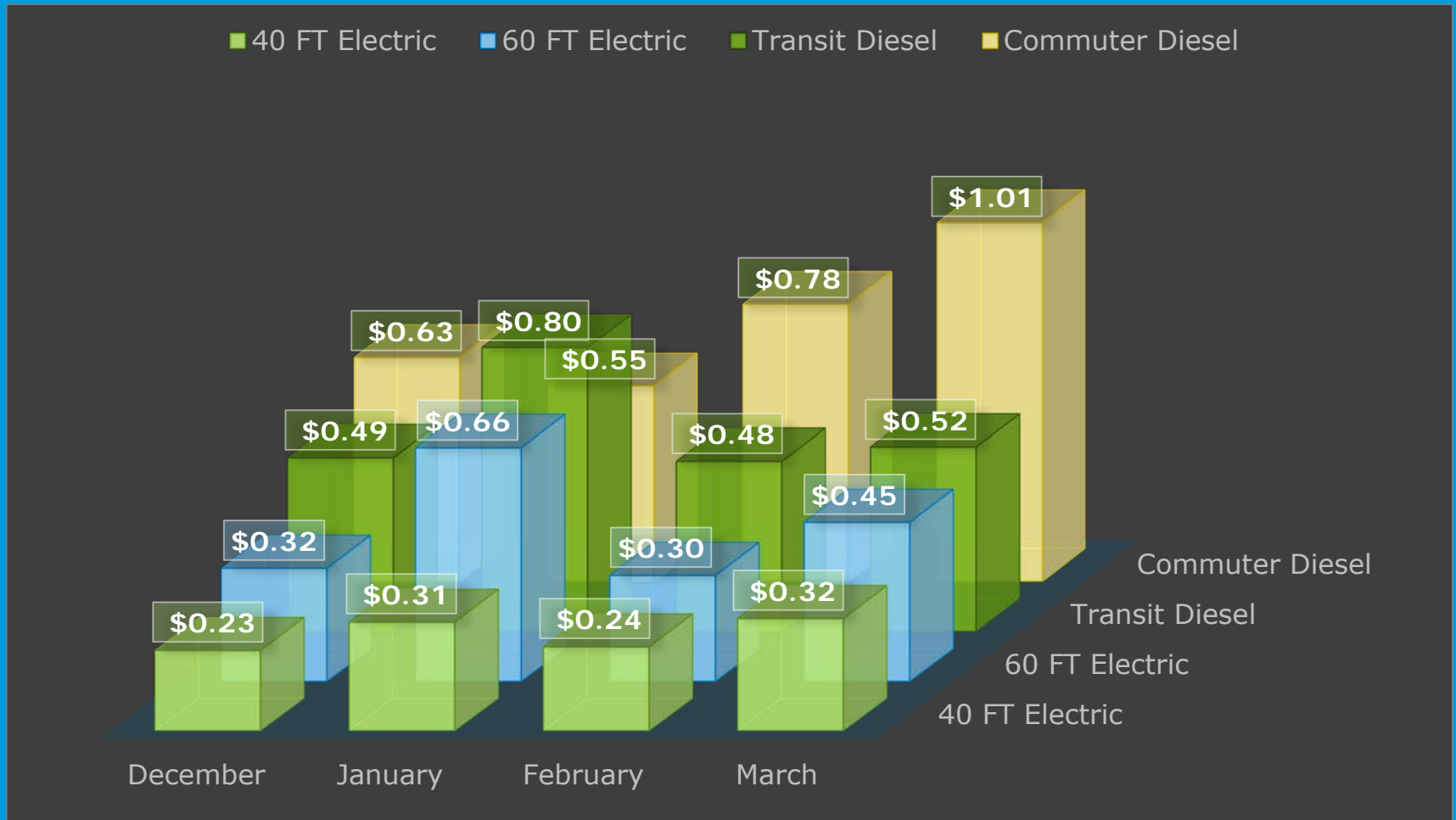
May 26, 2020



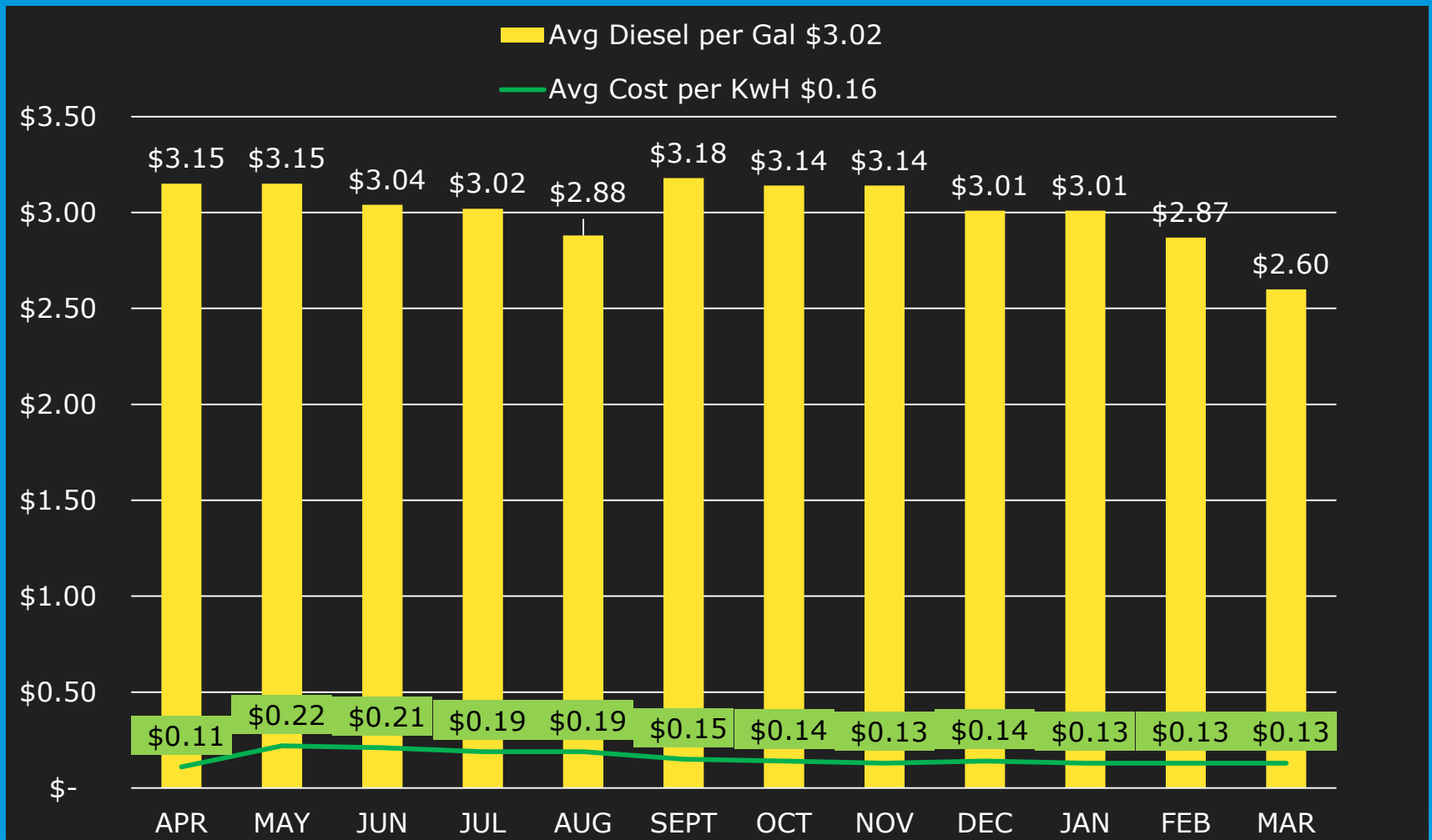
ELECTRIC MILES TRAVELED



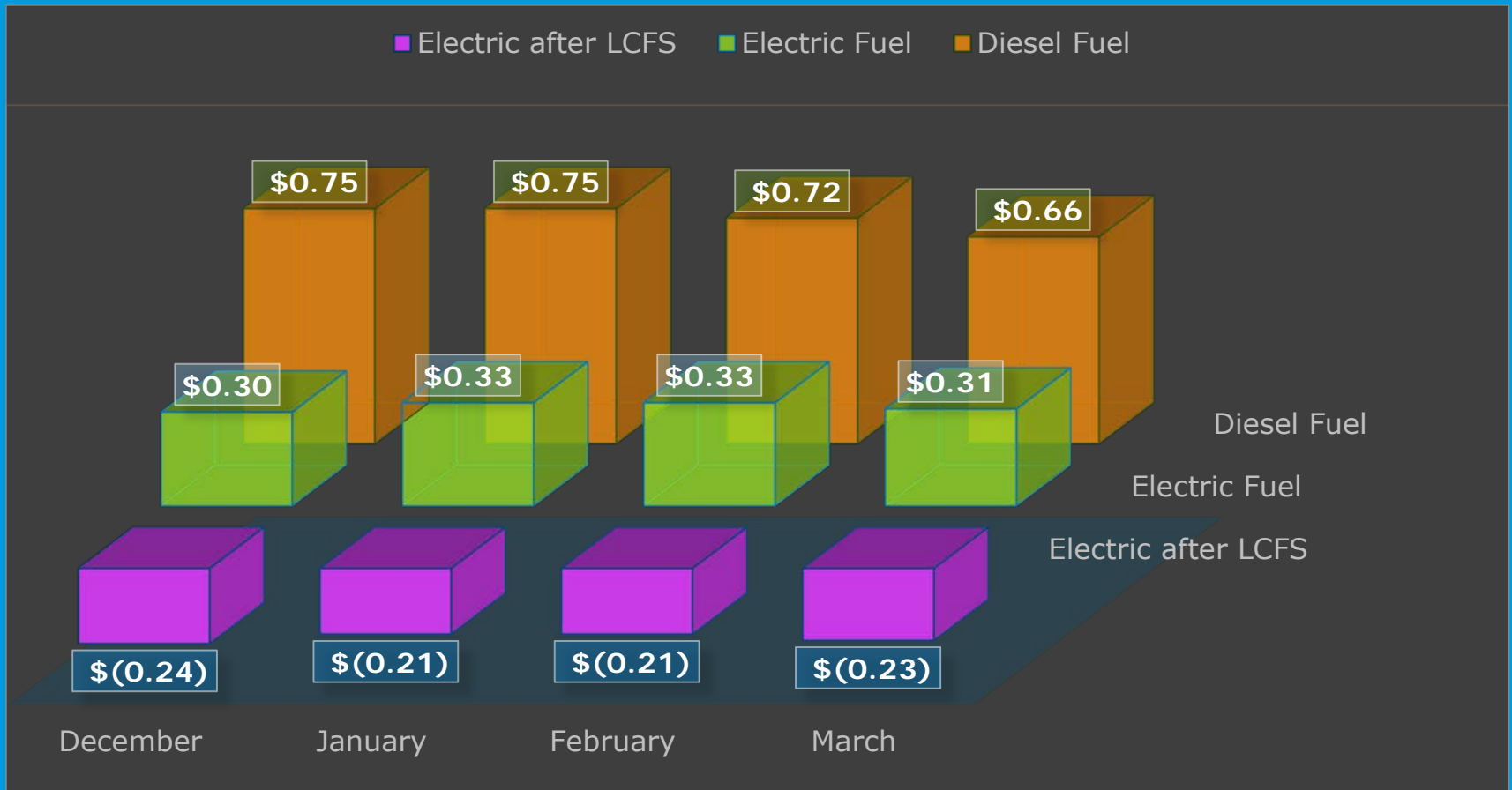
MAINTENANCE COST PER MILE BY FLEET



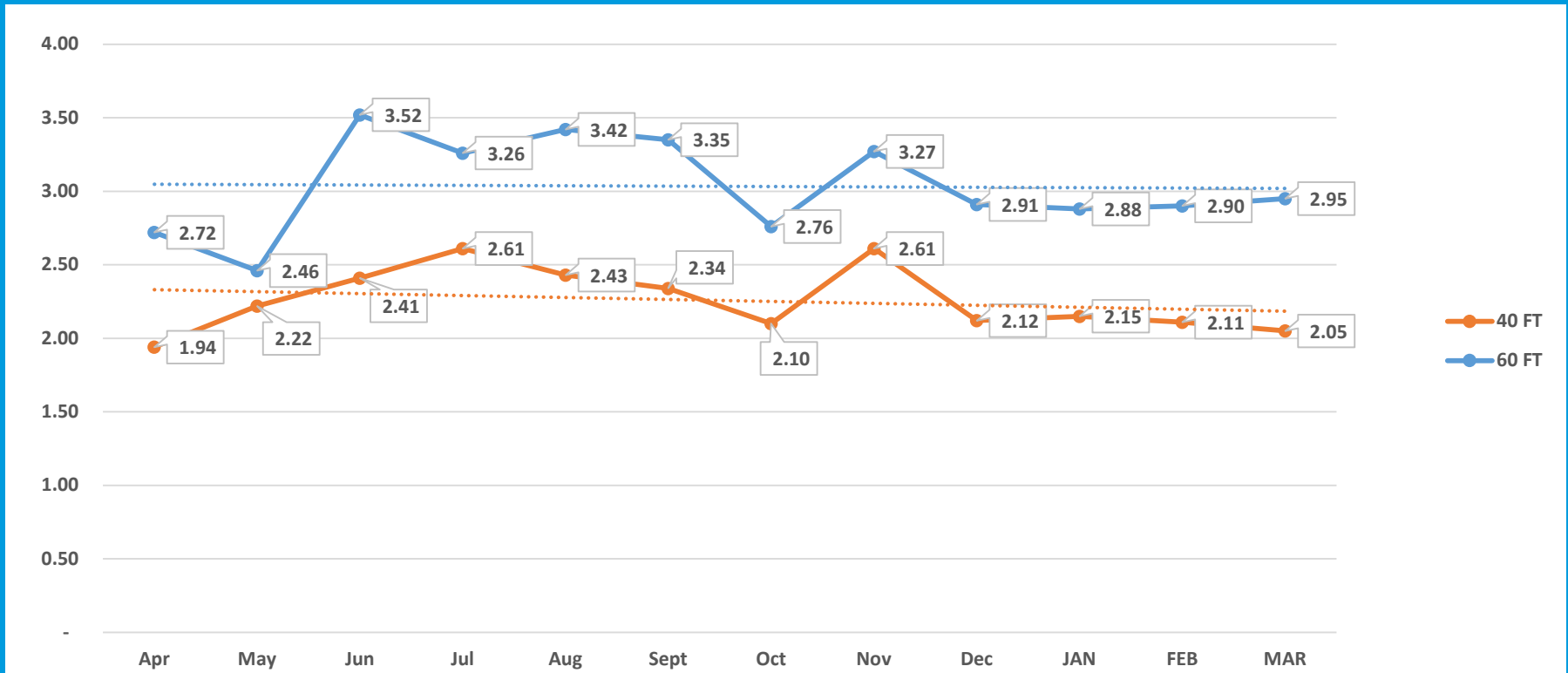
FUEL/ENERGY COST PRIOR 12 MONTHS



PROPULSION FUEL COST PER MILE w/LOW CARBON FUEL STANDARD (LCFS) OFFSET

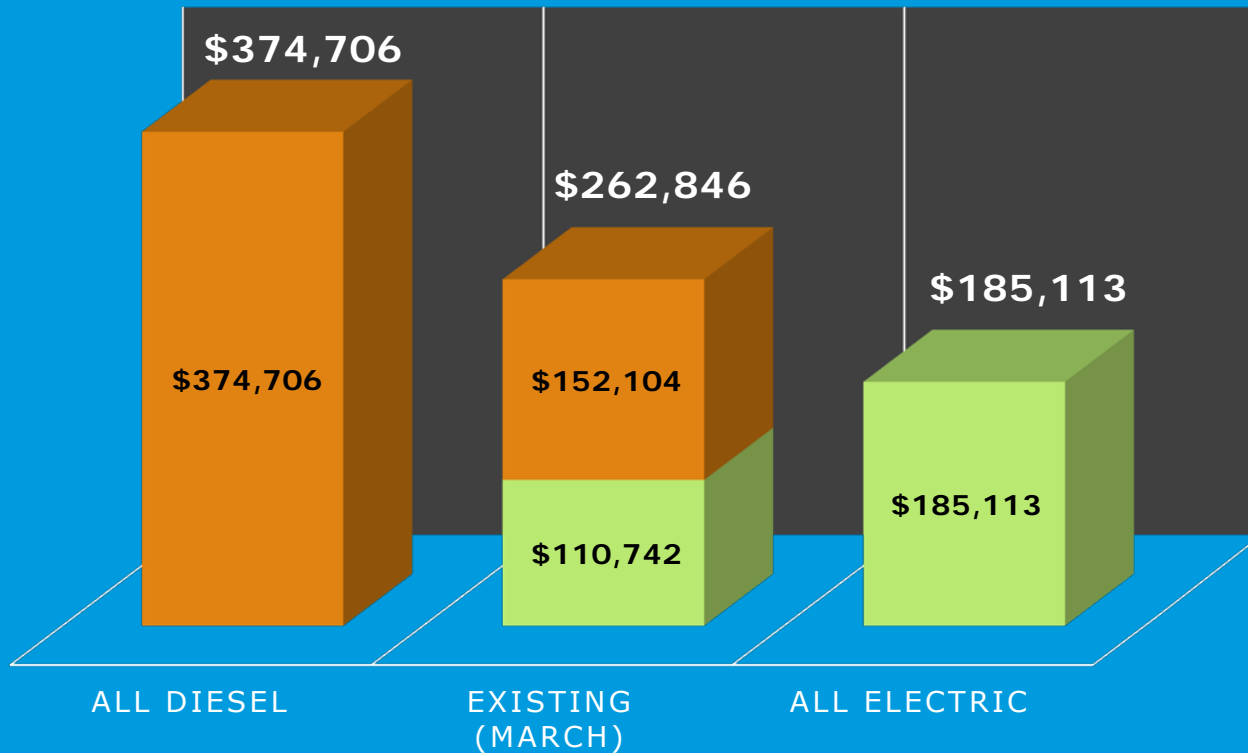


AVERAGE FUEL CONSUMPTION PER MILE (KWPM)



TOTAL FUEL & MAINTENANCE COST ASSUMPTIONS AT FULL BUILDOUT

■ Electric ■ Diesel

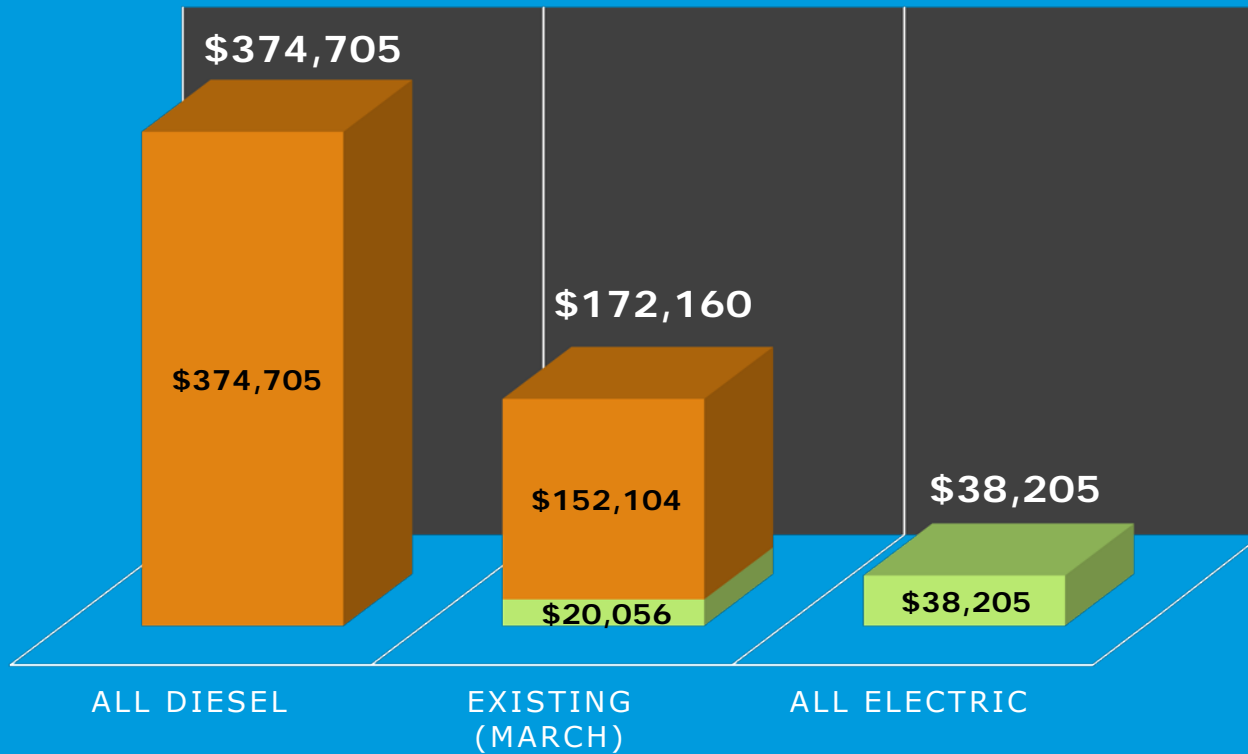


March Savings
\$111,860

Projected Savings
\$189,593

TOTAL FUEL & MAINTENANCE COST ASSUMPTIONS W/LCFS

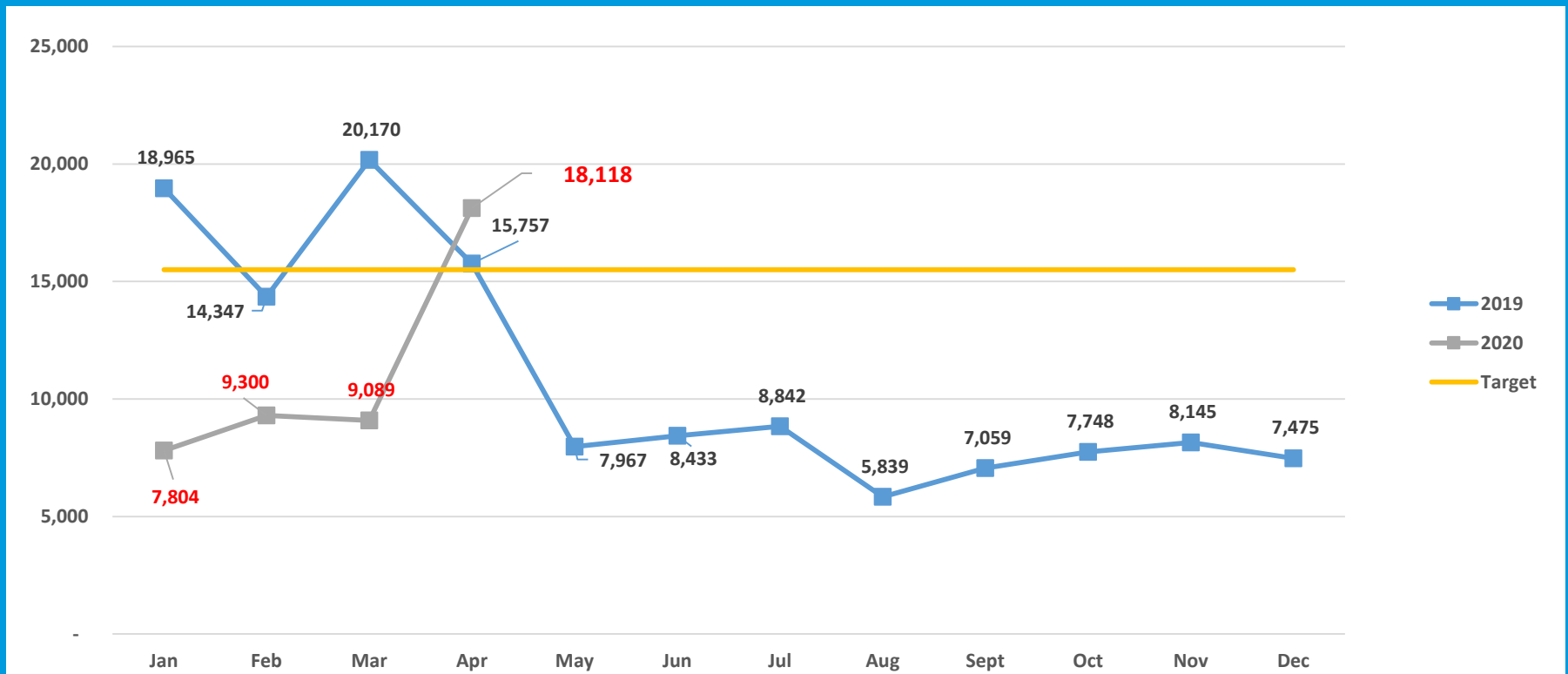
■ Electric ■ Diesel



March Savings
\$223,080

AVERAGE MILES BETWEEN SERVICE INTERRUPTIONS

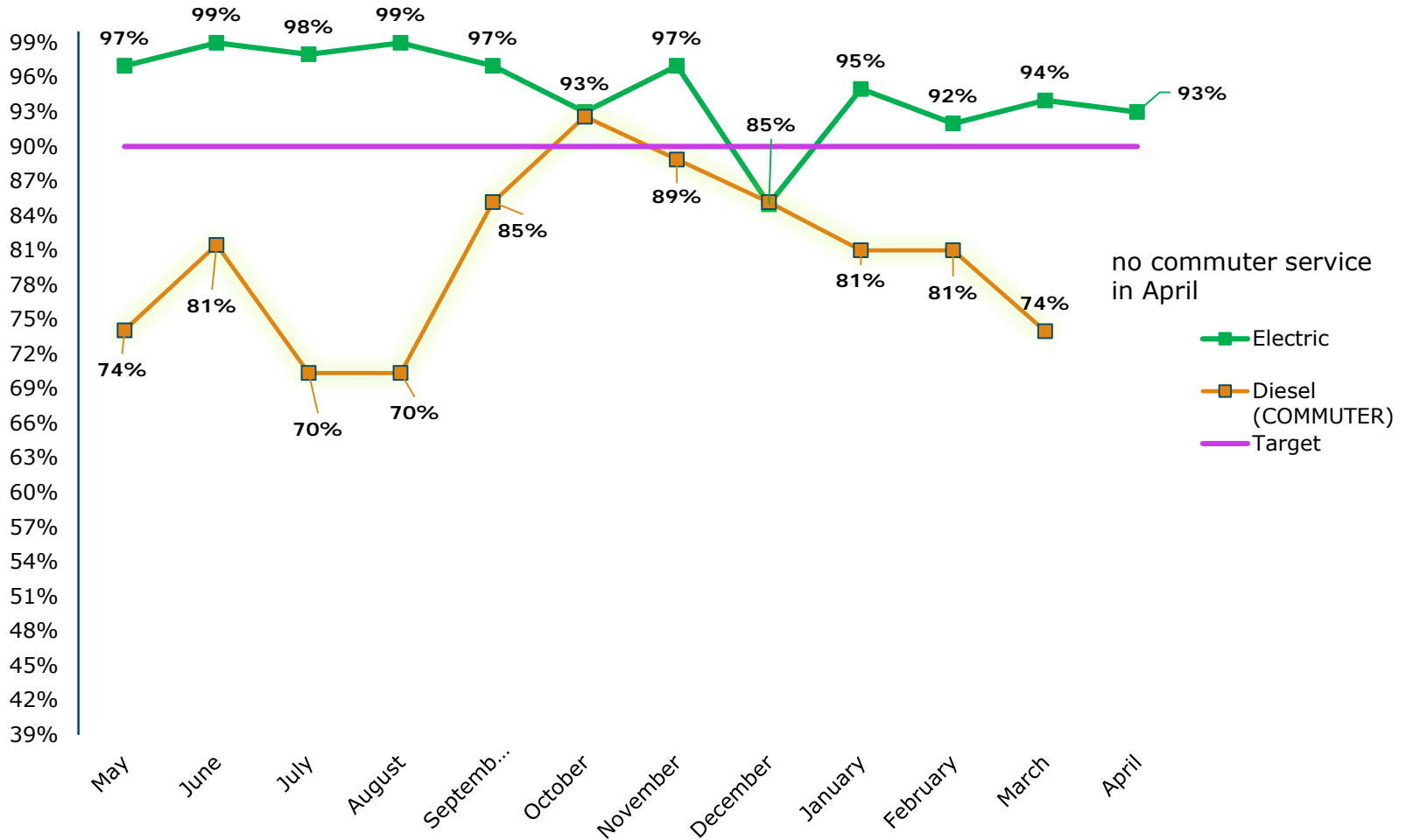
Peer Average: 11,206 Target: 15,500



FLEET AVAILABILITY

Peer Average: 77%

Target 90%



Discussion/Questions?





Regular Meeting of the Board of Directors

Tuesday, April 28, 2020

10:00 a.m.

Antelope Valley Transit Authority Community Room
42210 6th Street West, Lancaster, California
www.avta.com

UNOFFICIAL MINUTES

In response to the Governor's Executive Order N-29-20, the meeting was conducted via Zoom Cloud meetings.

CALL TO ORDER

Chairman Crist called the meeting to order at 10:05 a.m.

ROLL CALL:

Present

Chairman Marvin Crist, Vice Chair Dianne Knippel, Director Steve Hofbauer, Director Angela Underwood-Jacobs, Director Michelle Flanagan, Director Richard Loa

Chairman Crist informed the Board members that Clerk of the Board Karen Darr will call roll call for each vote. Board members will state their name when making a motion and a second, and respond verbally for each vote when their names are announced by the clerk.

APPROVAL OF AGENDA

Motion: Approve the agenda as comprised.

Moved by Vice Chair Knippel, seconded by Director Underwood-Jacobs

Ms. Darr conducted a roll call vote. Chairman Crist stated the motion carried unanimously.

Vote: Motion carried (6-0-0-0)

Ayes: Chairman Crist, Vice Chair Knippel, Directors Hofbauer, Underwood-Jacobs, Flanagan, Loa

Nays: None

Abstain: None

Absent: None

PUBLIC BUSINESS – AGENDIZED AND NON-AGENDIZED ITEMS:

Fran Sereseres submitted her public comment to Ms. Darr on April 27, 2020 at 4:14 p.m. Ms. Sereseres inquired about the installation of the Level III fast-charging stations, bus driver protection barriers, and the location of the parcels for the land acquisition.

Executive Director/CEO Macy Neshati responded two Level III fast-charging stations will be installed at five transit centers: Palmdale Transportation Center, Sgt. Steve Owen Memorial Park, South Valley Medical Clinic, Boeing Plaza located at Lancaster Blvd. and Sierra Highway, and Antelope Valley College Transit Center. The protection barriers will be installed inside the buses where the operators sit and will be made of high-impact plastic with a clear plastic window at the top. The parcels for the land acquisition border the Antelope Valley Transit Authority facility.

SPECIAL REPORTS, PRESENTATIONS, AND REQUESTS FOR DIRECTION (SRP):

SRP 1 LEGISLATIVE REPORT FOR APRIL

Director of Finance and Administration Judy Vaccaro-Fry stated there has been no movement on Assembly Bill (AB) 1350: persons 18 years or under, AB 2012: persons 65 years of age or over, or AB 2176: persons attending the California Community Colleges, the California State University, or the University of California.

Ms. Vaccaro-Fry announced the Authority is a four-time winner of the Transit and Intercity Rail Capital Program (TIRCP) grant. The Authority was awarded \$6.5 million, which will fund five 60-foot articulated buses, six 30-foot micro-transit, associated charging equipment, and network integration. Additionally, the submittal deadlines for the Low or No Emission Vehicle Program and Bus and Bus Facilities grants have been extended for 30 days.

Ms. Vaccaro-Fry also stated the Authority received \$47,875,609 from the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which will be used to offset the Authority's expenses associated with the COVID-19 pandemic. The Authority should also receive a minimum of \$1 million from Los Angeles County Metro.

The Board discussed the \$25,000 sponsorship for Project Door Drop, an organization that brings pre-packaged boxes of food to the elderly and immunocompromised within the cities of Lancaster and Palmdale. All food comes directly from the Los Angeles Food Bank; one box is estimated to feed two people for one week. Chairman Crist will provide the program information to Director Hofbauer.

The Board congratulated and thanked Ms. Vaccaro-Fry and staff on the Authority's award of the TIRCP grant.

SRP 2 OPERATIONS KEY PERFORMANCE INDICATORS (KPI) REPORT

Senior Director of Operations and Planning Martin Tompkins presented the report. The Board discussed the impact the reduction of local transit service and terminating commuter service may have on the Authority's funding sources and farebox recovery ratio. Mr. Neshati responded that a portion of the \$48 million from the CARES Act will be used to replenish revenue losses related to COVID-19.

The Board discussed passenger complaints with Chairman Crist reiterating the Board's position regarding passenger pass-ups. In response, Mr. Tompkins stated this issue is being monitored and detailed the progressive disciplinary steps Transdev management is taking with the offending operators.

SRP 3 MAINTENANCE KPI REPORT

Fleet Compliance Manager Cecil Foust presented the report. The Board discussed the average miles between service interruptions, and the cities of Palmdale and Lancaster possibly using the Authority's diesel buses that have reached their useful life for various events and/or emergencies. The Board directed Mr. Foust to add a slide comparing the Authority's propulsion fuel costs with other transit agencies.

Director Loa left the meeting at 10:45 a.m. Alternate Director Kathryn Mac Laren replaced Director Loa as the representative for the City of Palmdale.

CONSENT CALENDAR (CC):

- CC 1 BOARD OF DIRECTORS MEETING MINUTES OF FEBRUARY 25, 2020**
Approve the Board of Directors Regular Meeting Minutes of February 25, 2020.
- CC 2 FINANCIAL REPORT FOR FEBRUARY AND MARCH 2020**
Receive and file the Financial Report for February and March 2020.
- CC 3 RESOLUTION NO. 2020-002, AUTHORIZING THE EXECUTIVE DIRECTOR/CEO TO EXECUTE ALL REQUIRED DOCUMENTS OF THE FEDERAL TRANSIT ADMINISTRATION (FTA) FOR FISCAL YEAR 2019/2020**
Adopt Resolution No. 2020-002, a Resolution authorizing the Executive Director/CEO to execute all required documents of the FTA for FY 2020.

CC 4 FY 2020 THIRD QUARTER LOS ANGELES COUNTY SHERIFF'S DEPARTMENT (LASD) REPORT (JANUARY 1 – MARCH 31, 2020)

Receive and file the FY 2020 Third Quarter LASD report for the period covering January 1 through March 31, 2020.

CC 5 AMEND THE AGENCY'S CLASSIFICATION AND SALARY SCHEDULE

Approve amending the Agency's Classification and Salary Schedule to add the Safety and Facilities Manager and Fleet Compliance Manager positions and promote the Senior Director of Operations and Planning to Chief Operating Officer.

CC 6 SOLE SOURCE CONTRACT #2020-36 WITH ABB, INC. FOR ELECTRIC VEHICLE CHARGING INFRASTRUCTURE

Authorize the Executive Director/CEO to execute Sole Source Contract #2020-36 with ABB, Inc., Phoenix, AZ, to purchase ten Level III fast-charging stations for the public's use at AVTA's transit centers for an amount not to exceed \$281,930, plus applicable sales tax.

CC 7 CONTRACT #2020-37 TO COMPLETE COACH WORKS FOR TRANSIT BUS DRIVER PROTECTION BARRIERS

Authorize the Executive Director/CEO to award and execute Contract #2020-37 to Complete Coach Works, Riverside, CA, to purchase and install 57 transit bus driver protection barriers that will aid in protecting our drivers from COVID-19 for an amount not to exceed \$342,167.91, plus applicable sales tax.

Motion: Approve the Consent Calendar.

Moved by Director Hofbauer, seconded by Vice Chair Knippel

Ms. Darr conducted a roll call vote and stated the motion carried unanimously.

Vote: Motion carried (6-0-0-0)

Ayes: Chairman Crist, Vice Chair Knippel, Directors Hofbauer, Underwood-Jacobs, Flanagan, Alternate Director Mac Laren

Nays: None

Abstain: None

Absent: None

NEW BUSINESS (NB):

NB 1 RESOLUTION NO. 2020-003, CONFIRMING EMERGENCY REGULATIONS FOR PUBLIC MEETINGS TO MITIGATE TRANSMISSION OF COVID-19

General Counsel Allison Burns presented the report.

Motion: Adopt Resolution No. 2020-003, confirming emergency regulations for public meetings to mitigate transmission of COVID-19.

Moved by Vice Chair Knippel, seconded by Director Underwood-Jacobs

Ms. Darr conducted a roll call vote and stated the motion carried unanimously.

Vote: Motion carried (6-0-0-0)

Ayes: Chairman Crist, Vice Chair Knippel, Directors Hofbauer, Underwood-Jacobs, Flanagan, Alternate Director Mac Laren

Nays: None

Abstain: None

Absent: None

NB 2 CONTRACT #2020-12 TO REC SOLAR COMMERCIAL CORPORATION FOR SOLAR + STORAGE ENERGY PARTNER

Procurement and Contracts Officer Lyle Block presented the staff report. The Board discussed the inclusion of back-up batteries, and maintenance and upgrade of the equipment.

Motion: Authorize the Executive Director/CEO to negotiate and execute a power purchase agreement under AVTA's Contract #2020-12 with REC Solar Commercial Corporation, Petaluma CA for a term of twenty-five years not to exceed .06478 cents per kWh, with Self-Generation Incentive Program (SGIP), Equity category rebate.

Moved by Vice Chair Knippel, seconded by Director Flanagan

Ms. Darr conducted a roll call vote and stated the motion carried unanimously.

Vote: Motion carried (6-0-0-0)

Ayes: Chairman Crist, Vice Chair Knippel, Directors Hofbauer, Underwood-Jacobs, Flanagan, Alternate Director Mac Laren

Nays: None

Abstain: None

Absent: None

NB 3 CONTRACT #2020-45 FOR PROPOSED LAND EXPANSION ACQUISITION

Mr. Neshati presented the staff report.

Motion: Authorize the Executive Director/CEO to negotiate, award and execute land purchase agreements under contract # 2020-45 with various landowners in an amount not to exceed \$3.5 million. Executive Director/CEO will ensure all final agreements comply with FTA requirements as well all state and local requirements and regulations and return to the Board of Directors with final negotiated terms, conditions and amounts for all parcels of land.

Moved by Director Flanagan, seconded by Vice Chair Knippel

Ms. Darr conducted a roll call vote and stated the motion carried unanimously.

Vote: Motion carried (6-0-0-0)

Ayes: Chairman Crist, Vice Chair Knippel, Directors Hofbauer, Underwood-Jacobs, Flanagan, Alternate Director Mac Laren

Nays: None

Abstain: None

Absent: None

NB 4 SECOND AMENDED AND RESTATED EXECUTIVE DIRECTOR/CHIEF EXECUTIVE OFFICER (CEO) EMPLOYMENT AGREEMENT

Ms. Burns presented the staff report. The Board expressed their thanks and appreciation to Mr. Neshati and the staff for their hard work.

Motion: Approve the Second Amended and Restated Executive Director/CEO Employment Agreement.

Moved by Vice Chair Knippel, seconded by Director Underwood-Jacobs

Ms. Darr conducted a roll call vote and stated the motion carried unanimously.

Vote: Motion carried (6-0-0-0)

Ayes: Chairman Crist, Vice Chair Knippel, Directors Hofbauer, Underwood-Jacobs, Flanagan, Alternate Director Mac Laren

Nays: None

Abstain: None

Absent: None

REPORTS AND ANNOUNCEMENTS (RA):

RA 1 Report by the Executive Director/CEO Macy Neshati

- Thanked the Board for their kind words and guidance during the past year and looks forward to another year with the Authority.
- Provided an update regarding the Authority’s proactive actions during the COVID-19 pandemic. He confirmed signs have been posted on the buses requiring passengers to wear masks; however, the operators were directed not to get confrontational. He added that no one on the Authority or Transdev staff has contracted the virus.

MISCELLANEOUS BUSINESS – NON-AGENDA BOARD OF DIRECTORS ITEMS:

Chairman Crist thanked the staff for their efforts during this difficult time.

ADJOURNMENT:

Chairman Crist adjourned the meeting at 11:00 a.m. to the Regular Meeting of the Board of Directors on May 26, 2020 at 10:00 a.m. in the Antelope Valley Transit Authority Community Room, 42210 6th Street West, Lancaster, CA.

PASSED, APPROVED, and ADOPTED this 26th day of MAY 2020

Marvin Crist, Chairman of the Board

ATTEST:

Karen S. Darr, Clerk of the Board

Audio recordings of the Board of Directors Meetings are maintained in accordance with state law and AVTA’s Records Retention Policy. Please contact the Clerk of the Board at (661) 729-2206 to arrange to review a recording.



DATE: May 26, 2020

TO: BOARD OF DIRECTORS

SUBJECT: Financial Report for April 2020

RECOMMENDATION

That the Board of Directors receive and file the Financial Report, including Quarterly Treasurer, Capital Reserve, and Farebox Recovery information, for April 2020.

FISCAL IMPACT

	APRIL
PAYROLL	441,053
CASH DISBURSEMENTS	989,267

FY 2020 Farebox Recovery Ratio - Cumulative Progress

	Q1	Q1+Q2	Q1+Q2+Q3	Total year
Directly Generated Revenue	\$ 1,332,398	\$ 2,666,195	\$ 4,302,605	
Operating Expenses	\$ 6,889,835	\$ 12,022,219	\$20,640,982	
Farebox Recovery Ratio	19%	22%	21%	

Notes: Revenue includes Farebox, Advertisements, Gain on Sale, LCFS Credits, and investment income.

BACKGROUND

To comply with the provisions required by Sections 37202, 37208 and 6505.5 of the Government Code, the Director of Finance and Administration in conjunction with the Controller, provides a monthly payroll total and cash disbursements.

On a quarterly basis, farebox recovery ratio data and a Treasurer's Report, including capital reserve information (Attachment A), will be included as part of the financial report. The Executive Director/CEO and Treasurer certify the availability of funds.

Financial Reports for April 2020

May 26, 2020

Page 2

I, Macy Neshati, Executive Director/CEO of AVTA, declare that the above information is accurate.

Prepared by:

Submitted by:

Judy Vaccaro-Fry
Director of Finance and Administration

Macy Neshati
Executive Director/CEO

Attachment: A – Third Quarter Treasurer’s Report

ANTELOPE VALLEY TRANSIT AUTHORITY
Treasurer's Report
For the quarter ended 3/31/20

Investment Type	Description	Beginning Balance 9/30/19	Deposits	Disbursements	Interest	Ending Balance 3/31/20
Cash and Investments Under the Direction of the Treasurer						
	Local Agency Investment Fund (LAIF) - Capital Reserve	4,899,367			24,656	4,924,023
	Proposition 1B Restricted Fund*	639,340			81	639,421
	Union Bank - LCTOP	668,563		(347,194)	83	321,453
	Total Capital Reserves and Restricted Funds	6,207,271	-	(347,194)	24,820	5,884,897
	Mission Bank - Investment Op Reserves	4,010,524			12,312	4,022,836
	Total Operating Reserve	4,010,524	-	-	12,312	4,022,836
	General Account** - Union Bank	10,879,701	9,543,326	(10,820,497)		9,602,530
	General Account***- Mission Bank	-	1,668,970	-		1,668,970
	Petty Cash Balance	750				750
	Operating Accounts Total	10,880,451	11,212,296	(10,820,497)	-	11,272,250
	TOTAL CASH AND INVESTMENTS	21,098,245	11,212,296	(11,167,691)	37,132	21,179,983


* Deferred revenue, recorded as liability until associated expense incurred.

**Amount is adjusted \$840 from prior quarter report. AVTA had some delayed adjustments to the bank balance due to discrepancies regarding cash fare deposits. Discrepancies were all reconciled and all cash accounted for in January 2020.

***AVTA is in the process of transitioning our banking from Union Bank to Mission Bank. Process should be complete by the end of the fourth quarter.

I hereby certify that the investment portfolio of AVTA complies with its investment policy and the California Government Code Sections pertaining to the investment of local agency funds, Union Bank and Wells Fargo Bank. Pending any future actions by the AVTA Board or any and unforeseen occurrences, AVTA has cash flow adequate to meet its expenditure requirements for the next three months.

Prepared by:


KJ Alcuran
Controller

Submitted by:

Judy Vaccaro-Fry
Director of Finance & Administration



DATE: May 26, 2020
TO: BOARD OF DIRECTORS
SUBJECT: Grant Status Report

RECOMMENDATION

That the Board of Directors receive and file the Grant Status Report (Attachment A).

FISCAL IMPACT

Grants approved after the annual budget adoption may require reallocation of funds, which will be addressed in the Fiscal Year 2020/2021 Budget.

BACKGROUND

The attached Grant Status Report reflects the status of all grant applications submitted on behalf of the Authority through May 15, 2020.

It was an eventful quarter for grant activity. We submitted four FTA formula grant applications totaling \$55,250,709, including the Authority's direct allocation of FTA CARES Act funds; expected execution by end of May. The remaining applications were executed totaling \$7,375,100. Two discretionary grant applications totaling \$15,617,437 were submitted to FTA, award announcements are expected by fall 2020; the Low or No Emission Vehicle program and the Bus and Bus Facilities grant program. Discretionary grants from the California State Transportation Agency's Transit & Intercity Rail program were announced on April 20, 2020, with the Authority receiving its fourth straight award. The grant funds will fund the purchase of vehicles, charging equipment and includes funding for network integration. The expansion articulated buses will serve as expansion buses on Routes 11 and 12, and the 30-foot vehicles will be used to implement additional microtransit services for the Antelope Valley. AVTA continues to seek and pursue all viable grant opportunities.

Prepared by:

Submitted by:

Judy Vaccaro-Fry
Director of Finance and Administration

Macy Neshati
Executive Director/CEO

Attachment: A – Grant Status Report

GRANT STATUS REPORT

Discretionary Opportunities Submitted

Grant Program	Project	Amount Applied For	Date Submitted	Status	Amount Awarded	Next Round of Funding
FY19 Bus & Bus Facilities - FTA	10 Transit Buses + 10 Circulator Buses	\$9,226,192	June 20, 2019	NO FUNDS AWARDED TO AVTA	\$0	March 2020
FY19 BUILD - FTA	8 Transit Buses + 12 Circulator Buses	\$8,683,480	July 14, 2019	AWARDED	\$8,683,480	TBD
Low Carbon Transit Operations Program (LCTOP) – Cap & Trade	Microtransit Demonstration – Los Angeles County	\$347,194	March 2019	AWARDED JUNE 28, 2019	\$347,194	February 2020
5310 – Enhanced Mobility for Seniors & Individuals with Disabilities - MTA	Microtransit for Seniors & Individuals with Disabilities	\$83,507	July 31, 2019	AWARDED JANUARY 23, 2020	\$83,507	TBD
Transit & Intercity Rail Capital Program – Cap & Trade	5 Articulated Buses + 6 Microtransit Vehicles + Chargers + Network Integration	\$6,503,256	January 13, 2020	AWARDED APRIL 20, 2020	\$6,503,256	2022
FY20 Low or No Emission Vehicle Program - FTA	5 Articulated Buses + 6 Microtransit Vehicles + Chargers	\$6,253,256	March 13, 2020	<i>Pending award announcement – expected Fall</i>	<i>Pending</i>	2021
FY20 Bus & Bus Facilities - FTA	Phase III - Maintenance & Administrative Facility Improvements	\$7,323,417	April 27, 2020	<i>Pending award announcement – expected Fall</i>	<i>Pending</i>	2021
	TOTAL DISCRETIONARY OPPORTUNITIES APPLIED FOR:	\$38,420,302		TOTAL PENDING DISCRETIONARY GRANT AWARDS:	\$13,576,673	
	TOTAL DISCRETIONARY OPPORTUNITIES NOT AWARDED	\$9,226,192		TOTAL AWARDED DISCRETIONARY GRANTS:	\$15,617,437	

Annual Formula Allocations Submitted

Grant Program	Project	Amount Pending	Date Submitted	Status	Amount Awarded
Section 5307	Capital + Operating, Preventative Maintenance	\$3,787,643	July 11, 2019	Awarded July 30, 2019	\$3,787,643
Section 5307	Bus Replacement	\$5,174,108	July 19, 2019	Awarded August 12, 2019	\$5,174,108
Section 5337	HIMB Commuter: Preventative Maintenance	\$3,156,000	July 5, 2019	Awarded July 24, 2019	\$3,156,000
Section 5339	Bus Replacement	\$2,441,137	July 18, 2019	Awarded August 12, 2019	\$2,441,137
CA-2020-031	Preventive Maintenance	\$2,500,000	March 1, 2020	Awarded April 6, 2020	\$2,500,000
CA-2020-049	Bus Replacement	\$2,400,000	March 20, 2020	Awarded April 28, 2020	\$2,400,000
CA-2020-052	Bus Replacement + Chargers	\$2,475,100	April 29, 2020	Awarded May 7, 2020	\$2,475,100
CARES Act – FTA Section 5307	Operating	\$47,875,609	May 7, 2020	Pending award – anticipated 5/21	pending
	TOTAL ANNUAL FORMULA ALLOCATIONS PENDING:	\$47,875,609		TOTAL GRANT AWARDS:	\$21,933,988



DATE: May 26, 2020

TO: BOARD OF DIRECTORS

SUBJECT: Amendment No. 1 to Contract #2019-64 with Brown Armstrong Accountancy Corporation for CPA Financial Auditing Services

RECOMMENDATION

That the Board of Directors authorize the Executive Director/CEO to execute Amendment No. 1 to Contract #2019-64 with Brown Armstrong Accountancy Corporation, Bakersfield, CA for CPA financial auditing services for a one-year period not to exceed \$58,000 with three one-year optional renewal periods remaining.

FISCAL IMPACT

Sufficient funds have been included in the FY 2021 Budget to cover these costs.

BACKGROUND

May 2019, the Board of Directors awarded Contract #2019-64 for a one-year term with combined renewals limited to five-years. Brown Armstrong Accountancy Corporation was chosen for their understanding of AVTA's established processes, procedures, and practices, which will be beneficial when the Federal Transit Administration conducts its fourth Triennial Review later this year.

Brown Armstrong Accountancy Corporation have performed their duties diligently and worked as a cohesive partner with Authority staff. Therefore, staff recommends renewal of this year's contract renewal option for FY 2021.

Prepared by:

Submitted by:

Lyle A. Block, CPPB
Procurement and Contracts Officer

Macy Neshati
Executive Director/CEO



DATE: May 26, 2020

TO: BOARD OF DIRECTORS

SUBJECT: Amendment No. 1 to Contract #2019-35 with Vinsa, Inc. for Workers' Compensation, Property and Casualty Insurance Policies for Fiscal Year 2020/2021 (FY 2021)

RECOMMENDATION

That the Board of Directors authorize the Executive Director/CEO to execute Amendment No. 1 to Contract #2019-35 with Vinsa, Inc., Lancaster, CA for workers' compensation, property and casualty insurance policies for FY 2021 for an estimated amount of \$435,932.

FISCAL IMPACT

Sufficient funds have been included in the FY 2021 Business Plan to pay for these services.

BACKGROUND

May 2019, Board of Directors awarded contract 2019-35 for a one-year term with combined renewals limited to five-years. Vinsa, Inc. of Lancaster was selected as the Insurance Broker of Record to provide professional consulting services to assist in acquiring workers' compensation, property and casualty insurance. AVTA is set to renew each fiscal year to simplify administration. Staff recommends renewal of this contract for FY 2021.

Attachment A compares current year policies and final costs to the proposed policies and estimated costs for FY 2021. Depending upon final invoices for various required coverage amounts, Vinsa estimates a premium increase of \$54,755 over FY 2020. Coverage for FY 2021 that includes values for newly constructed electric bus charging stations, bus stop shelters and amenities, with reasonable policy increases along with workers' compensation due an experience modification adjustment.

Prepared by:

Submitted by:

Lyle A. Block, CPPB
Procurement and Contracts Officer

Macy Neshati
Executive Director/CEO

Attachment: A – Policy Comparison FY 2020 to FY 2021



940 WEST AVENUE J
P.O. BOX 4550
LANCASTER, CA 93539-4550
(661) 948-5041
FAX (661) 948-9744
LIC. #0366679

May 11, 2020

Antelope Valley Transit Authority
42210 6th Street East
Lancaster, California 93534

Attention: Lyle Block

RE: AVTA Insurance program 2020-2021

Dear Lyle,

Attached you will find the overview and projections for AVTA's insurance program for the upcoming year.

As part of the summary, we have compared the current program year to the projections for the 2020-2021 year.

Coverage	2019-2020	2020-2021	Percentage Change
General Liability	\$ 17,256	\$ 18,100	4.9%
Employee Benefits Liability	300	300	0.0%
Automobile	24,781	24,800	0.1%
Excess Liability	74,772	75,535	1.0%
D&O/EPLI-Public Entity	23,387	26,103	12.1%
Cyber Liability	1,430	2,400	67.8%
Property & Inland Marine	80,167	89,372	11.5%
Crime coverage	6,594	6,594	0.0%
DIC/Earthquake	62,978	72,300	14.8%
Workers' Compensation	88,351	118,911	34.6%
Pollution	1,508	1,508	0.0%
Total:	\$ 381,755	\$ 435,932	14.2%

These are projected figures. The final figures may be slightly different, upward or downward.

Overall, we are pleased with the renewal terms we have received from Travelers Insurance Company on the lines of coverage that they provide AVTA. A couple of lines of coverage had

premium increases primarily due to the fact that the exposures have increased compared to 2019-2020. The Property & Inland Marine coverage have a premium increase of 11.5% while the limits of coverage increased by 9.1%(\$39,515,798 to \$43,115,790). The actual rate increase was less than 3%.

The Workers' Compensation premium increase is primary due to an increase in estimated annual payroll for AVTA. The 2019-2020 projected payroll was \$2,822,108. For 2020-2021 you are projecting a payroll of \$3,503,886. That is a 24% increase in payroll. Another factor that impacts the Workers' Compensation cost is AVTA's California Workers' Compensation Experience Rating Bureau(WCIRB) Experience Modification. The modification is a factor that reflects the trend in claims activity over the most recent past four years. The 2020-2021 Experience Modification is 113% which is a slight increase from the 111% Modification that AVTA had for 2019-2020. As you may recall, both of these factors are significantly better than the 2018-2019 AVTA Experience Modification of 144%. The lower the Modification, the better. Pro-active safety training, education and risk management are critical to favorable loss experience in all lines of coverage. That being said, there seems to be a more direct correlation between safety/training and losses when it comes to Workers' Compensation. A little good luck also helps.

Directors & Officers(D&O)/Employment Practices Liability(EPLI) coverage has an increase of 12.1%. While this is a significant percentage increase, we believe it is a very favorable premium increase of \$2,716. The D&O/EPLI market has been extremely volatile due to a significant growth in claims activity. Wrongful termination, allegations of discrimination, and other EPLI related claims have not only increased in number of claims, but size of settlements. Premium increases have been substantial for all types of employers, public and private. One of the other factors that we have been experiencing is an increase in retentions/deductibles being offered by insurance programs. Travelers Insurance Company continues to offer AVTA the same Retentions(D&O-\$10,000 and EPLI-\$15,000) that have been in place for several years.

From a percentage standpoint, the largest increase that AVTA is experiencing is on Cyber Liability coverage. The actual premium cost is one of your smallest premium factors(\$2,400). AVTA participates in the CSAC EIA JPA Cyber Liability pool. It is a very well designed and managed program. Cyber Liability is trending as one of the most volatile lines of coverage in the insurance industry due to the ever changing exposure and threat we are all exposed to. This is an area of coverage where we have had many local clients, public and private, faced with significant losses.

The Difference in Conditions(DIC)/Earthquake marketplace is the most volatile line of coverage that we experience. It reacts completely to its' own set of rules. Underwriters will provide coverage and pricing based on a very broad set of factors, including soil modeling, construction type, world-wide natural disaster activity, stock market returns, re-insurance market availability and many other factors. This line of coverage is subject to the availability and capacity of coverage that the marketplace is willing to provide. With that being said, DIC coverage is something that we strongly recommend due to the exposure. But, we know that there will be

a point in time where the coverage might not be feasible due to premium cost. For that reason, we regularly work with underwriters that specialize in DIC coverage to assure that we are getting a proper perspective on this unique marketplace.

As part of our due diligence, our renewal process on all lines of coverage is to reach out to other potential markets for AVTA. Included in our process are discussions with insurance carriers, and different public entity Joint Power Authority(JPA) options that we work with. With that being said, we believe that Travelers Insurance Company continues to be a very strong partner for AVTA.

One recommendation that we have made in the past and will bring up again as we present AVTA's 2020-2021 insurance program is requiring higher liability limits for all sub-contractors that AVTA utilizes. This recommendation would be especially true for all transportation contractors that are used. While we understand that AVTA may be in the middle of existing contracts, the increase in sub-contractor liability limits would provide a greater layer of protection for AVTA due to litigation caused by the sub-contractor's negligence.

We would like to thank you for the continued confidence that AVTA has shown in our firm. If management and/or the Board would like to meet to further discuss AVTA's insurance program, please let us know.

Thank you,



John Massari
VINSA Insurance Associates

ANTELOPE VALLEY TRANSIT AUTHORITY
RENEWAL PROPOSAL
7/1/2020-7/1/2021

EXPIRING POLICIES 7/1/2019-7/1/2020	<u>GENERAL LIABILITY</u>	RENEWAL QUOTES 7/1/2020-7/1/2021
TRAVELERS INSURANCE COMPANY	INSURANCE COMPANY	TRAVELERS INSURANCE COMPANY
OCCURRENCE	FORM	OCCURRENCE
GENERAL AGGREGATE \$2,000,000 PRODUCTS/COMPLETED OPERATIONS AGGREGATE \$2,000,000 EACH OCCURRENCE \$1,000,000 PERS. & ADVERTISING INJURY \$1,000,000 DAMAGE TO PREMISES RENTED TO YOU \$300,000 MEDICAL PAYMENTS \$5,000 ABUSE OR MOLESTATION AGGREGATE \$2,000,000 EACH OFFENSE \$1,000,000 DEDUCTIBLE: \$0	LIMITS	GENERAL AGGREGATE \$2,000,000 PRODUCTS/COMPLETED OPERATIONS AGGREGATE \$2,000,000 EACH OCCURRENCE \$1,000,000 PERS. & ADVERTISING INJURY \$1,000,000 DAMAGE TO PREMISES RENTED TO YOU \$300,000 MEDICAL PAYMENTS \$5,000 ABUSE OR MOLESTATION AGGREGATE \$2,000,000 EACH OFFENSE \$1,000,000 DEDUCTIBLE: \$0
\$17,256.00	PREMIUM	\$18,100.00
7/1/2019-7/1/2020	<u>EMPLOYEE BENEFITS LIABILITY</u>	7/1/2020-7/1/2021
TRAVELERS INSURANCE COMPANY	INSURANCE COMPANY	TRAVELERS INSURANCE COMPANY
CLAIMS MADE AGGREGATE \$3,000,000 EACH OCCURRENCE \$1,000,000 RETRO DATE: 7/1/2013	LIMIT	CLAIMS MADE AGGREGATE \$3,000,000 EACH OCCURRENCE \$1,000,000 RETRO DATE: 7/1/2013
\$300.00	PREMIUM	\$300.00

7/1/2019-7/1/2020	<u>AUTOMOBILE</u>	7/1/2020-7/1/2021
TRAVELERS INSURANCE COMPANY	INSURANCE COMPANY	TRAVELERS INSURANCE COMPANY
COMBINED SINGLE LIMIT: \$1,000,000 UNINSURED MOTORIST: \$1,000,000 COMPREHENSIVE DEDUCTIBLE \$1,000 COLLISION DEDUCTIBLE \$1,000 HIRED/NONOWNED AUTO \$1,000,000 VEHICLES: 13 UNITS (SEE SCHEDULE IN QUOTE)	LIMIT	COMBINED SINGLE LIMIT: \$1,000,000 UNINSURED MOTORIST: \$1,000,000 COMPREHENSIVE DEDUCTIBLE \$1,000 COLLISION DEDUCTIBLE \$1,000 HIRED/NONOWNED AUTO \$1,000,000 VEHICLES: 13 UNITS (SEE SCHEDULE IN QUOTE)
\$24,781.00	PREMIUM	\$24,800.00
7/1/2019-7/1/2020	<u>UMBRELLA</u>	7/1/2020-7/1/2021
TRAVELERS INSURANCE COMPANY	INSURANCE COMPANY	TRAVELERS INSURANCE COMPANY
OCCURENCE	FORM	OCCURENCE
AGGREGATE LIMIT \$14,000,000 EACH OCCURENCE \$14,000,000 RETENTION: \$10,000	LIMIT	AGGREGATE LIMIT \$14,000,000 EACH OCCURENCE \$14,000,000 RETENTION: \$10,000
\$74,772.00	PREMIUM	\$75,535.00

7/1/2019-7/1/2020	<u>DIRECTORS & OFFICERS</u> <u>EMPLOYMENT PRACTICES</u>	7/1/2020-7/1/2021
TRAVELERS INSURANCE COMPANY	INSURANCE COMPANY	TRAVELERS INSURANCE COMPANY
CLAIMS MADE	FORM	CLAIMS MADE
PUBLIC OFFICIALS MANAGEMENT \$1,000,000 EMPLOYMENT PRACTICES LIABILITY \$1,000,000 POLICY AGGREGATE \$2,000,000 RETRO DATE 7/1/2013	LIMIT	PUBLIC OFFICIALS MANAGEMENT \$1,000,000 EMPLOYMENT PRACTICES LIABILITY \$1,000,000 POLICY AGGREGATE \$2,000,000 RETRO DATE 7/1/2013
\$10,000 FOR PUBLIC OFFICIALS MANAGEMENT \$15,000 FOR EMPLOYMENT PRACTICES	RETENTION	\$10,000 FOR PUBLIC OFFICIALS MANAGEMENT \$15,000 FOR EMPLOYMENT PRACTICES
\$23,287.00	PREMIUM	\$26,103.00
7/1/2019-7/1/2020	<u>CYBER LIABILITY</u>	7/1/2020-7/1/2021
CSAC EIA LLOYD'S OF LONDON	INSURANCE COMPANY	CSAC EIA LLOYD'S OF LONDON
POLICY AGGREGATE LIMIT PER MEMBER - \$2,000,000 PRIVACY NOTIFICATION COSTS - \$250,000 REGULATORY DEFENSE & PENALTIES - \$2,000,000 WEBSITE MEDIA CONTENT LIABILITY - \$2,000,000 CYBER EXTORTION - \$2,000,000 PAYMENT CARD INDUSTRY FINES - \$100,000 FIRST PARTY - DATA PROTECTION - \$2,000,000 FIRST PART - DATA PROTECTION BUSINESS INTERRUPTION - \$2,000,000 TOTAL MEMBER AGGREGATE \$20,000,000 RATING BASIS - TIV	LIMIT	POLICY AGGREGATE LIMIT PER MEMBER - \$2,000,000 PRIVACY NOTIFICATION COSTS - \$250,000 REGULATORY DEFENSE & PENALTIES - \$2,000,000 WEBSITE MEDIA CONTENT LIABILITY - \$2,000,000 CYBER EXTORTION - \$2,000,000 PAYMENT CARD INDUSTRY FINES - \$100,000 FIRST PARTY - DATA PROTECTION - \$2,000,000 FIRST PART - DATA PROTECTION BUSINESS INTERRUPTION - \$2,000,000 TOTAL MEMBER AGGREGATE \$20,000,000 RATING BASIS - TIV
\$50,000 FOR ALL PARTS	RETENTION	\$50,000 FOR ALL PARTS
\$1,430.00	PREMIUM/TAXES	\$2,400.0 (ESTIMATE - FINAL QUOTES WILL BE RELEASED EARLY JNUE)

7/1/2019-7/1/2020	<u>PROPERTY & INLAND MARINE</u>	7/1/2020-7/1/2021
TRAVELERS	INSURANCE COMPANY	TRAVELERS
TOTAL INSURABLE VALUE \$39,515,798	LIMIT	TOTAL INSURABLE VALUE \$43,115,790
BUSINESS INCOME \$1,000,000		BUSINESS INCOME \$1,000,000
SCHEDULED EQUIPMENT \$121,575		SCHEDULED EQUIPMENT \$121,575
UNLISTED EQUIPMENT (NOT TO EXCEED \$5,000) \$70,000		UNLISTED EQUIPMENT (NOT TO EXCEED \$5,000) \$70,000
INCLUDING EQUIPMENT BREAKDOWN		INCLUDING EQUIPMENT BREAKDOWN
\$5,000.00	DEDUCTIBLE	\$5,000
\$80,167.00	PREMIUM	\$89,372.00
7/1/2019-7/1/2020	<u>CRIME</u>	7/1/2020-7/1/2021
TRAVELERS INSURANCE COMPANY	INSURANCE COMPANY	TRAVELERS INSURANCE COMPANY
\$500,000 EACH INSURING AGREEMENT \$25,000 RETENTION \$275,000 EXCESS LIMIT COVERING LISTED INDIVIDUALS/POSITIONS	LIMIT	\$500,000 EACH INSURING AGREEMENT \$25,000 RETENTION \$275,000 EXCESS LIMIT COVERING LISTED INDIVIDUALS/POSITIONS
\$6,594.00	PREMIUM	\$6,594.00
7/1/2019-7/1/2020	<u>DIFFERENCE IN CONDITIONS</u>	7/1/2020-7/1/2021
QBE SPECIALTY INSURANCE COMPANY GENERAL SECURITY INDEMNITY	INSURANCE COMPANY	QBE SPECIALTY INSURANCE COMPANY GENERAL SECURITY INDEMNITY
TOTAL INSURABLE VALUE \$40,515,978 (INCLUDES ALL BUS STOPS AND WAVE CHARGERS)	LIMIT	TOTAL INSURABLE VALUE \$43,842,399 (INCLUDES ALL BUS STOPS AND WAVE CHARGERS)
7.5%	DEDUCTIBLE	7.5%
\$60,626.00 \$ 2,352.84 \$62,978.84*	PREMIUM COMPANY BROKER FEE/TAXES TOTAL PREMIUM	\$68,900.00 \$ 3,400.05 \$72,300.05*
*Premium for separate Terrorism policy is included		*Premium for separate Terrorism policy is included. Total is an indication only, pending final premium/proposal

7/1/2019-7/1/2020	<u>WORKERS COMPENSATION</u>	7/1/2020-7/1/2021
TRAVELERS INSURANCE COMPANY	INSURANCE COMPANY	TRAVELERS INSURANCE COMPANY
\$1,000,000	LIMIT	\$1,000,000
\$2,822,108	TOTAL ESTIMATED PAYROLL	\$3,503,886
111%	EXPERIENCE MODIFICATION	113%
\$88,351.00	TOTAL PREMIUM	\$118,911.00
7/1/2018-7/1/2021	<u>POLLUTION</u>	7/1/2018-7/1/2021
CSA7C-EIA	INSURANCE COMPANY	CSA7C-EIA
\$10,000,000 LIMIT \$100,000 S.I.R.	LIMIT	\$10,000,000 LIMIT \$100,000 S.I.R.
\$1,371.00	PREMIUM	\$1,371.00
\$ 137.10	VINSA BROKER FEE	\$ 137.10
\$1,508.10*	TOTAL PREMIUM	\$1,508.10*
*SECOND INSTALLMENT		*THIRD INSTALLMENT
\$381,754.94	TOTAL PROGRAM PREMIUM	\$435,932.15 (without DIC)

THIS COMPARISON IS DESIGNED TO GIVE YOU AN OVERVIEW OF THE INSURANCE COVERAGES PROPOSED BY THE COMPANIES SHOWN. IT IS MEANT ONLY TO BE A SNAPSHOT OF THE QUOTES AND SHOULD NOT BE CONSTRUED AS A LEGAL INTERPRETATION OF THE ACTUAL INSURANCE POLICIES. ALL POLICIES MUST BE CONSULTED FOR COMPLETE DETAILS OF EXCLUSIONS, LIMITATIONS, WARRANTIES AND SPECIAL CONDITIONS.



DATE: May 26, 2020

TO: BOARD OF DIRECTORS

SUBJECT: Local Agency Investment Fund (LAIF) Investments for Fiscal Year 2020/2021 (FY 2021)

RECOMMENDATION

That the AVTA Board of Directors adopt Resolution 2020-004 (Attachment A), a Resolution appointing the Executive Director/CEO as Treasurer and the Director of Finance and Administration as Controller; delegating investment authority to the Treasurer; adopting a policy for the investment of surplus transit funds for FY 2021 beginning July 1, 2020 through June 30, 2021, and rescinding Resolution No. 2019-004.

FISCAL IMPACT

The proposed changes are administrative in nature and therefore have no financial impact.

BACKGROUND

Prior to the commencement of each fiscal year, the Board of Directors authorizes the deposit and withdrawal of the Authority's Local Agency Investment Fund (LAIF) investments in the State Treasury in accordance with the provisions of Government Code Section 16429. The Investment Policy Statement for FY 2021 (Attachment A.1) fulfills the California Government Code Section 53646 requirement that each legislative body review and adopt an Investment Policy Statement on an annual basis.

During the current fiscal year, AVTA has moved the bulk of banking operations to Mission Bank for its general banking needs. Only the projected minimum amount is maintained in the general operating account. All other available cash funds are invested in the Authority's LAIF investment account, Union Bank's Money Market, and Union Bank's Operating Reserve account in accordance with the Investment Policy Statement.

The Procedure (Attachment B) establishes the steps necessary to use the LAIF for investment purposes, to reconcile monthly activity to the general ledger, and to reconcile cash on the books with the cash in LAIF.

On an annual basis, the LAIF administration requests each member agency update their deposit/withdrawal authorization list. The purpose of the update is to ensure only duly authorized persons have access to the Authority's LAIF investments.

Prepared by:

Submitted by:

Judy Vaccaro-Fry
Director of Finance and Administration

Macy Neshati
Executive Director/CEO

Attachments: A – Resolution No. 2020-004
A.1 – Investment Policy Statement
(Exhibit A to Resolution No. 2020-004)
B – LAIF Procedures

BOARD OF DIRECTORS

ANTELOPE VALLEY TRANSIT AUTHORITY

RESOLUTION NO. 2020-004

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ANTELOPE VALLEY TRANSIT AUTHORITY APPOINTING THE EXECUTIVE DIRECTOR/CEO AS TREASURER AND THE DIRECTOR OF FINANCE AND ADMINISTRATION AS CONTROLLER, DELEGATING INVESTMENT AUTHORITY TO THE TREASURER, ADOPTING A POLICY FOR THE INVESTMENT OF SURPLUS TRANSIT FUNDS FOR FISCAL YEAR 2020/2021, AND RESCINDING RESOLUTION NO. 2019-004

WHEREAS, pursuant to the Joint Exercise of Powers Agreement between the County of Los Angeles, the City of Palmdale and the City of Lancaster, the Antelope Valley Transit Authority (AVTA) is authorized under Section 6(i) to invest money that is not needed for immediate use, as the Board determines advisable, in the same manner and upon the same conditions as other local agencies in accordance with Section 53601 of the Government Code; and

WHEREAS, pursuant to Government Code Section 6505.6, AVTA may appoint one of its officers or employees to either or both of the positions of Treasurer or of Controller, and such person or persons shall comply with the duties and responsibilities of the office or offices as set forth in subdivisions (a) to (d), inclusive, of Government Code Section 6505.5; and

WHEREAS, pursuant to Government Code Section 53607, the Board of Directors of AVTA may delegate its investment authority to the Treasurer for a one-year period; and

WHEREAS, pursuant to Government Code Section 53646, the Board of Directors of AVTA have publicly considered a proposed annual statement of investment policy and desires to adopt that policy to guide the investments of the Treasurer;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE ANTELOPE VALLEY TRANSIT AUTHORITY HEREBY RESOLVES, DECLARES, DETERMINES, AND ORDERS AS FOLLOWS:

Section 1. As authorized by Government Code Section 6505.6, the Board of Directors appoints the Executive Director/CEO as Treasurer.

Section 2. As authorized by Government Code Section 6505.6, the Board of Directors appoints the Director of Finance and Administration as the Controller.

Section 3. As authorized by Government Code Section 53607, the Board of Directors delegates its investment authority to the Treasurer for FY 2021, who shall thereafter assume full responsibility for those investment transactions until the delegation of authority is revoked or expires, and shall make a quarterly report of those transactions, in accordance with Government Code Section 53646, to the Board of Directors.

Section 4. As required by Government Code Section 53646, the Board of Directors has considered at a public meeting a statement of investment policy, and the Board of Directors hereby adopts that policy, in the form attached as Exhibit "A" to this resolution, to guide the investments of the Treasurer for FY 2021.

Section 5. Resolution No. 2019-004 is rescinded in its entirety.

Section 6. The Secretary of the Board shall certify to the adoption of this resolution.

PASSED, APPROVED and ADOPTED this 26th day of May, 2020 by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT: _____

Marvin Crist, Chairman


ATTEST:

Karen S. Darr, Clerk of the Board

APPROVED AS TO FORM:

Allison E. Burns, General Counsel

Exhibit A

	Local Agency Investment Fund (LAIF) Policy Statement	
	Policy Effective Date: 7/1/2020 – 6/30/2021	Revised on: 5/26/2020
	Approved by: Board of Directors	
	Date Approved: 5/26/2020	Page 1 of 14

1. POLICY

It is the policy of AVTA to invest public funds in a manner which will provide maximum security with the highest investment return while meeting the daily cash flow demands of AVTA and conforming to all state and local statutes governing the investment of public funds.

2. SCOPE

This investment policy applies to the cash funds of AVTA, except for its employees retirement system fund, which is administered separately by the California Public Employees’ Retirement System (“CalPERS”) and financial assets governed by bond indentures or bond resolutions.

These funds include Operating and Capital Funds.

3. OBJECTIVE

Investable funds shall be invested to the maximum extent feasible. The primary goal of the investment program is to maintain safety and liquidity of principal and interest while maximizing returns, minimizing risks and ensuring that funds are available to meet anticipated cash flow requirements.

In the investment of its funds, AVTA will be guided by the following principles in order of importance:

3(A) the primary objective is to safeguard investment principal.

- Safety

Safety and the minimizing of risk associated with investing refer to attempts to reduce the potential for loss of principal, interest or a combination of the two. The first level of risk control is found in state law which restricts the particular type of investments permissible for governmental entities. The second level of risk control is reduction of default risk by investing in instruments that appear upon examination to be the most credit worthy. The third level of risk control is reduction of market risk by investing in instruments that have maturities coinciding with planned dates of disbursement, thereby eliminating risk of loss from a forced sale.

3(B) the secondary objective is to maintain sufficient liquidity to ensure that funds are available to meet daily cash flow requirements.

- Liquidity

Liquidity refers to the ability to easily sell at any time with a minimal risk of losing some portion of principal or interest. Liquidity is an important quality for an investment to have, for at any time AVTA may have unexpected or unusual circumstances that result in larger disbursements than expected, and some investments may need to be sold to meet the contingency. The AVTA's investment portfolio shall remain sufficiently liquid to enable the AVTA to meet all operating requirements, which might be reasonably anticipated. Most investments of AVTA are highly liquid.

3(C) the third and last consideration is to achieve a reasonable rate of return or yield consistent with these objectives.

- Yield

Yield is the potential dollar earnings an investment can provide, and also is sometimes described as the rate of return. AVTA attempts to obtain the highest yield possible when selecting an investment, provided that the criteria stated in the Investment Policy for safety and liquidity are met. The AVTA's investment portfolio shall be designed with the objective of achieving a return on the funds under its control throughout budgetary and economic cycles, taking into account the AVTA's investment risk constraints and the cash flow characteristics of the portfolio.

4. DELEGATION OF AUTHORITY

The Board of Directors of the AVTA holds the authority to invest or reinvest funds of the AVTA or to sell or exchange securities so purchased. Pursuant to the California Government Code Section 53607, the Board of Directors may delegate this authority on a yearly basis to the Executive Director/CEO, as the Treasurer of AVTA, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires.

The Director of Finance and Administration shall serve as the designated Investment Officer of the Authority and is responsible for investment decisions and activities, under the direction of the Executive Director/CEO. In the absence of the Director of Finance and Administration, the Executive Director/CEO will designate a temporary Investment Officer.

5. RESPONSIBILITY OF INVESTMENT OFFICERS

Cash management and investment transactions are the responsibility of the Investment Officer. The Investment Officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes,

provided that these deviations are reported immediately and that appropriate action is taken to control adverse developments.

6. INDIVIDUALS AUTHORIZED TO UNDERTAKE INVESTMENT TRANSACTIONS

The following officials are authorized to implement the cash management and investment transactions decisions of the Investment Officer by undertaking investment transactions on behalf of AVTA:

- Executive Director/CEO
- Director of Finance and Administration

7. PRUDENCE

AVTA operates its cash investments subject to the “Prudent Investor Standard” which obligates a fiduciary to ensure that:

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Agency, that a prudent person acting in the like capacity and familiarity with those matters would use in the conduct of funds of the like character and with like aims, to safeguard the principal and maintain the liquidity needs of the Agency.

Within the limitations of this standard and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

8. SAFEKEEPING

The investment securities purchased by the Authority shall be held in safekeeping by designated financial institutions. Accounts are currently housed at the following recognized financial institutions:

- Mission Bank
- California State Investment Pool (Local Agency Investment Fund or “LAIF”).

These institutions shall issue safekeeping receipts to the Agency listing the specific instrument, rate, maturity and other pertinent information.

Safekeeping procedures shall be reviewed annually by the independent auditor. The independent auditor shall conduct random audits of safekeeping and custodial systems.

9. ETHICS AND CONFLICTS

Officers and employees who are directly involved in the investment program shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair the ability to make impartial investment decisions.

10. MONITORING AND ADJUSTING THE PORTFOLIO

The Investment Officer will routinely monitor the contents of the portfolio, the available markets and the relative values of competing instruments, and will adjust the portfolio accordingly.

11. INTERNAL CONTROLS

Internal controls shall be reviewed annually by the independent auditor. The Investment Officer shall establish an annual process of independent review by the independent auditor. The controls shall be designed to prevent loss of public funds due to fraud, error, misrepresentation, unanticipated market changes or imprudent actions.

12. INVESTMENT PROCEDURES

The Finance Department is responsible for establishing separate investment procedures which adhere to and implement this Statement of Investment Policy.

13. REPORTING REQUIREMENTS

Under the direction of the Executive Director/CEO, the Investment Officer shall where applicable, generate a monthly report for management purposes which will include, but not be limited to:

- Type of investment
- Institution
- Date of maturity
- Amount of deposit or cost of security
- Rate of interest
- Statement relating the report to the Statement of Investment Policy
- Statement that there are sufficient funds to meet the next 30 days' obligations

14. SHORT-TERM VERSUS LONG-TERM PORTFOLIO

All funds invested for one day to six months shall be considered short-term. Funds invested for a period in excess of six months shall be considered long-term.

15. SHORT-TERM PORTFOLIO DIVERSIFICATION

The Agency will diversify use of investment instruments to avoid incurring unreasonable risk inherent in overinvesting in specific instruments, individual financial institutions or maturities.

Diversification by Instrument:

- U.S. Government Securities, or affiliates
- Small Business Administration Loans
- Bankers' Acceptance
- Commercial Paper
- Negotiable Certificates of Deposits
- Medium Term Notes
- Repurchase Agreements
- Local Agency Investment Fund (LAIF)
- California Asset Management Program (CAMP)
- California Local Agency Securities System (CLASS)

16. MATURITY SCHEDULING:

Investment maturities of operating funds shall be scheduled to coincide with projected cash flow needs, taking into account large routine expenditures (e.g. payroll, contractor's payments, lease payments, etc.) and considering sizeable blocks of anticipated revenue (e.g. LTF and Federal operating funds).

17. LONG-TERM PORTFOLIO DIVERSIFICATION

Instruments and diversification for the long-term portfolio shall be the same type as for the short-term portfolio, but with longer investment periods (over six months).

Maturity scheduling shall be timed according to anticipated needs.

18. AUTHORIZED INVESTMENTS (G.C. 53601)

The average maturity of AVTA's investments should not exceed two-and-one-half years, with no single investment being made for over five years, except with legislative approval as authorized under Section 53601 of the California Government Code. At no time should current cash flow requirements be jeopardized.

AVTA may invest in the following legal investments as defined in Section 53601 of the California Government Code: 53601. This section shall apply to a local agency that is a city, a district, or other local agency that does not pool money in deposits or investments with other local agencies, other than local agencies that have the same governing body. However, Section 53635 shall apply to all local agencies that pool money in deposits or investments with other local agencies that have separate governing bodies. The legislative body of a local

agency having money in a sinking fund or money in its treasury not required for the immediate needs of the local agency may invest any portion of the money that it deems wise or expedient in those investments set forth below. A local agency purchasing or obtaining any securities prescribed in this section, in a negotiable, bearer, registered, or nonregistered format, shall require delivery of the securities to the local agency, including those purchased for the agency by financial advisers, consultants, or managers using the agency's funds, by book entry, physical delivery, or by third-party custodial agreement. The transfer of securities to the counterparty bank's customer book entry account may be used for book entry delivery. For purposes of this section, "counterparty" means the other party to the transaction. A counterparty bank's trust department or separate safekeeping department may be used for the physical delivery of the security if the security is held in the name of the local agency. Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase. Where this section does not specify a limitation on the term or remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement or securities lending agreement authorized by this section, that at the time of the investment has a term remaining to maturity in excess of five years, unless the legislative body has granted express authority to make that investment either specifically or as a part of an investment program approved by the legislative body no less than three months prior to the investment:

- (a) Bonds issued by the local agency, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency or by a department, board, agency, or authority of the local agency.
- (b) United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- (c) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.
- (d) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.
- (e) Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

- (f) Bankers' acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers acceptances may not exceed 180 days' maturity or 40 percent of the Authority's money that may be invested pursuant to this section. However, no more than 30 percent of the Authority's money may be invested in the bankers acceptances of any one commercial bank pursuant to this section.

This subdivision does not preclude a municipal utility district from investing any money in its treasury in any manner authorized by the Municipal Utility District Act (Division 6 (commencing with Section 11501) of the Public Utilities Code).

- (g) Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):

(1) The entity meets the following criteria:

- (A) Is organized and operating in the United States as a general corporation.
- (B) Has total assets in excess of five hundred million dollars (\$500,000,000).
- (C) Has debt other than commercial paper, if any, that is rated "A" or higher by a nationally recognized statistical-rating organization (NRSRO).

(2) The entity meets the following criteria:

- (A) Is organized within the United States as a special purpose corporation, trust, or limited liability company.
- (B) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond.
- (C) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical-rating organization (NRSRO).

Eligible commercial paper shall have a maximum maturity of 270 days or less. Local agencies, other than counties or a city and county, may invest no more than 25 percent of their money in eligible commercial paper. Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper of any single issuer. Counties or a city and county may invest in commercial paper pursuant to the concentration limits in subdivision (a) of Section 53635.

- (h) Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 30 percent of the agency's money which may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposit do not come within Article 2 (commencing with Section 53630), except that the amount so invested shall be subject to the limitations of Section 53638. The legislative body of a local agency and the treasurer or other official of the local agency having legal custody of the money are prohibited from investing local agency funds, or funds in the custody of the local agency, in negotiable certificates of deposit issued by a state or federal credit union if a member of the legislative body of the local agency, or any person with investment decision-making authority in the budget office, director of finance and administration's office, or treasurer's office of the local agency also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.
- (i)
 - (1) Investments in repurchase agreements or reverse repurchase agreements or securities lending agreements of any securities authorized by this section, as long as the agreements are subject to this subdivision, including the delivery requirements specified in this section.
 - (2) Investments in repurchase agreements may be made, on any investment authorized in this section, when the term of the agreement does not exceed one year. The market value of securities that underlay a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day.
 - (3) Reverse repurchase agreements or securities lending agreements may be utilized only when all of the following conditions are met:
 - (A) The security to be sold on reverse repurchase agreement or securities lending agreement has been owned and fully paid for by the local agency for a minimum of 30 days prior to sale.
 - (B) The total of all reverse repurchase agreements and securities lending agreements on investments owned by the local agency does not exceed 20 percent of the base value of the portfolio.

- (C) The agreement does not exceed a term of 92 days, unless the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.
 - (D) Funds obtained or funds within the pool of an equivalent amount to that obtained from selling a security to a counterparty by way of a reverse repurchase agreement or securities lending agreement shall not be used to purchase another security with a maturity longer than 92 days from the initial settlement date of the reverse repurchase agreement or securities lending agreement, unless the reverse repurchase agreement or securities lending agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.
- (4) (A) Investments in reverse repurchase agreements, securities lending agreements, or similar investments in which the local agency sells securities prior to purchase with a simultaneous agreement to repurchase the security may only be made upon prior approval of the governing body of the local agency and shall only be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state-chartered bank that has or has had a significant banking relationship with a local agency.
- (B) For purposes of this chapter, "significant banking relationship" means any of the following activities of a bank:
- (i) Involvement in the creation, sale, purchase, or retirement of a local agency's bonds, warrants, notes, or other evidence of indebtedness.
 - (ii) Financing of a local agency's activities.
 - (iii) Acceptance of a local agency's securities or funds as deposits.
- (5) (A) "Repurchase agreement" means a purchase of securities by the local agency pursuant to an agreement by which the counterparty seller will repurchase the securities on or before a specified date and for a specified amount and the counterparty will deliver the underlying securities to the local agency by book entry, physical delivery, or by third-party custodial agreement. The transfer of underlying securities to the counterparty bank's customer book-entry account may be used for book-entry delivery.

- (B) "Securities," for purpose of repurchase under this subdivision, means securities of the same issuer, description, issue date, and maturity.
- (C) "Reverse repurchase agreement" means a sale of securities by the local agency pursuant to an agreement by which the local agency will repurchase the securities on or before a specified date and includes other comparable agreements.
- (D) "Securities lending agreement" means an agreement under which a local agency agrees to transfer securities to a borrower who, in turn, agrees to provide collateral to the local agency. During the term of the agreement, both the securities and the collateral are held by a third party. At the conclusion of the agreement, the securities are transferred back to the local agency in return for the collateral.
- (E) For purposes of this section, the base value of the local agency's pool portfolio shall be that dollar amount obtained by totaling all cash balances placed in the pool by all pool participants, excluding any amounts obtained through selling securities by way of reverse repurchase agreements, securities lending agreements, or other similar borrowing methods.
- (F) For purposes of this section, the spread is the difference between the cost of funds obtained using the reverse repurchase agreement and the earnings obtained on the reinvestment of the funds.
- (j) Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated "A" or better by a nationally recognized rating service. Purchases of medium-term notes shall not include other instruments authorized by this section and may not exceed 30 percent of the agency's money that may be invested pursuant to this section.
- (k) (1) Shares of beneficial interest issued by diversified management companies that invest in the securities and obligations as authorized by subdivisions (a) to (j), inclusive, or subdivisions (m) or (n) and that comply with the investment restrictions of this article and Article 2 (commencing with Section 53630). However, notwithstanding these restrictions, a counterparty to a reverse repurchase agreement or securities lending agreement is not required to be a primary dealer of the Federal Reserve Bank of New York if the company's board of directors finds that the counterparty presents a minimal risk of

default, and the value of the securities underlying a repurchase agreement or securities lending agreement may be 100 percent of the sales price if the securities are marked to market daily.

- (2) Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.).
 - (3) If investment is in shares issued pursuant to paragraph (1), the company shall have met either of the following criteria:
 - (A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations.
 - (B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by subdivisions (a) to (j), inclusive, or subdivisions (m) or (n) and with assets under management in excess of five hundred million dollars (\$500,000,000).
 - (4) If investment is in shares issued pursuant to paragraph (2), the company shall have met either of the following criteria:
 - (A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations.
 - (B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).
 - (5) The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include any commission that the companies may charge and shall not exceed 20 percent of the agency's money that may be invested pursuant to this section. However, no more than 10 percent of the agency's funds may be invested in shares of beneficial interest of any one mutual fund pursuant to paragraph (1).
- (l) Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory

provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

- (m) Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.
- (n) Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum of five years' maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by a nationally recognized rating service and rated in a rating category of "AA" or its equivalent or better by a nationally recognized rating service. Purchase of securities authorized by this subdivision may not exceed 20 percent of the agency's surplus money that may be invested pursuant to this section.

53601.1. The authority of a local agency to invest funds pursuant to Section 53601 includes, in addition thereto, authority to invest in financial futures or financial option contracts in any of the investment categories enumerated in that section.

53601.5. The purchase by a local agency of any investment authorized pursuant to Section 53601 or 53601.1, not purchased directly from the issuer, shall be purchased either from an institution licensed by the state as a broker-dealer, as defined in Section 25004 of the Corporations Code, or from a member of a federally regulated securities exchange, from a national or state-chartered bank, from a savings association or federal association (as defined by Section 5102 of the Financial Code) or from a brokerage firm designated as a primary government dealer by the Federal Reserve bank.

- 53601.6. (a) A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in inverse floaters, range notes, or mortgage-derived, interest-only strips.
- (b) A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in any security

that could result in zero interest accrual if held to maturity. However, a local agency may hold prohibited instruments until their maturity dates. The limitation in this subdivision shall not apply to local agency investments in shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) that are authorized for investment pursuant to subdivision (k) of Section 53601.

19. DESIGNATED AUTHORIZED INVESTMENTS

The listing shall be formally designated by AVTA and only investments from this designated list will be authorized.

California State Investment Pool (Local Agency Investment Fund or LAIF {Government Code Section 16429.1 – 16429.3}).

California Asset Management Program (CAMP {Government Code Section 6502; Section 53630; Section 53601 and/or 53635}).

California Local Agency Securities System (CLASS {Government Code Section 6502; Section 53630; Section 53601 and/or 53635}).

Whenever possible, bids and offers for any investment security shall be taken from a minimum of two security dealers/brokers, banks, and/or savings and loans. Awards shall be made to the highest responsible bidder or best offer.


All securities purchased must be held in safekeeping by AVTA's safekeeping agent, currently Mission Bank. The securities shall not be held by the dealer or broker from whom they are purchased. Confirmations for all investments will be reviewed for conformity with the actual transactions. All financial institutions, whether investment banks, dealers, commercial banks or savings and loan institutions must be licensed by the National Association of Security Dealers (NASD) and be approved by the Treasurer before they receive AVTA funds or are able to conduct business with AVTA. Prior to approval, each financial institution will be physically visited by the Treasurer and/or his/her designee to meet with the principals of the firm and to inspect their offices for stability and financial capabilities. Further, these visitations will continue periodically, preferably annually, on an ongoing basis to ensure eligibility (due diligence). All firms with whom AVTA does business will have a strong capital base and be deemed creditworthy before conducting business with such firms. The Treasurer or his/her designee will prescribe minimum standards by which these firms can be judged creditworthy.

Generally, losses are acceptable on a sale of securities prior to maturity and should be taken if (a) the sale proceeds will enhance the overall yield over the life of the new security, or (b) there is a potential imminent risk of principal due to a change in the creditworthiness of the issuer or other factors jeopardizing the propriety or safety and liquidity of public funds.

Where possible, AVTA investments shall be placed, confirmed, held, accounted for, and/or audited by different people.

The Director of Finance and Administration/Investment Officer shall be individually responsible for a monthly review of the investment function. This review will consist of:

- Comparison of the investment records to the independent statements and confirmation notices received from brokers, dealers, banks and other financial institutions.
- Review of the contents of the investment portfolio to assure that it conforms to the provisions of this Statement of Investment Policy and the laws of the State of California.
- Review of the financial institutions with whom investments have been made to assure that they have been approved by the Treasurer.

	Local Agency Investment Fund (LAIF) Procedures	
	Policy Effective Date: 7/1/2020	Revised on: 5/26/2020
	Approved by: Board of Directors	
	Date Approved: 5/26/2020	Page 1 of 3

PURPOSE

This procedure establishes the steps to use the Local Agency Investment Fund for investment purposes, to reconcile monthly activity to the General Ledger and to verify cash on the books with the cash invested with California State Investment Pool (Local Agency Investment Fund or "LAIF").

BACKGROUND

The Finance Department is responsible for maintaining proper accounting records in regards to all AVTA accounts.

AVTA deposits funds with LAIF as an investment instrument.

This procedure provides appropriate documentation relating to the investment of funds in LAIF.

EXECUTIVE DIRECTOR/CEO AND DIRECTOR OF FINANCE AND ADMINISTRATION

The Executive Director/CEO, Director of Finance and Administration, Board Chair, and Board Vice Chair may approve the investment, withdrawal or transfer of funds to/from LAIF. Financial institutions will be notified by phone and in writing immediately regarding the separation of employees formerly authorized.

In the absence of the Executive Director/CEO, the Director of Finance and Administration will approve the investment or withdrawal of funds from LAIF and can make transfers to or from the LAIF account.

Accounting staff prepares a Funds Transfer Memo and provides it to the Director of Finance and Administration for completion.

PROCEDURE

The institutions involved in inter-bank transfers are to be notified the day prior to the date of a request of a transfer of funds. The following procedures guarantee same day credit to LAIF or the appropriate AVTA account at Mission Bank.

Funds Transfer from LAIF to Mission Bank

1. The accounting staff prepares a Funds Transfer Memo and gives to the Director of Finance and Administration by 9:30 am.
2. For a LAIF withdrawal, LAIF is notified and the information is recorded. **THE DEADLINE TO CALL LAIF IS 10:00 AM.**

Funds Transfer from Mission Bank to LAIF

1. The accounting staff prepares a Funds Transfer Memo and gives it to the Director of Finance and Administration by 9:30 am.
2. LAIF is contacted at (916) 653-3001 advising them of the deposit and the source account it is coming from. Provide the PIN #. AVTA will receive a confirmation number and the daily percentage yield. **THE DEADLINE TO CALL LAIF IS 10:00 AM.**
3. Contact Mission Bank to arrange the transfer to LAIF. The AVTA bank account number, LAIF confirmation number and date of deposit are provided to Mission Bank as part of the transfer process. **THE DEADLINE TO CALL MISSION BANK TO INITIATE A WIRE IS 2:00 PM.**
4. Mission Bank will give a verbal verification of transaction; written notes regarding the verbal verification should be included with the transfer documents to complete the transaction audit process.

Reconciliation

The accounting staff posts deposits and withdrawals to the LAIF Account (10161) and verifies that the LAIF statement and the General Ledger account reconcile properly.

ATTACHMENT: A – Sample LAIF Statement

ATTACHMENT A

4/18/2017

Untitled Page



BETTY T. YEE

California State Controller

LOCAL AGENCY INVESTMENT FUND
REMITTANCE ADVICE

Agency Name

ANTELOPE VALLEY TRANS AUTH

Account Number

40-19-036

As of 04/14/2017, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 03/31/2017.

Earnings Ratio		.00002126194403179
Interest Rate		0.78%
Dollar Day Total	\$	488,285,172.72
Quarter End Principal Balance	\$	5,426,621.16
Quarterly Interest Earned	\$	10,381.89



DATE: May 26, 2020
TO: BOARD OF DIRECTORS
SUBJECT: Portable Restrooms

RECOMMENDATION

That the Board of Directors approve the purchase of up to five commercial grade portable restroom trailers equivalent to Ameri-Can Engineering model 831 traditional with ADA lift room (Attachment A) for an amount not to exceed \$380,000, plus applicable taxes and freight charges.

FISCAL IMPACT

Adequate funding exists through the special CARES Act 5307 allocation received by AVTA.

BACKGROUND

The COVID-19 Pandemic has brought new challenges to all industries and all walks of life and has been especially difficult to deal with in the transportation sector which by definition moves masses of people while we seek to fight and contain a disease that requires separation and distancing along with personal protective equipment. Keeping our buses, employees and riders safe and sanitary is a key component of staying virus free. These portable units will be central to that effort and will also be available to our jurisdictional stakeholders for special events throughout the year.

Lyle Block, CPPB
Procurement and Contracts Officer

Macy Neshati
Executive Director/CEO

Attachment: A – Commercial Grade Restroom Trailers



Commercial Grade Restroom Trailers



831 Traditional with ADA Lift Room

Trailer Specifications // Standard Equipment

Unibody Steel Frame 8' x 31'
 Triple 6,900 lb Dexter TorFlex Axles
 Goodyear Tires ST 235 x 80R16E
 Lined Steel Waste Tank 875 gallons
 Waste Tank Sloped to Bottom Discharge
 High Efficiency Ducted A/C with Two Year Warranty
 FiberCorr Interior Walls – Fresh White
 Door Trim Package
 Electric Brake System
 Wired for Optional Baseboard Heat
 Load Levelers 5,000 lb (4)
 2 5/16" Adjustable Hitch
 3/4" Weatherproof Floor
 All Walls and Ceilings Fully Insulated
 Seamless Aluminum Roof
 Side Wall Belt Rails for Lateral Strength
 Locks Keyed Alike
 3" Cam-Lock Waste Valve
 34" Commercial Doors (36" for ADA)
 Aluminum Exterior – Customer Choice of Color
 Porch Assemblies Available
 Step Assemblies with Handrails

Five Year Warranty Steel Frame
 Ten Year Warranty TorFlex Axles
 Frame Skirts
 Waste Tank Sight Glass
 Frame and Tank Undercoating
 Entrance / Exit Doors (3)
 Vinyl Flooring – Galaxy
 Lockable Thermostat
 Sure Lube Hubs
 FiberCorr Smooth Finish Ceiling
 DOT Safety and Light Package
 Electric Break-a-Way System
 Floor Joist 2" x 2" Steel 16" O/C
 Truss Rafters 16" O/C
 Recessed Night Lights for Doors
 Rain Gutters over each Door
 Aluminum Kick Plates
 3/4" Fresh Water Connection
 20 Amp Electrical Circuits
 LED Exterior Lights
 Fold-in-Door ADA Ramp

Women's Accommodations

China Flushing Water Saver Toilets – White (4)
 Steel Partition Doors with Transport Locks
 Lockable Vanities with Solid Surface Sink Tops – Solar (2)
 Wall Recessed Towel Dispenser and Waste Receptacles
 Stainless Sanitary Receptacles (4)

12V Ceiling Lights
 Extra Large Partitions – Graphite
 Delta Water Saver Faucets
 Safety-Backed Glass Mirrors
 Chrome Floor Drain

Men's Accommodations

China Flushing Water Saver Toilets – White (2)
 Lockable Vanity with Solid Surface Sink Top – Solar
 Wall Recessed Towel Dispenser and Waste Receptacle
 China Flushing Water Saver Urinals – White (3)
 Steel Partition Doors with Transport Locks
 Chrome Floor Drain

Safety-Backed Glass Mirror
 Delta Water Saver Faucet
 12V Ceiling Lights
 Urinal Dividers – Graphite
 Extra Large Partitions – Graphite

Hydraulic ADA Compartment

ADA China Flushing Water Saver Toilet
 Delta Water Saver Faucet
 Wall Recessed Towel Dispenser and Waste Receptacle
 Stainless Sanitary Receptacle
 ADA Door Handle & Locking System
 12V Ceiling Lights

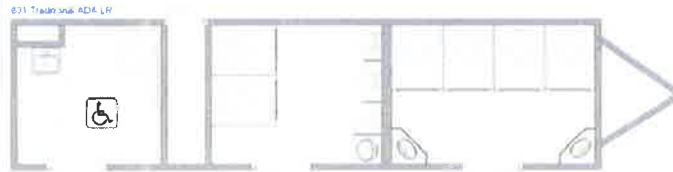
Chrome Floor Drain
 ADA Sink
 ADA Wall Rails
 ADA Door Closure
 Safety Glass Mirror

Traditional Series

Attractive, rugged, highly functional commercial grade restrooms trailers. Designed for cost effective heavy duty use. 18 floor plans and a choice of color combinations.

Base Price

\$ 64,985.00



Drawing not to scale.



Available Options

Hot Water System	\$ 655.00
Heat Package – Electric baseboard heaters only	\$ 925.00
Cold Weather Package – Includes the heat package, heat pads, and spray foam insulation // Good for temps down to 10° F (\$125.45 per linear foot)	\$ 2,885.35
Arctic Weather Package – Includes propane furnace, additional heat pads, and additional spray foam insulation // Good for temps down to -20° F // May need to add equipment room which adds 2 feet to the trailer length and will add an additional \$1,912.96. Also adjusts other option prices due to increased length.	\$ 5,440.35
Baby Change Station	\$ 545.00
Multi-Source Sound System with Playlist Option	\$ 675.00
Canvas Trailer Skirts – Black (\$47.50 per linear foot)	\$ 1,092.50
Spare Tire – 16"	\$ 247.30
Fresh Water System (adds 3 feet to trailer) Tank Size = 300 gallons // Waste tank size becomes 1,050 gallons // Also adjusts other option prices due to increased length.	\$ 3,895.00
Upgrade to Electric Hands Free Delta Faucets (\$385.75 each)	\$ 1,543.00
Upgrade to Rubberized Flooring (\$98.00 per linear foot)	\$ 3,038.00
Upgrade to Fold Up Porch Steps (\$875.00 each)	\$ 1,750.00

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Ameri-Can has been custom crafting our trailers in Northern Indiana for the last 30 years.

In this time we've built custom crafted trailers for just about every possible application.

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- Luxury Restroom Trailers
- Construction Grade Restroom Trailers
- ADA Restroom and Shower Trailers
- Shower Trailers
- Restroom/Shower Combination Trailers
- Laundry Trailers
- Hand Wash Trailers
- Decontamination Trailers
- Plaza Units



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Why Ameri-Can?

At Ameri-Can we custom craft every trailer specifically for each customer. By hand tailoring each trailer from the ground up we allow our customers to stand out from the competition.

- Over 150 Standard Floor Plans
- Free Custom Design Service
- Industry Leading Warranty
- 30 Years of Experience & Expertise
- Award Winning Custom Service

We leverage our 30 years of experience to build the best custom crafted trailer on the market.

- Radius roof for heavy snow loads
- Ducted A/C for a home like experience
- Fully insulated walls and ceilings for year round use
- Our own epoxy lined tank offering the largest holding capacity



Ameri-Can Exclusives

The durable range of commercial event grade trailers include the Construction, Traditional, and Oasis Series. These trailers are built to last in the most demanding conditions. Choice of interior and exterior color combinations.

Luxury interior finishes in the Royale Series boast wall to ceiling individual suites and Amish hand crafted interior woodworking. The cathedral floor plan of the Limited Series provides a common area combining spaciousness and functionality.

Specialty themed trailers are custom crafted and designed with your dreams in mind. Our cedar shake Cottage Series and European inspired Veranda Series are great additions to the endless options you may desire.

[View more at ameri-can.com](http://ameri-can.com)

Ameri-Can has been custom crafting trailers in Northern Indiana for the last 30 years. We offer over 150 different types, sizes and models of mobile shower, restroom, decontamination, handwash, laundry and other specialty types of mobile sanitation trailers. We offer over 50 different models of restroom trailers including ADA compliant models.

Ameri-Can specializes in custom trailers made and can help you design and build the trailer that you need.

- Luxury Restroom Trailers
- Specialty Restroom Trailers
- Event Series Restroom Trailers
- Construction and Commercial Grade Restroom Trailers
- Shower Trailers
- Combination Restroom/Shower Trailers
- ADA Compliant Restroom and Shower Trailers
- Decontamination Trailers
- Handwash Trailers
- Laundry Trailers
- Emergency Relief Trailers
- Drug Screen Trailers
- Park and Plaza Units

Construction

The backbone of our trailers are our frames. Built with 12" Jr. I Beam, our epoxy lined waste tanks are integrated into the frame. The tanks are tapered towards the bottom mount 3" discharge for a full pump out. This maximizes our waste capacity and longevity. Our tongues run under the frame, creating more support and a more stable trailer. All series of Ameri-Can trailers use Dexter Torsion Axles and high quality Goodyear Tires.

Ameri-Can Trailers are built with 2" walls, fully insulated to R11, and wrapped in thick .040 smooth aluminum sides. The entrance doors are commercial grade aluminum doors with large 34" openings and commercial closers. Our radius roof is trussed and insulated. Allowing for ducted A/C as well as snow load capacity of 40 psf. The roof is then covered in a 1 piece aluminum skin wrapped to the edges.

Exterior

The aluminum skin that creates our shell is solid sheet aluminum. Creating a very durable and repairable exterior that will not fade and streak like fiberglass. We offer standard colors of White, Black, Victory Red, Champagne Beige, Medium Charcoal Gray, and Light Pewter Metallic. Custom colors are also available.

Plumbing and Electrical Details

Each trailer has a ¾" garden hose connection for the fresh water fill. Not all models come standard with fresh water. It is an option on all trailers. The onboard fresh water tank and pump assembly operates in three different modes (bypassing the on-board tank, using only the onboard tank, or using the onboard tank with the garden hose connection). The fresh water tank acts as a mitigating tank when it's connected to a garden hose. As the showers, sinks, and toilets are used the water is pulled directed from the onboard tank. The tank is continuously refilled due to the garden hose pressure. There's an overflow valve at the top of the tank to prevent overflow.

Our trailers operate off 20 amp, 110 volt electrics. The standard trailer takes 2 outlets. The number of breaker boxes will vary depending on model and which options are chosen. Each box has its own power cord and each power cord will need its own dedicated 20 amp outlet.

Interior

We offer three types of interior finishes for our restroom trailers. A description of each follows:

- The Traditional/Construction Series are our commercial grade interiors. These models include white, lockable vanities with fiberglass sink tops in Solar (black with white speckles), safety-backed glass mirrors, all white FiberCorr wallboard, and white vinyl trim. These trailers come standard with the Graphite partitions (black with white speckles) and Galaxy linoleum (dark gray flooring with light gray and silver speckles throughout).
- The Oasis and Oasis Limited Series are our events grade interior finishes. These models include a multi-source sound system, wood vanities with solid surface composite sink tops, framed glass mirrors with upgraded mirror lights, laminate wallboard in several color choices, wood trim, aluminum wheels, and upgraded faucets. These models also come standard with the powder coated steel partitions in a color choice to match each interior color combination. There are ten interior color combinations to choose from. This interior is not available in the models with individual, unisex compartments.
- The Royale and Royale Limited Series are our luxury interiors. The main difference between the Oasis and Royale is the toilet stalls. The Oasis models have the powder-coated steel partitions whereas the Royale models have private toilet suites with floor to ceiling walls and stile-and-rail doors. The hot water system is a standard feature in the Royale models. You have the same choices for interior and exterior colors as on the Oasis models.

Details of the interior and exterior colors can be found by clicking this link, <http://www.ameri-can.com/pages/interoption.html> and <http://www.ameri-can.com/pages/exteriors.html>.

Cold Weather Packages

We offer a few different options of winterization packages (the cold weather package, the arctic weather package, the electric arctic weather package, and the Thermon winter package).

- The cold weather package includes the heat package (baseboard heaters), electric heat pads are applied to the bottom of the waste tank and foam insulation is sprayed around the exterior of the waste tank. The cold weather package operates efficiently down to about 10° F.
- The arctic weather package includes the heat package (propane furnace), additional electric heat pads are applied to the bottom of the waste tank and an additional coating of foam insulation is sprayed around the exterior of the waste tank. Also available in an electric version. These packages are applicable for temperatures to about -15F.
- We also offer a more extreme temperature winterization package for use in temperatures that reach -40°. This option includes electromode heaters and Thermon under-tank heat system as well as the additional coating of spray foam insulation. This price is determined based on each model and any options chosen. Pricing to be determined depending on trailer size.

Be absolutely sure the electric and heat is provided 24/7 to the trailer. We also recommend adding an insulated boarding, skirting or cladding around the footprint of the trailer to mitigate the wind from blowing directly underneath (must be added once the trailer is on site by the customer).

ADA Guidelines

We provide a broad range of ADA compliant trailers. All designed to address the issue of getting the ADA accessible area at ground level and also to be sure to meet all ADA codes. Both are critical these days as advocacy in the public arena is a huge and ever looming litigation issue. ADA design is fully compliant to current regulations across the spectrum of state and national codes. We manufacture two ranges of ADA trailers in restroom formats. Smaller units which feature a retractable axle system that lowers the trailer to the ground for accessibility and then raise to a transport position. For any of our models longer than 21' we add a hydraulically mounted ADA pod that lowers to the ground for use and then raises for transport. Our systems are very robust. Some would say overkill, but as these trailers have the functionality of lowering to the ground and also must be safely towed along the highways, we feel it very important to not have a cheap and cheerful lowering system.

Lead Time Details

Each trailer is custom built from the frame up much similar to housing construction; our trailers are not built on a production assembly line nor are they the cheap and cheerful RV style trailers. Production slots are first come first serve as we build to order. Our manufactured completion time is a minimum of 6 weeks depending on when we receive your signed order and 50% deposit. Lead times may vary at any given time. The cold weather package, arctic weather package, and the rubberized flooring upgrade will each add one additional week to this lead time.



DATE: May 26, 2020

TO: BOARD OF DIRECTORS

SUBJECT: Emergency Sole Source Contract #2020-39 with PeopleReady, Inc. for COVID-19 Sanitizing, Disinfecting and Sterilizing Bus Fleet

RECOMMENDATION

That the Board of Directors ratify Emergency Sole Source Contract #2020-39 with PeopleReady, Inc., Tacoma, WA to sanitize, disinfect and sterilize the interior of AVTA's bus fleet for an amount not to exceed \$233,728, plus applicable sales tax.

FISCAL IMPACT

Sufficient funds are included in the Fiscal Year 2020/2021 Business Plan to pay for this service because of the COVID-19 Declared National Emergency.

BACKGROUND

On March 13, 2020, the President of the United States declared a National Emergency due to the COVID-19 pandemic. On March 27, 2020, the President signed into law the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act provides funds to prevent, prepare for, and respond to COVID-19. Expenses normally eligible under Section 5307 and 5311 programs that are incurred on or after January 20, 2020, that are in response to economic or other conditions caused by COVID-19 are thus eligible under the CARES Act. To this end and in accordance with the CARES Act, AVTA issued an emergency contract with PeopleReady, Inc. to sanitize, disinfect and sterilize the interior of AVTA's bus fleet for the public's safety. This effort is performed continually at the end of each route during operational hours.

The amount listed will provide necessary services until a procurement can be issued and a contract approved by the Board at a future meeting.

Prepared by:

Submitted by:

Lyle A. Block, CPPB
Procurement and Contracts Officer

Macy Neshati
Executive Director/CEO



DATE: May 26, 2020

TO: BOARD OF DIRECTORS

SUBJECT: Election of Board Officers for Fiscal Year 2020/2021 (FY 2021)

RECOMMENDATION

That the Board of Directors nominate and elect a Chair and Vice Chair for FY 2021.

FISCAL IMPACT

There is no fiscal impact.

BACKGROUND

Pursuant to Bylaws Section 4.50, Board officer elections are conducted annually. The election process specifically allows the Board to nominate and elect from its membership a Chair and Vice Chair, each from a different member agency, to take office as of July 1. The term of the Chair and Vice Chair shall be one (1) year.

If the Chair position is vacated for any reason before the full term is served, the Vice Chair becomes Chair and a new Vice Chair shall be nominated and elected. If the Vice Chair position is vacated for any reason before the full term is served, a new Vice Chair shall be selected from the jurisdiction of the departing Vice Chair to fill the remainder of the term.

Prepared by:

Submitted by:

Karen Darr
Clerk of the Board

Macy Neshati
Executive Director/CEO



DATE: May 26, 2020

TO: BOARD OF DIRECTORS

SUBJECT: Fiscal Year 2020/2021 (FY 2021) Preliminary Budget Assumptions

RECOMMENDATION

That the Board of Directors approve the FY 2021 Preliminary Budget Assumptions and provide direction to staff regarding fiscal priorities for the Final FY 2021 Budget.

FISCAL IMPACT

The FY 2021 Budget revenue and expenditures are up approximately 14% totaling \$33.54 million for a balanced budget.

BACKGROUND

Coronavirus Aid, Relief, and Economic Security (CARES) Act funding that passed through legislation in April 2020 is the primary reason AVTA will be able to continue operations and increase service. This funding will keep AVTA's operations intact in order to serve our communities.

Attachment A describes the preliminary initiatives and assumptions proposed for the Operating and Capital Budgets.

Prepared by:

Submitted by:

Judy Vaccaro-Fry
Director of Finance and Administration

Macy Neshati
Executive Director/CEO

KJ Alcuran
Controller

Attachment: A - FY 2021 Preliminary Operating and Capital Budget Assumptions

FISCAL YEAR 2021 (FY 2021)

PRELIMINARY OPERATING BUDGET ASSUMPTIONS

OPERATING REVENUE

- **CARES Act:** Very recent legislation has appropriated additional Federal funds to AVTA to assist with increased costs and lost revenue due to COVID-19. AVTA will use this to continue service and continue to promote steady commerce in our area.
- **Fare Revenue:** The long-term effects of COVID-19 on AVTA’s ridership is uncertain at this time. AVTA anticipates that ridership will slowly return to pre-COVID levels over the coming year. For this reason, AVTA has reduced anticipated fare revenue numbers by 10% for a total of \$4.5 million.
- **Tax Revenue:** According to the most recent Transit Fund Allocations draft from the Los Angeles County Metropolitan Transportation Authority (LACMTA), the agency will receive a total of over \$13 million in operating funds with a slight reduction of funds from FY 2020 amounts.

Funding Source	FY 20 Final MTA Funding	FY 21 DRAFT MTA Funding	Increase (Decrease) from FY 20 to FY 21
Prop A 95% of 40%	\$ 5,640,301	\$ 5,651,544	\$ 11,243
Foothill Mtg	\$ 46,261	\$ 35,225	\$ (11,036)
Trans Svs Exp	\$ 396,211	\$ 405,324	\$ 9,113
BSIP Overcrowd relief	\$ 50,287	\$ 51,444	\$ 1,157
Prop C 5% Bus Security	\$ 202,892	\$ 199,119	\$ (3,773)
Prop C MOSIP	\$ 1,302,315	\$ 1,349,504	\$ 47,189
Measure R	\$ 3,035,273	\$ 2,880,011	\$ (155,262)
Prop A DAR	\$ 337,251	\$ 337,251	\$ -
Measure M	\$ 2,949,781	\$ 2,849,481	\$ (100,300)
TOTAL	\$ 13,960,572	\$ 13,758,903	\$ (201,669)

- **Jurisdictional Operating Contributions:** In an effort to assist the local communities AVTA serves, the annual operating and capital contributions from the cities of Palmdale and Lancaster will be waived for FY 2021. Los Angeles County contributions will remain unchanged.
- **Other Operating Revenues:** Advertising revenue is budgeted at \$141K. Low-Carbon Fuel Standard (LCFS) credits are sold at market value and are conservatively estimated at \$250,000 Interest/investment income is conservatively budgeted at \$60,000.

OPERATING EXPENDITURES

- **Transdev Contract:** Transdev's cost per revenue hour will increase 3.6% over prior year costs per the contract. The first half of FY 2020 will see costs of \$85.98 per revenue hour and \$89.08 per revenue hour beginning January 1, 2021. The budget includes revenue hours for on-route electric bus charging and additional service changes. Transdev's operations contract for local and commuter service is the largest single expenditure line for the agency.
- **AVTS Contract:** AVTS was awarded a new contract for DAR operations and future microtransit operations beginning April 2020. This differs from the former Intelliride contract significantly in that the charges are based on revenue-hour rather than per-trip charges. This change should yield significant savings for our DAR services. Per-hour costs with AVTS begin at \$58 per hour with a reduction anticipated in the second half of FY 2021 to approximately \$52 per hour based on AVTA providing new vehicles. Additionally, there are significant service additions that AVTS will be handling throughout FY 2021. These service additions include Microtransit, Late-night service, and non-emergency medical transportation (NEMT) and is one of the primary reasons for the increase in overall budget.
- **Bus Propulsion:** AVTA has completed the transition to an all-electric fleet on local transit routes. Plans are in place to transition the commuter fleet once buses are received. Fuel costs will see an 11% decrease while electricity costs will reflect a 15% increase. AVTA is in the process of procuring a direct source for electricity, which would yield significant savings, however this budget does not assume that decrease at this time. Mid-year budget review will be used to make any needed adjustments.
- **Personnel:** AVTA staff has grown to a total of 50 employees with 48 full-time and 2 part-time. Increased personnel numbers are primarily in the customer service and facility maintenance departments. The FY 2021 personnel budget assumes the maximum possible merit rate increase for each employee and an annual cost of living commensurate with CPI at 1.6%.
 - **Benefits:** The current employee benefit structure will be maintained. However, costs for employee benefits are expected to increase. AVTA's health insurance agent is projecting a 10% rise in healthcare costs beginning during open enrollment in November. All other benefits are budgeted to increase 3-15% including workers compensation coverage.
 - **Pension:** The employer share of CalPERS is up 1.5% to reach 10.5% for CalPERS Classic and climbs up .5% to 7% for CalPERS Public Employee Pension Reform Act (PEPRA). CalPERS calculates pension contributions based on payroll figures one year in arrears. The employee contribution share for CalPERS Classic is paid by AVTA.

- **Insurance:** Insurance coverage costs are estimated to increase 14% above prior year costs. Actual rates will likely be complete in June 2020 after the budget was completed and will be included in the mid-year review.
- **Capital Project Local Match:** The downtown Los Angeles parking facility regional partnership project is underway. The remaining \$170K from prior year budget will be carried forward in FY 2021. Funds for local match on federal grant monies cannot be from other federal funds, and therefore will be covered under operating costs for FY 2021.

PRELIMINARY CAPITAL BUDGET ASSUMPTIONS

This budget fulfills and builds upon all FY 2020 carryover projects that totaled \$31,507,328 and were listed under “future grant / allocation”. The FY 2021 Capital Budget totals \$60,720,856. The breakdown is as follows:

- Replacement Vehicles \$7,825,824
- Expansion Vehicles \$26,493,056
- Vehicle Equipment \$2,565,200
- Facility Improvements \$12,110,170
- Transit Facilities Improvements \$10,154,106
- Information Technology \$262,500
- Fleet & Facility Equipment \$515,000
- Planning & Operating \$795,000

AVTA’s capital projects are funded by a combination of internal revenues and the following various outside funding sources:

<p>Federal Transit Administration BUILD Program Sect. 5307 Formula Allocation Sect. 5337 State of Good Repair Sect. 5339 Bus & Bus Facilities</p>	<p>State of California Low Carbon Transit Operations Program Transit and Intercity Rail Capital Program Heavy Duty Vehicle Incentive Funds SB1 State of Good Repair SB1 State Transit Assistance</p>
<p>Regional Los Angeles County Metropolitan Transportation Agency (LACMTA)</p>	<p>Local Antelope Valley Air Quality Management District (AVAQMD)</p>



DATE: May 26, 2020

TO: BOARD OF DIRECTORS

SUBJECT: Contract #2020-46 to Motor Coach Industries, Inc. for 45-Foot Battery Electric Bus Project

RECOMMENDATION

That the Board of Directors authorize the Executive Director/CEO to execute Contract #2020-46 with Motor Coach Industries, Inc., Des Plaines, IL, for a term of two years not to exceed an amount of 30,959,263.54, plus applicable sales tax.

FISCAL IMPACT

Sufficient funds will be included in the Fiscal Years 2021 and 2022 Budgets to pay for this purchase.

BACKGROUND

In January 2016, the Board of Directors adopted a goal to procure and operate a 100% battery electric fleet. Since that time, staff has been committed to pursuing all funding opportunities to acquire battery electric buses. The next step of this process is to replace our existing diesel powered commuter buses. To this end, staff developed and circulated a Request for Proposals (RFP).

AVTA released a Request for Proposals (RFP) on April 24, 2020. The solicitation documents were posted to AVTA's website and advertisements were placed in the *Antelope Valley Press* and *Our Weekly Lancaster* newsletter. The local Chambers of Commerce were also notified via their respective newsletters and email lists; one-hundred-nine firms were notified via email with RFP instructions for downloading. Fifteen firms registered and downloaded the RFP. Three (3) addenda were issued with the last posting on May 7, 2020.

Three (3) proposals were submitted on May 15, 2020, in response to the RFP. Five staff members with one person from an outside transit agency evaluated and ranked each submitted proposal on the following criteria: proposed solution (50%), project price (20%), similar projects (20%), and proposer's information (10%).

Submitted proposals were received from the following firms:

Firm	Location	Total Score (300 Max)
BYD Coach and Bus, LLC	Lancaster, CA	189
Green Power Motor Company	Ranchero Cucamonga, CA	67
Motor Coach Industries, Inc.	Des Plaines, IL	248

Motor Coach Industries, Inc. proposal earned the highest combined score from the evaluation committee. In addition to their fair and reasonable pricing, they provided the best overall solution for AVTA. It was obvious that their past in-depth transit agency experience gave them a clear insight into our requirements and mission. Staff is confident Motor Coach Industries, Inc. will provide an excellent product.

Prepared by:

Submitted by:

Lyle A. Block, CPPB
Procurement and Contracts Officer

Macy Neshati
Executive Director/CEO



DATE: May 26, 2020

TO: BOARD OF DIRECTORS

SUBJECT: Contract #2020-50 with Complete Coach Works for Retro-fit of EV Star ADA Shuttle Buses

RECOMMENDATION

That the Board of Directors authorize the Executive Director/CEO to award Contract #2020-50 to Complete Coach Works, Riverside, CA to retro-fit eight EV Star ADA shuttle buses that will aid in loading and unloading of ADA passengers in a safe and effective manner for an amount not to exceed \$120,000.

FISCAL IMPACT

Sufficient funds are included in the Fiscal Year 2020/2021 Budget to pay for this service.

BACKGROUND

In February 2020, Board approved up to eight Green Power Motor Company's EV Star ADA shuttle buses. These buses were manufactured with rear door ADA lifts. Staff realized upon initial use that many of our bus stops do not include curb cuts to allow easy access to the side walk which presents a safety issue. The solution is to retro-fit the buses with a curbside door and ramp, which increase safety by loading/unloading off sidewalks. To this end, a Request for Quote was drafted and released to retrofit the fleet of shuttle buses.

AVTA released a Request for Quote (RFQ) on May 6, 2020 to retro-fit eight EV Star ADA shuttle buses. The solicitation documents were emailed to four firms that are experienced in this type of specialized modifications.

The RFQs were received on May 15, 2020. Of the four firms that received the emailed procurement documents, only two (2) submitted bid(s). The firms that meet minimum requirements and their respective bid amounts are listed in the table below.

Firm	Location	Price
Complete Coach Works	Riverside, CA	\$120,000
Green Power Motor Company	Ranch Cucamonga, CA	\$145,600

Under AVTA's procurement policy requirements, an RFQ must be awarded to the lowest responsive and responsible bidder.

Based on procurement policy requirements, the bids received were reviewed for requisite document submittal. Staff found the lowest bid complete with pricing to be fair and reasonable. Therefore, staff is recommending the Board approve a contract with Complete Coach Works. This project is anticipated to take approximately 180 days to complete from notice to proceed.

Prepared by:

Submitted by:

Lyle A. Block, CPPB
Procurement and Contracts Officer

Macy Neshati
Executive Director/CEO



DATE: May 26, 2020

TO: BOARD OF DIRECTORS

SUBJECT: Public Safety Programming Agreement No. A-6992 Between the Antelope Valley Transit Authority and City of Palmdale

RECOMMENDATION

That the Board of Directors: 1) approve Agreement No. A-6992 (Attachment A), a Public Safety Programming Agreement between the City of Palmdale and the Antelope Valley Transit Authority; and 2) authorize the Executive Director/CEO to execute the agreement and all necessary documents.

FISCAL IMPACT

Antelope Valley Transit Authority agrees to reimburse the City \$1,932,402 for the term of the agreement for the implementation and administration of a Transit Oriented Public Safety Program and for related calls for service. Adequate funding exists thru the special CARES Act 5307 allocation received by AVTA.

BACKGROUND

The COVID-19 Pandemic has brought new challenges to all industries and all walks of life and has been especially difficult to deal with in the transportation sector which by definition moves masses of people while we seek to fight and contain a disease that requires separation and distancing along with personal protective equipment. As new regulations are passed by state, county and local cities, AVTA's responsibility to continue to provide mass transit services as safely as possible while complying with these new rules will require a combination of public education, outreach and law enforcement assistance from our jurisdictional stakeholders.

Under this Agreement, the City of Palmdale will create and implement, in partnership with the Antelope Valley Transit Authority, specific transit oriented public safety programming and outreach to promote the benefit of safe travel on the local bus system with an emphasis of adhering to federal, state and local mandates as related to COVID-19 guidelines.

The City under this agreement will provide City public safety field staff and service hours and will direct under its current contract with the Los Angeles County Sheriff's Department (LASD) to assign sworn personnel, equivalent to five forty-hour deputy positions, to this program. In return, the Antelope Valley Transit Authority agrees to reimburse the City for those associated costs for the term of this one (1) year and fifteen (15) day agreement. During the term of this one (1) year and fifteen (15) day agreement, the City and LASD, Palmdale Station, will document outreach and enforcement efforts, patrol hours, and calls for service in an effort to prioritize the needs for service under this agreement.

Prepared by:

Submitted by:

Judy Vaccaro-Fry
Director of Finance and Administration

Macy Neshati
Executive Director/CEO

Attachment: A – Agreement No. A-6992

**AGREEMENT NO. A-6992
PUBLIC SAFETY PROGRAMMING BETWEEN THE CITY OF PALMDALE AND THE
ANTELOPE VALLEY TRANSIT AUTHORITY, A JOINT POWERS AUTHORITY**

This Public Safety Programming (hereinafter called "Agreement") is made and entered into this 15th day of June 2020, by and between the City of Palmdale, a Municipal Corporation and Charter City (hereinafter called "City"), and the Antelope Valley Transit Authority, a Joint Powers Authority (hereinafter called "AVTA").

RECITALS

WHEREAS, the City currently utilizes its public safety programming and has a contract with the Los Angeles County Sheriff's Department to provide community engagement and law enforcement services to the City; and

WHEREAS, AVTA has identified a need to actively promote and, if necessary, enforce federal, state, county and local ordinances, laws and regulations related to social distancing and other mitigation efforts related to COVID-19 containment and requires a law enforcement presence at various bus stops and the AVTA Transfer Station located at the City of Palmdale Transportation Center for the benefit of the commuters, staff, and City residents; and

WHEREAS, the City is solely responsible for providing law enforcement within its jurisdiction currently employs, funds, and staffs the Los Angeles County Sheriff Department (LASD) to focus on public safety throughout the City at the direction of the City; and

WHEREAS, the AVTA has agreed to contribute Federal Transit Administration (FTA) funding, Catalog of Federal Domestic Assistance CFDA 20.507, towards the cost of implementing a public safety transportation program that provides LASD sworn personnel coverage, and related City cost, as it relates to implementing and operating the proposed public safety transportation program that seeks enforcement of social distancing and related mitigation strategies related to combating the spread of the COVID-19 virus.

NOW, THEREFORE, the parties agree as follows:

1. Parties to the Agreement.

The parties to this Agreement are:

- A. City: The City of Palmdale, a Municipal Corporation
38300 N. Sierra Highway, Suite A
Palmdale, California, 93550

B. AVTA: Antelope Valley Transit Authority, a Joint Powers Authority
42210 6th Street West
Lancaster, California, 93534

2. Representatives of the Parties and Service of Notices.

The representatives of the parties who are primarily responsible for the administration of this Agreement, and to whom formal notices, demands and communications shall be given, are as follows:

A. The principal representative of the City shall be:

JJ Murphy, ICMA-CM
City Manager
City of Palmdale
38300 N. Sierra Highway, Suite A
Palmdale, California 93550
(661) 267-5101
Citymanager@cityofpalmdale.org

With a copy to:

City Attorney's Office
City Attorney
City of Palmdale
38300 N. Sierra Highway, Suite B
Palmdale, CA 93550
Cityattorney@cityofpalmdale.org

B. The principal representative of the AVTA shall be:

Macy Neshati
Executive Director/CEO Antelope Valley Transit Authority
42210 6th Street West Lancaster, California 93534
(661) 729-2229
Mneshati@avta.com

Or any successor designated by the Antelope Valley Transit Authority Board of Directors pursuant to Section 2(D) below.

With a copy to:

Board of Directors
Antelope Valley Transit Authority
42210 6th Street West
Lancaster, CA 93434
Info@AVTA.com

Agreement with Antelope Valley Transit Authority, a Joint Powers Authority

- C. Formal notices, demands, and communications to be given hereunder by either party shall be made in writing and may be affected by certified mail or by nationally.
 - D. If the name of the principal representative designated to receive the notices, demands or communications, or the address of such person is changed, written notice shall be given within five (5) working days of said changes.
3. Description of Agreed Services.
- A. The City of Palmdale will administer, coordinate, and promote, in partnership with the AVTA, the implementation of a public safety transportation program promoting the benefits of utilizing local the AVTA transportation in Palmdale.
 - B. Under the Law Enforcement Services Agreement (hereinafter called "LESA") with the LASD, the City will cause the assignment equivalent to five forty-hour Deputy Sheriff personnel, and as needed, City personnel to this program. LASD hours will be flexible at the most appropriate hours and days as required to maintain this program. The City will schedule LASD hours as recommended by the AVTA and approved by the City Manager.
 - C. The rendition of the Services performed by City of Palmdale staff and LASD, the standards of performance, the discipline of officers, and other matters incident to the performance of such services and the control of personnel so employed shall remain with the City of Palmdale and as applicable the LASD under the LESA with the City. In the event of a dispute between the parties to this Agreement as to the extent of the duties and functions to be rendered, or the minimum level or manner of performance of such service, the City shall be consulted and a mutual determination thereof shall be made by both the City and the AVTA.
4. Payment for Service.
- A. The City will direct the LASD to provide the equivalent service level of five 40-hour Deputy Sheriff personnel to this program, under its existing LESA. The City shall invoice AVTA for LASD personnel to be placed under the terms and conditions of the current LESA.
 - B. During this one-year and fifteen day term of this agreement from June 15, 2020 through June 30, 2021, AVTA will reimburse the City \$1,610,335.00 which represents the cost of five forty-hour Deputy Sheriff personnel and \$322,067.00 for City field staff and administrative costs including community outreach for a total agreement amount of \$1,932,402.00.
 - C. All persons employed in the performance of such services and functions pursuant to this Agreement shall be City of Palmdale and/or LASD employees and no Agreement with Antelope Valley Transit Authority, a Joint Powers Authority

person employed hereunder shall have any AVTA pension or any other status or right as to the AVTA.

D. The AVTA shall not be called upon to assume any liability for the direct payment of any LASD salaries, wages, or other compensation to any County personnel performing service hereunder.

5. Reimbursement Procedures.

A. The City will invoice the AVTA quarterly in the amount of \$483,100.50

B. Payments should be made payable to "The City of Palmdale" and sent to the City of Palmdale, Finance Department, 38300 Sierra Highway, Ste. D., Palmdale, CA 93550.

C. The City will invoice the AVTA at the end of each fiscal quarter and AVTA shall issue payment within thirty days of each invoice.

6. Terms of Agreement.

A. Unless sooner terminated as provided for herein, this Agreement shall be effective June 15, 2020 and shall remain in effect until June 30, 2021.

Notwithstanding the provisions of paragraph 6. A. above, either party may terminate this agreement as of the first day of any month upon notice in writing to the other party of not less than sixty (60) days prior thereto. If the City gives notice to terminate this agreement, the City will reimburse the AVTA for the prorated amount for any amounts paid in advance beyond the effective date of such termination.

7. Indemnification and Insurance.

A. The AVTA, at its expense, shall provide and maintain in effect at all times during the terms of this Agreement the following coverage and limits of insurance naming as additional insured the City of Palmdale, its elected officials, officers, employees and agents (collectively, for purposes of this Section 7, "the City"), and shall provide written notice to the City at least thirty (30) days prior to the expiration or other termination of the coverage. Such insurance coverage and limits shall consist of, but not be limited to, the following:

Commercial General Liability

-\$1,000,000 limit on a per occurrence basis

-\$2,000,000 general aggregate limit

B. The AVTA agrees to indemnify, defend and hold harmless the City and the LASD from and against all claims, losses, obligations, or liabilities which arise out of, or Agreement with Antelope Valley Transit Authority, a Joint Powers Authority

are in any way related to, the AVTA acts, errors or omissions, or those of its employees or agents under this agreement, except to the extent that any of the same arise from the negligent acts, errors or omissions of the City, or the LASD, or those of its employees or agents under this Agreement.

To the extent permitted by law, the City agrees to indemnify, defend and hold harmless the AVTA, and its respective officers, agents and employees, from and against all claims, losses, obligations or liabilities which arise out of, or are in any way related to, any breach of this Agreement by the City the City's acts, errors or omissions, or those of its employees or agents under this Agreement, except to the extent that any of the same arise from the negligent acts, errors or omissions of the AVTA, or those of its employees or agents under this Agreement.

Any indemnity obligations under this Section 7 shall survive the expiration or termination of this Agreement.

8. General Provisions.

- A. This Agreement integrates all the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.
- B. Both parties agree that this agreement will be subject to all Federal Terms and Conditions (See attachment A) as applicable for the use of FTA funds.
- C. No modification, waiver, amendment, discharge or change to this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is or may be sought.
- D. If any term or provision of this Agreement of the application thereof shall to any extent be invalid or unenforceable, the remainder of the Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected hereby and each term and provision of this Agreement shall be valid and enforced to the extent permitted by law.
- E. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereto.
- F. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.
- G. The City shall comply (and shall cause the LASD to comply) with all applicable tax laws and, it will withhold (or cause to be withheld) all applicable federal employment taxes and assessments and pay said taxes and assessments as Agreement with Antelope Valley Transit Authority, a Joint Powers Authority

required by the Internal Revenue Code. AVTA shall not be responsible for the payment or withholding of any taxes for the services performed or income generated by this Agreement. This Agreement shall not constitute, nor should it be construed as constituting a joint venture or principal/agency relationship between the City or the LASD and the AVTA. The City agrees that no representations shall be made (and shall cause the Los Angeles County Sheriff's Department not to make any representations) that either of such parties an agent or employee of the AVTA.

- H. Either party to this Agreement may, upon breach of any of the terms and provisions of this Agreement by the other party, send such other party written notice of such breach. In the event any breach is not cured within ten (10) days after receipt of such notice of breach, then the party causing such breach shall be deemed in default in its obligations under this Agreement, and the non-defaulting Party shall have such rights and remedies and shall be available to it at law or in equity;

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provided that in the event a default does not involve emergency circumstances and cannot reasonably be cured within ten (10) days after written notice and the defaulting party is proceeding diligently to cure the default, the defaulting party shall have additional time as may be reasonably necessary to cure said default.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested to by their proper officers hereunto duly authorized.

CITY OF PALMDALE:

Antelope Valley Transit Authority:

J.J. Murphy, ICMA-CM Date
City Manager

Macy Neshati Date
Executive Director/CEO

ADDRESS FOR NOTICE:

ADDRESS FOR NOTICE:

CITY OF PALMDALE
38300 N. Sierra Highway, Suite A
Palmdale, California 93550
661-267-5101

Antelope Valley Transit Authority
42210 6th Street West
Lancaster, CA 93534
(661) 729-2229

APPROVE AS TO FORM:

Wm. Matthew Ditzhazy
City Attorney

ATTEST:

ATTEST: If Corporation

Rebecca J. Smith
City Clerk

Secretary

Attachments:

1. Exhibit 1 AVTA and Federal Terms, Conditions and Clauses
2. Exhibit 2 Certification of Compliance with Federal Lobbying Requirements
3. Exhibit 3 Disclosure of Lobbying Activities Instructions for Completion of SF LLL
4. Exhibit 4 Insurance Requirements
5. Exhibit 5 Prompt Payment Affidavit

Exhibit 1 – AVTA and Federal Terms, Conditions and Clauses

1. **Time is of the Essence.** Time is of the essence in the performance of this Contract. Company is providing services which may involve transportation, and the health, safety and welfare of the general public within Antelope Valley area of Los Angeles County, California. Delivery time is of the essence. Delivery must be made in accordance with the delivery schedule as promised by the Company.
2. **Contract Amendments.** This Contract shall be modified only by a written Contract Amendment signed by the Customer's Board Chairman, Executive Director/CEO or designee duly authorized to enter into Contracts on behalf of the Customer.
3. **No Third Party Beneficiaries.** The Customer and Company are the only parties to this Contract and are the only parties entitled to enforce its terms. Nothing in this Contract gives or provides any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name in this Contract and expressly described as intended beneficiaries of this Contract.
4. **Merger Clause.** This Contract and the attached exhibits constitute the entire agreement between the parties. All understandings and agreements between the parties and representations by either party concerning this Contract are contained in this Contract. No waiver, consent, modification, or change in the terms of this Contract shall bind either party unless in writing and signed by both parties. Any written waiver, consent, modification, or change shall be effective only in the specific instance and for the specific purpose given.
5. **Governing Law.** The provisions of this Contract shall be construed in accordance with the laws of the State of California and the provisions of the Antelope Valley Transit Procurement Policy. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in Los Angeles County, California. In the event of litigation in a U.S. District Court, exclusive venue shall lie in the U.S. District Court located in Los Angeles, Los Angeles County, California.
6. **Purchase Order.** Company acknowledges and agrees that Company has read, understands and agrees to the Purchase Order upon execution of this Agreement, the Company acknowledges they have read, understands and agree (with incorporation of the revised terms noted herein) to the Purchase Order General Terms and Conditions, which are available for viewing at www.avta.com. The Purchase Order Terms and Conditions referenced above are hereby made a part of this Agreement and subsequent purchases.
7. **Early Termination.** This Contract may be terminated as follows:
 - a. The Customer and Company, by written agreement, may terminate this Contract at any time.
 - b. The Customer, in its sole discretion, may terminate this Contract for any reason on thirty (30) days written notice to Company.
 - c. Either the Customer or Company may terminate this Contract in the event of a breach of the Contract by the other. Prior to such termination, the party seeking termination shall give to the other party written notice of the breach and intent to terminate. If the party committing the breach has not entirely cured the breach within fifteen (15) days of the date of the notice, then the party giving the notice may terminate the Contract at any time thereafter by giving a written notice of termination.
 - d. Notwithstanding paragraph 7(c), Customer may terminate this Contract immediately by written notice to Company upon denial, suspension, revocation, or non-renewal of any license, permit, or certificate that Company must hold to provide services under this Contract.

- 8. Payment on Early Termination.** Upon termination pursuant to paragraph 7, payment shall be made as follows:
- a. If terminated under 7(a) or 7(b) for the convenience of the Customer, the Customer shall pay Company for work performed prior to the termination date if such work was performed in accordance with the Contract. Customer shall not be liable for direct, indirect, or consequential damages. Termination shall not result in a waiver of any other claim the Customer may have against Company.
 - b. If terminated under 7(c) by the Company due to a breach by the Customer, then the Customer shall pay the Company for work performed prior to the termination date if such work was performed in accordance with the Contract.
 - c. If terminated under 7(c) or 7(d) by the Customer due to a breach by the Company, then the Customer shall pay the Company for work performed prior to the termination date provided such work was performed in accordance with the Contract less any setoff to which the Customer is entitled.
- 9. Remedies.** In the event of breach of this Contract, the parties shall have the following remedies:
- a. If terminated under 7(c) by the Customer due to a breach by the Company, the Customer may complete the work either itself, by agreement with another Company, or by a combination thereof. If the cost of completing the work exceeds the remaining unpaid balance of the total compensation provided under this Contract, then the Company shall pay to the Customer the amount of the excess.
 - b. In addition to the remedies in paragraphs 7 and 8 for a breach by the Company, the Customer also shall be entitled to any other equitable and legal remedies that are available.
 - c. If the Customer breaches this Contract, Company's remedy shall be limited to termination of the Contract and receipt of Contract payments to which Company is entitled.
- 10. Waiver.** Waiver of any default under this Contract by Customer shall not be deemed to be a waiver of any subsequent default or a modification of the provisions of this Contract.
- 11. Non Waiver of Liability.** The Customer as a public entity supported by monetary tax funding, in execution of its public trust, shall not agree to waive any lawful or legitimate right to recover monetary funds lawfully due it. Therefore, Company agrees that it will not insist upon or demand any statement whereby the Customer agrees to limit in advance or waive any right the Customer might have to recover actual lawful damages in any court of law under applicable California law.
- 12. Conflict of Interest/Contract Cancellation.** Company stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers, and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation, or government unit that would create a conflict of interest in the performance of its obligations pursuant to this Contract.
- Pursuant to State of California enacted Political Reform Act of 1974, this Contract is subject to cancellation by the Customer if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of the Customer is, at any time while the Contract is in effect, an employee of any other party to the Contract in any capacity or a Company to any other party of the Contract with respect to the subject matter of the Contract.
- 13. No Kick Back Fee.** Company stipulates that no person has been employed or has been retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee; and that no member of the Board of Directors or any employee of the Customer has any interest, financially or otherwise, in this Contract that has not been publically declared

and procured in accordance with Anti-Kickback Act of 1986 (41 United States Code Section 51, et. seq.). In case of breach or violation of this requirement, the Customer shall have the right to annul this Contract without liability or at its discretion to deduct from the Contract price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

14. **Gratuities.** The Customer may, by written notice to the Company, cancel this Contract if it is found that gratuities, in the form of entertainment, gifts, or otherwise, were offered or given by the Company or any agent or representative of the Company, to any officer or employee of the Customer. In the event this Contract is canceled by the Customer pursuant to this provision, the Customer shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Company the amount of the gratuity.
15. **Non Exclusive Contract.** Any subsequent Contract resulting from the solicitation shall be awarded with the understanding and agreement that it is for the sole convenience of the Customer. The Customer reserves the right to obtain like goods, service, or work product from another source when necessary.
16. **Force Majeure.**
 - a. Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term 'force majeure' means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.
 - b. Force Majeure shall not include the following occurrences:
 1. Late delivery of item(s)(equipment, material, product, services or work product, etc.) caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;
 2. Late performance by a subCompany unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or
 3. Inability of either the Company or any subCompany to acquire or maintain any required insurance, bonds, licenses, or permits.
 - c. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.
 - d. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused, by force majeure.
 - e. The Customer shall have no obligation to pay Company for services that are suspended by a force majeure event.

- 17. Gratuities.** The Customer may, by written notice to the Company, cancel this Contract if it is found that gratuities, in the form of entertainment, gifts, or otherwise, were offered or given by the Company or any agent or representative of the Company, to any officer or employee of the Customer. In the event this Contract is canceled by the Customer pursuant to this provision, the Customer shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Company the amount of the gratuity.
- 18. Non Exclusive Contract.** Any subsequent Contract resulting from the solicitation shall be awarded with the understanding and agreement that it is for the sole convenience of the Customer. The Customer reserves the right to obtain like goods, service, or work product from another source when necessary.
- 19. Late Submission of Claim.** The Customer shall not honor any invoices or claims which are tendered six (6) months or later after the right to receive payment for the last item of the account accrued.
- 20. Access to Records.** Company shall maintain fiscal records and all other records pertinent to this Contract. All fiscal records shall be maintained pursuant to generally accepted accounting standards, and other records shall be maintained to the extent necessary to clearly reflect actions taken. All such records shall be retained and kept accessible for no less than **five (5) years** following final payment. Customer's authorized representatives shall have the right to direct access to all of Company's books, documents, papers and records related to this Contract for the purpose of conducting audits and examinations and making copies, excerpts and transcripts. Customer shall reimburse Company for Company's cost of preparing copies at a rate of \$.15 per page, if requested by Company.
- 21. Insurance Requirements.** Company shall maintain throughout the term of the Contract the amounts and limits established and referenced in the solicitation documents and included herein. See "Exhibit 4 – Insurance Requirements".
- 22. Indemnity.** To the maximum extent permitted by law, Company shall indemnify, defend, save, and hold harmless the Customer, its boards, commissions, directors, departments, officers, officials, agents, and employees individually and collectively (hereinafter referred to as "Indemnitees") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation, and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), any financial loss, or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of, or arising out of, or relating to activities of, the Company or any of its owners, officers, directors, agents, employees, or subcontractors under this Contract. It is the specific intention of the parties that the Customer shall, in all instances be indemnified by Company from and against any and all claims, regardless of whether or not the Claims are caused in whole or in part by a party indemnified hereunder. It is agreed that Company will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. However, neither Company nor any attorney engaged by Company shall defend the claim in the name of the Customer or any department of the Customer, nor purport to act as legal representative of the Customer or any of its departments, without first receiving from Antelope Valley Transit Authority's Counsel's Office, authority to act as legal counsel for the Customer, nor shall Company settle any claim on behalf of the Customer without the approval of Customer's Board of Directors or Executive Director/CEO. The Customer may, at its election and expense, assume its own defense.
- 23. Indemnity–Patents, Copyright, and Trademark.** Company agrees to defend the Customer, its boards, commissions, directors, departments, officers, officials, agents, and employees individually and collectively (hereinafter referred to as "Indemnitees") at Company's own expense, in all suits, actions, and/or proceedings in which the Customer is made a defendant for actual or alleged infringement of any United States of America or foreign letters, patents or intellectual property rights resulting from the

Customer's use of the item(s)(equipment, material, product, services or work product, etc.) purchased as a result of this Procurement (Request For Proposals (RFP) and subsequent Contract). Company further agrees to pay and discharge any and all judgments or decrees which may be rendered in any such suit, action, or proceedings against the Customer. Company agrees to indemnify and hold harmless the Indemnitees from any and all license, royalty and proprietary fees or costs, including payment of Indemnitees' attorneys' fees, costs of experts and any other legal costs, which may arise out of the Customer's purchase and use of goods, service, or work product supplied by the Company. Company will indemnify Indemnitees against all claims for damages to persons or property resulting from defects in materials or workmanship. It is expressly agreed by Company that these covenants are irrevocable and perpetual.

24. **No Advance Payments.** Advance payments are not authorized. Payment will be made for only actual services or commodities that have been received and accepted by the Customer.
25. **Advertisement.** Company shall not advertise or publish news releases concerning this Contract without the prior written consent of the Customer's Executive Director/CEO or designee.
26. **Non-Discrimination Clause.** In accordance with Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. sections 1681 *et seq.* and 49 CFR Part 25, Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, and Federal transit law at 49 U.S.C. § 5332, the Company agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, disability, source of income, or political affiliation in programs, activities, services, benefits, or employment. Company shall not discriminate against minority-owned, women-owned, or disadvantaged small businesses. Company shall include a provision in each sub-contract requiring subcontractors to comply with the requirements of this clause. In addition, the Company agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.
27. **Equal Employment Opportunity.** The following equal employment opportunity requirements apply to this Contract:
 - a. Race, Color, Creed, National Origin, Sex – In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Company agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 *et seq.*, (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Company 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, national origin, sex, or age. Such action shall include, but not 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 Company 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 Company agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Company 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 Company 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 Company agrees to comply with any applicable implementing requirements issued by the federal government.
 - d. Subcontracts – The Company also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance, modified only if necessary to identify the affected parties.
- 28. OMB Circular A-133.** If Company is determined by the Customer to be a sub-recipient of federal funds passed through the Customer, the Company must submit an annual Federal Compliance Audit in conformity with the OMB Circular A-133, which applies the Federal Single Audit Act of 1984, Public Law 98-502, to non-profit organizations.
- 29. Disadvantaged/Minority/Woman Business Enterprise.** Company agrees to give Disadvantaged/Minority/Woman Businesses the maximum practical opportunity to participate in this Contract when possible, by obtaining supplies, materials, and services from such firms.
- 30. Non Appropriation Clause - Fiscal Year.** If appropriations are reallocated, reduced or eliminated by legislative action or for any reason these goods and / or services are not funded, during any fiscal year the Customer may take any of the following actions:
- a. Accept a decrease in price offered by the Company and complete the Contract;
 - b. Place the Contract on-hold and pay the Company for work performed up to the date of the non-appropriation notice. Work must be performed in accordance with the Contract prior to payment and be less any setoff to which the Customer is entitled. The contract may be resumed at a later date when funding is reestablished. Contract cannot be resumed beyond a (4) four year time period from the date of non-appropriation notice. Company must also reaffirm pricing and resubmit insurance and bonding certificates, if applicable. Documents must be received by the Customer prior to resuming the Contract;
 - c. Cancel the Contract and pay the Company for work performed up to the date of the non-appropriation notice. Work must be performed in accordance with the Contract prior to payment and be less any setoff to which the Customer is entitled, and re-solicit a new procurement;
 - d. Cancel the contract and re-solicit the requirements;
 - e. Cancel the contract.
- 31. Non Appropriation Clause - Future Fiscal Year.** Funds may not presently be available for performance under this Contract beyond the current Customer’s fiscal year. If payment for performance under this Contract extends into next fiscal year, the Customer’s obligation to pay for such performance is subject to approval of future appropriations to fund this Contract by legislative action. The Customer shall have no legal liability to pay funds due for performance under the terms of the Contract until and unless funds are appropriated by legislative action.
- 32. Notice to Proceed.** The Company agrees to render services promptly and diligently upon receipt of written notice by a duly authorized Customer’s Agent and to proceed with any or all of the services set forth herein.

- 33. Right to Assurance.** Whenever one party to this Contract in good faith has reason to question the other party's intent to perform, the former party may demand that the other party give a written assurance of this intent to perform. In the event that a demand is made and no written assurance is given within **seven (7) days**, the demanding party may treat this failure as an anticipatory repudiation of this Contract.
- 34. Non Performance.** In the event of nonperformance under this Contract, the Customer, after **seven (7) days** written notice to the Company, shall have the right to obtain from other sources such item(s)(equipment, material, product, services or work product, etc.) as may be required to accomplish the work not performed, and it is agreed that the difference in cost, if any, for said work or goods shall be borne by the Company.

For purposes of this section, nonperformance shall be defined as failure to appear and perform work and/or deliver item(s)(equipment, material, product, services or work product, etc.) as specified and scheduled.

- 35. Liens and Stop Notices.** Company shall hold the Customer harmless from liens and stop notices filed by claimants supplying labor or materials to the Company or its subcontractors in the performance of the work required under this Contract. Company shall provide written certification that all liens against materials and labor, and/or stop notices, have been satisfied, before the Customer will make final payment.
- 36. Severability.** If any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or provision held invalid.
- 37. Title and Risk of Loss.** The title and risk of loss of materials and/or service shall not pass to the Customer until the Customer actually receives and unconditionally accepts the material and/or service at the point of delivery FOB; and such loss, injury, or destruction shall not release Company from any obligation hereunder. The Customer shall notify the Company promptly of any damaged item(s)(equipment, material, product, services or work product, etc.), and further shall assist the Company in arranging for inspection.
- 38. Employment Standards.** The Company agrees that upon request by the Customer, it shall remove from the Customer's premises any Company's employee, who, in the reasonable opinion of the Customer, is guilty of improper conduct, bringing any unauthorized personnel (including their own children) into a facility or work area, or is not qualified to perform the work assigned. The Company agrees that its employees must complete and pass a security background check, if so requested.
- 39. Organization–Employment Disclaimer.** The agreement resulting hereunder is not intended to constitute, create, give rise to, or otherwise recognize a joint venture agreement or relationship, partnership or formal business organization of any kind, and the right and obligations of the parties shall be only those expressly set forth in the agreement. The parties agree that no persons supplied by the Company in the performance of Company's obligations under the agreement are considered to be Customer's employees and that no rights of Customer's civil service, retirement or personnel rules accrue to such persons. The Company shall have total responsibility for all salaries, wage bonuses, retirement, withholdings, workers' compensation, occupational disease compensation, unemployment compensation, other employee benefits, and all taxes and premiums appurtenant thereto concerning such persons and shall save and hold the Customer harmless with respect thereto.

- 40. Default in One Installment to Constitute Breach.** Each installment or lot of the agreement is dependent on every other installment or lot and a delivery of nonconforming goods, service, or work product or a default of any nature under one installment or lot will impair the value of the whole agreement and constitute a breach of the agreement as a whole.
- 41. Security.** Any disclosure or removal of any Customer material and/or information marked as confidential or private on the part of Company shall be cause for immediate cancellation of the Contract. Any liability, including, but not limited to, attorney fees, resulting from any action or suit brought against the Customer as a result of the Company's willful or negligent release of information, documents, or property contained in Customer facilities shall be borne solely by the Company.
- 42. Preference for Recycled Materials.** Company agrees to comply with all the requirement of Section 6002 of the Resource Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including the regulatory provisions of 40 C.F.R. Part 247, and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 C.F.R. Part 247.
- 43. Prohibition on Government Contracts.** The Proposer/Company shall comply with all applicable provisions of Public Law 110-174 – Sudan Accountability and Divestment Act of 2007, as amended and Public Law 104-172 - Iran Sanctions Act of 1996, as amended. Proposer/Company further agrees that they shall not have any scrutinized business operations in Sudan and/or Iran.
- 44. Terrorism Country Divestments.** In accordance with Export Administration Act of 1979, as amended, Customer is prohibited from purchasing from a company that is in violation of this Export Administration Act. By entering into this Contract, Proposer/Company warrants compliance with the Export Administration Act.
- 45. Company's Employee E-Verify Eligibility Requirement.** The Proposer/Company shall comply with all applicable provisions of the Federal Immigration and Nationality Act (FINA), Title 8, United States Code (USC), which requires compliance with federal immigration laws by State employers, State Companies and State subcontractors in accordance with the E-Verify Employee Eligibility Verification Program. See the following website for further information: www.dhs.gov/e-verify.
- Pursuant to the previous listed regulations, Customer may request verification of compliance from any Company or subcontractor performing work under this Contract. Customer reserves the right to confirm compliance. Should Customer suspect or find that the Company or any of its subcontractors are not in compliance, Customer may pursue any and all remedies allowed by law, including, but not limited to suspension of work, termination of this Contract for breach or default, and suspension and/or debarment of the Company. All costs necessary for compliance shall be solely borne by the Proposer/Company.
- 46. DBE Contract Assurance.** The Company, sub-recipient, or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Company shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT assisted contracts. Failure by the Company 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 the recipient deems appropriate.
- 47. Prompt Payment To Subcontractors.**
- a. The Company is required to pay all Subcontractors for all work that the Subcontractor has satisfactorily completed, no later than ten (10) calendar days after the Company has received payment from the Customer.

- b. In addition, all Retainage amounts must be paid by the Company to the Subcontractor no later than seven (7) business days after the Subcontractor has, in the opinion of the Customer and/or Company, satisfactorily completed its portion of the Work.
- c. A delay in or postponement of payment to the Subcontractor requires good cause and prior written approval of the Customer's Procurement and Contracts Office.
- d. The Company is required to include, in each subcontract, a clause requiring the use of appropriate arbitration mechanisms to resolve all payment disputes.
- e. The Customer will not pay the Company for work performed unless and until the Company ensures that the Subcontractors have been promptly paid for the work they have performed under all previous payment requests, as evidenced by the filing with the Customer of lien waivers, canceled checks (if requested), and the Company's sworn statement that it has complied with the prompt payment requirements. Prime Contractors must submit a prompt payment affidavit, (form to be provided by the Customer) which identifies each subcontractor (both DBE and non-DBE) and the date and amount of the last payment to such subcontractor, with every payment request filed with the Customer, except for the first payment request, on every contract with the Customer. (See **Exhibit 5 - Prompt Payment Affidavit**).
- f. Failure to comply with these prompt payment requirements is a breach of the Contract, which may lead to any remedies permitted under law, including, but not limited to, Company debarment. In addition, Company's failure to promptly pay its Subcontractors is subject to the provisions of Code of Federal Regulations (CFR) Title 49, Part 26 and California Public Contract Code.

48. Reporting Requirements during the Term of the Contract

- a. The proposer shall, within five (5) business days from contract execution, or prior to any work being performed, execute formal subcontracts or purchase orders with the DBE firms included in the proposal. These written agreements shall be made available to the Procurement and Contracts Office, DBE Program, upon request. All contracts between the proposer/Company and its subcontractors must contain a prompt payment affidavit as set forth in Exhibit 5 herein.
- b. During the term of annual contracts, the proposer/Company shall submit regular "Status Reports of DBE Subcontract Payments" in a form acceptable to the Customer. The frequency with which these reports are to be submitted will be determined by the Procurement and Contracts Office, DBE Program, but in no event will reports be required less frequently than quarterly. **In the absence of written notice from the Procurement and Contracts Office, DBE Program, the bidder's/proposer's first "Status Report of DBE Subcontract Payments" will be due 90 days after the date of contract award, with additional reports due quarterly thereafter.**
- c. In the case of a one-time procurement with either a single or multiple deliveries, a "Status Report of DBE Subcontract Payments," in a form acceptable to the Customer, indicating final DBE payments shall be submitted directly to the Procurement and Contracts Office, DBE Program. The information must be submitted prior to or at the same time as the bidder's/proposer's final invoice to the Customer user department identified in the solicitation. (NOTICE: The original invoices must be submitted directly to the Customer's department identified in the contract documents and the Status Report of DBE Subcontract Payments must be submitted directly to the Procurement and Contracts Office, DBE Program.) **Failure to follow these directions may delay final payment.**
- d. The address for the Procurement and Contracts Office, DBE Program, is: Customer Procurement and Contracts Office, Antelope Valley Transit Authority, 42210 6th Street West, Lancaster, CA, 93534.

49. No Government Obligations to Third Parties

A. Applicability.

This Article applies to all federally funded contracts.

- B. Notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award this 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 Customer, Company, or any other party (whether or not a party to that Contract) pertaining to any matter resulting from this Contract. Company shall include this Article in each Subcontract and shall not modify the Article, except to identify the subcontractor who will be subject to its provisions.

50. Program Fraud And False or Fraudulent Statements or Related Acts

A. Applicability.

This Article applies to all federally funded contracts.

- B. 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, shall apply to actions pertaining to this Contract. Upon execution of this Contract, Company certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining this Contract or the FTA assisted project for which this Contract Work is being performed. In addition to other penalties that may be applicable, Company 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 Company to the extent the Federal Government deems appropriate.
- C. Company also acknowledges that this Contract is 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 and if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on Company, to the extent the Federal Government deems appropriate.
- D. Company shall include this Article in each subcontract financed in whole or in part with Federal assistance provided by FTA. Company shall not modify the Article, except to identify the Subcontractor who will be subject to the provisions.

51. Access to Third Party Contract Records

A. Applicability

This Article applies to all federally funded contracts.

- B. For a period of three (3) years following Agreement closing, the Company shall maintain, preserve and make available to Customer, the FTA Administrator, the Comptroller General of the United States, and any of their authorized representatives, access at all reasonable times to any books, documents, papers and records of Company which are directly pertinent to this Agreement for the purposes of making audits, examinations, excerpts and transcriptions. Company also agrees, pursuant to 49 CFR 633.17, to provide the FTA Administrator or his or her authorized representatives, including any project management oversight Company, access to Company's records and sites pertaining to a major capital project, defined at 49 U.S.C. § 5302(a)1, which is receiving federal financial assistance through the programs described at 49 U.S.C. § 5307, § 5309 or § 5311.

- C. The Company shall maintain and Customer shall have the right to examine and audit all records and other evidence sufficient to reflect properly all prices, costs or rates negotiated and invoiced in performance of this Agreement. This right of examination shall include inspection at all reasonable times of the Company's offices engaged in performing the Agreement.
- D. If this Agreement is completely or partially terminated, the Company shall make available the records relating to the work terminated until three (3) years after any resulting final termination settlement. The Company shall make available records relating to appeals under the Disputes clause or to litigation or the settlement of claims arising under or relating to this Agreement until such appeals, litigation, or claims are finally resolved.
- E. "Access to Records and Reports" applies with equal force and effect to any subcontractors hired by the Company to perform Work under this Agreement. The Company shall insert this provision in all subcontracts under this Agreement and require subcontractor compliance therewith.

52. Administration (FTA) Terms, and Federal Changes.

A. Applicability.

This Article applies to all federally funded contracts.

- B. This Contract includes, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the Contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220.1F, dated November 1, 2008 (including any changes, revisions or successor circulars) are automatically 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 Contract. Company shall not perform any act, fail to perform any act, or refuse to comply with any Customer requests which would cause Customer to be in violation of the FTA terms and conditions. This Contract is subject to a financial assistance agreement between Customer and the Federal Transit Administration of the US Department of Transportation and all laws, regulations, guidelines, and provisions of the financial assistance agreement apply to this Contract and are incorporated by reference as if fully set forth herein.
- C. Company shall at all times comply with all applicable federal laws and regulations, including without limitation FTA regulations, policies, procedures and directives, including those listed directly or by reference in Applicable Grant Agreements between Customer and FTA, as they may be amended or promulgated from time to time during the term of this Contract collectively "Federal Requirements". These Federal Requirements may change and the changed Federal Requirements will apply to this Contract as required unless the Federal Government determines otherwise. Company's failure to so comply with the Federal Requirements shall constitute a material breach of this Contract.

53. Disadvantaged Business Enterprise (DBE)

- A. This Agreement shall be governed by the terms of the DBE Policy of Customer. It is the policy of Customer that DBEs as defined in 49 C.F.R. Part 26 shall have the opportunity to compete fairly for contracts financed in whole or in part with federal funds under this Agreement. Consequently, the DBE requirements of 49 C.F.R. Part 26 apply to this Agreement.
- B. Company agrees that it will take necessary and reasonable steps to ensure that DBEs as defined in 49 C.F.R. Part 26 have a fair opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with federal funds provided under this Agreement. Company shall not discriminate on the basis of race, color, national origin, physical or mental disability, or sex in the award and performance of DOT assisted contracts.
- C. The established goals for this Agreement shall be in accordance with Customer's DBE Program in effect at the time of proposal submittal.

- D. The established DBE participation goal for this Agreement is 4.00 percent.
- E. Company shall submit a DBE Utilization Report with each Application and Certification for Payment.

54. Energy Conservation Requirements.

A. Applicability.

This Article applies to all federally funded contracts.

- B. Company shall 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 42 USC § 6321 et seq.

55. Recycled Products.

A. Applicability.

This Article applies to federally funded operations/management, construction, or materials & supplies contracts for items designated by the Environmental Protection Agency, when procuring \$10,000 or more per year.

- B. To the extent practicable and economically feasible, a competitive preference shall be given for products and services that conserve natural resources and protect the environment and are energy efficient.

56. Suspension And Debarment

A. Applicability.

This article applies to federally funded contracts and subcontracts at any level expected to equal or exceed \$25,000 as well as any contract or subcontract (at any level) for federally required auditing services.

- B. This Contract is a covered transaction for purposes of 49 CFR Part 29. As such, Company shall verify that none of the Company, 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. Company shall comply with 49 CFR 29, Subpart C and shall include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into.
- C. By entering into this Contract, Company certifies that it shall comply with the requirements of 49 CFR 29, Subpart C throughout the period of this Contract and that Company has not been suspended or debarred. This certification is a material representation of fact relied upon by Customer. If it is later determined that Company knowingly rendered an erroneous certification, in addition to remedies available to Customer, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

57. Americans With Disabilities Act.

Company shall ensure that the Project meets the applicable Accessibility Guidelines for Transportation Facilities set out as Appendix A to 49 C.F.R. Part 37. Company agrees to comply with all applicable requirements of the Americans with Disabilities Act of 1990 (ADA), section 504 of the Rehabilitation Act of 1973, and any implementing requirements FTA may issue.

58. Clean Water and Clean Air Requirements.

A. Applicability.

This Article applies to all federally funded contracts over \$100,000.

B. Clean Water Requirements.

Company shall comply with all applicable standards, orders or regulations issued pursuant to the

Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq., and all applicable clean water standards of the State of California and any state or local agency having jurisdiction. Company shall report each violation to Customer. Customer will, in turn, report each violation as required to FTA and the appropriate EPA Regional Office, and all other agencies having jurisdiction.

C. Clean Air.

Company shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq. and all applicable Clean Air Standards of the State of California or any state or local agency having jurisdiction. Company shall report each violation to Customer. Customer will, in turn, report each violation as required to FTA, the appropriate EPA Regional Office and all other agencies having jurisdiction.

59. Compliance with Federal Lobbying Policy.

A. Applicability.

The following Article applies to federally funded contracts over \$100,000.

- B. The Byrd Anti-Lobbying Amendment, 31 U.S.C. 1352, requires that Companies who apply or bid/proposal for an award of \$100,000 or more shall file the certification required by 49 CFR Part 20, attached hereto as the certification entitled, "Certification of Compliance with Federal Lobbying Requirements." As set forth in the certifications, each tier of subcontractors shall certify to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. 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 shall be forwarded from tier to tier up to Customer.

60. Buy America.

A. Applicability.

The following Article applies to federally funded rolling stock purchase and construction contracts over \$100,000 and to contracts over \$100,000 for materials & supplies for steel, iron, or manufactured products.

- B. Company shall comply with 49 U.S.C. 5323(j) and 49 CFR Part 661, which provide that Federal funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver.

Customer may investigate Company's, any Subcontractor's, and any Supplier's compliance with this Article. If an investigation is initiated, Company, Subcontractor, or Supplier shall document its compliance, in accordance with 49 CFR 661.15, and cooperate with the investigation. Company shall incorporate the Buy America conditions set forth in this Article in every subcontract or purchase order and shall enforce such conditions.

61. Cargo Preference.

A. Applicability.

The following Article applies to federally funded contracts involving equipment, materials, or commodities which may be transported by ocean vessels.

- B. Use Of United States Flag Vessels.

Company shall use privately owned United States-Flag commercial vessels to ship at least 50 percent of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners, and tankers)

involved, whenever shipping any equipment, material, or commodities pursuant to this Contract to the extent such vessels are available at fair and reasonable rates for United States-Flag commercial vessels Company shall furnish within 20 working days following the date of loading for shipments originating within the United States or within 30 working days following the date of leading for shipments originating outside the United States, a legible copy of a rated, "on-board" commercial ocean bill-of-lading in English for each shipment of cargo described in the preceding paragraph to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590 and to Customer (through Company in the case of a subcontractor's bill-of-lading). Company shall include these requirements in all subcontracts issued pursuant to this Contract when the subcontract may involve the transport of equipment, material, or commodities by ocean vessel.

62. Fly America.

A. Applicability.

This Article applies to federally funded contracts if the contract or subcontracts may involve the international transportation of goods, equipment, or personnel by air.

- B. Company agrees to comply with 49 U.S.C. 40118 (the "Fly America" Act) in accordance with the General Services Administration's regulations at 41 CFR Part 301-10, which provide that recipients and sub-recipients of Federal funds and their Companies are required to use U.S. Flag air carriers for U.S. Government-financed international air travel and transportation of their personal effects or property, to the extent such service is available, unless travel by foreign air carrier is a matter of necessity, as defined by the Fly America Act. Company shall submit, if a foreign air carrier was used, an appropriate certification or memorandum adequately explaining why service by a U.S. flag air carrier was not available or why it was necessary to use a foreign air carrier and shall, in any event, provide a certificate of compliance with the Fly America requirements. Company agrees to include the requirements of this section in all subcontracts that may involve international air transportation.

63. Non-Construction Employee Protections - Contract Work Hours and Safety Standards Act.

A. Applicability

This Article applies to federally funded non-construction contracts over \$100,000 (including ferry vessels), for all turnkey, rolling stock purchases over \$100,000 and to operations/management contracts over \$100,000 (except transportation services and open market contracts).

- B. Company agrees to comply, and assures the compliance of each subcontractor, lessee, third party Company, and other participant at any tier of the Agreement, with the employee wage and hour protection requirements for non-construction employees of the Contract Work Hours and Safety Standards Act, as amended, 40 U.S.C. §§ 3701 *et seq.*, in particular with the wage and hour requirements of section 102 of that Act at 40 U.S.C. § 3702, and other relevant parts of that Act, 40 U.S.C. 3701, *et seq.*, and with implementing U.S. DOL regulations, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction (also Labor Standards Provision Applicable to Non-construction Contracts Subject to the Contract Work Hours and Safety Standards Act)," 29 CFR Part 5.

64. Federal Patent and Data Rights.

A. Applicability

This Article applies to each contract involving experimental, developmental or research work and for which the purpose of the FTA grant is to finance the development of a product or information.

B. Subject Data

The term "Subject Data" used in this Article means recorded information, whether or not copyrighted,

that is delivered or specified to be delivered under the Contract. The term includes graphic or pictorial delineation in media such as drawings or photographs; text in Specifications or related performance or design-type documents; machine forms such as punched cards, magnetic tape, or computer memory printouts; and information retained in computer memory. Examples include, but are not limited to: computer software, engineering drawings and associated lists, Specifications, standards, process sheets, manuals, technical reports, catalog item identifications, and related information. The term "Subject Data" does not include financial reports, cost analyses, and similar information incidental to contract administration.

C. Restrictions on Subject Data

The following restrictions apply to all Subject Data first produced in the performance of the Contract:

- A. Except for its own internal use, Customer or Company may not publish or reproduce Subject Data in whole or in part, or in any manner or form, nor may Customer or Company authorize others to do so, without the written consent of the Federal Government, until such time as the Federal Government may have either released or approved the release of such data to the public; this restriction on publication, however, does not apply to any contract with an academic institution.
2. In accordance with 49 C.F.R. § 18.34 and 49 C.F.R. § 19.36, the Federal Government reserves a royalty-free, non-exclusive and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for "Federal Government purposes," any Subject Data or copyright described in subparagraphs C.2(a) and C.2(b) of this Paragraph C.2. As used in the previous sentence, "for Federal Government purposes," means use only for the direct purposes of the Federal Government. Without the copyright owner's consent, the Federal Government may not extend its Federal license to any other party.
 - (a) Any Subject Data developed under the Contract, whether or not a copyright has been obtained; and
 - (b) Any rights of copyright purchased by Customer or Company using Federal assistance in whole or in part provided by FTA.
3. When FTA awards Federal assistance for experimental, developmental, or research work, it is FTA's general intention to increase transportation knowledge available to the public, rather than to restrict the benefits resulting from the work to participants in that work. Therefore, unless FTA determines otherwise, Customer and Company performing experimental, developmental, or research work required by the Contract shall permit FTA to make available to the public, either FTA's license in the copyright to any Subject Data developed in the course of the Contract, or a copy of the Subject Data first produced under the Contract for which a copyright has not been obtained. If the experimental, developmental, or research work, which is the subject of the Contract, is not completed for any reason whatsoever, all data developed under the Contract shall become Subject Data and shall be delivered as the Federal Government may direct. This Paragraph C.3 shall not apply to adaptations of automatic data processing equipment or programs for Customer's or Company's use whose costs are financed in whole or in part with Federal assistance provided by FTA for transportation capital projects.
4. Unless prohibited by state law, upon request by the Federal Government, Customer and Company shall indemnify, save, and hold harmless the Federal Government, its officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by Customer or Company of proprietary rights, copyrights, or right of privacy, arising out of the publication, translation, reproduction, delivery, use, or disposition of any data furnished under the Contract. Neither Customer nor Company shall be required to indemnify the Federal Government for any such liability arising out of the wrongful act of any employee, official, or agent of the Federal Government
5. Nothing contained in this Article shall imply a license to the Federal Government under any patent

or be construed as affecting the scope of any license or other right otherwise granted to the Federal Government under any patent.

6. Data developed by Customer or Company and financed entirely without using Federal assistance provided by the Federal Government that has been incorporated into work required by the Contract is exempt from the requirements of Paragraphs 2, 3, and 4 of this Article, provided that Customer or Company identifies that data in writing at the time of delivery of the Contract Work.

D. Patent Rights

If any invention, improvement, or discovery is conceived or first actually reduced to practice in the course of or under the Contract, and that invention, improvement, or discovery is patentable under the laws of the United States of America or any foreign country, Customer and Company shall take actions necessary to provide immediate notice and a detailed report to the party at a higher tier until FTA is ultimately notified.

- E. Provision of Rights in Invention to Federal Government Unless the Federal Government later makes a contrary determination in writing, irrespective of Company's status (a large business, small business, state government or state instrumentality, local government, nonprofit organization, institution of higher education, individual), Customer and Company shall take the necessary actions to provide, through FTA, those rights in that invention due the Federal Government as described in U.S. Department of Commerce regulations, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," 37 C.F.R. Part 401.

65. Interests of Members of / or Delegates to Congress. In accordance with 18 U.S.C. Section 431, 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 therefore.

66. Interests of Members of / or Delegates to Congress. In accordance with 18 U.S.C. Section 431, 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 those rights in that invention due the Federal Government as described in U.S. Department of Commerce regulations, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," 37 C.F.R. Part 401.

67. Federal Lobbying Certificate Requirements

(a) Definitions, as used in this clause:

Agency as defined in Title 5 USC § 552(f), includes federal executive departments and agencies as well as independent regulatory commissions and government corporations, as defined in Title 31 USC § 9101(1).

AVTA ("Customer") means the Antelope Valley Transit Authority, Los Angeles County, California.

Covered Federal action means any of the following federal actions:

1. The awarding of any federal contract;
2. The making of any federal grant;
3. The making of any federal loan;
4. The entering into of any cooperative agreement, and
5. The extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement.

Covered federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

Indian tribe and **tribal organization** have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act Title 25 USC § 450(b). Alaskan Natives are included under the definitions of Indian tribes in that Act.

Influencing or attempting to influence means making, with the intent to influence, any communication to or appearance before 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 any covered federal action.

Local government means a unit of government in a state and, if chartered, established, or otherwise recognized by a state for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments,

a sponsor group representative organization, and any other instrumentality of a local government.

Officer or employee of an agency includes the following individuals who are employed by an agency:

1. An individual who is appointed to a position in the government under Title 5, USC, including a position under a temporary appointment;
2. A member of the uniformed services as defined in Title 37 USC § 101(3);
3. A special government employee as defined in, Title 18 USC § 202; and,
4. An individual who is a member of a federal advisory committee, as defined by the Federal Advisory Committee Act, Title 5 USC Appendix 2.

Person means an individual, corporation, company, association, authority, firm, partnership, society, state, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other federal law.

Reasonable compensation means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the federal government.

Reasonable payment means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

Recipient includes all Companies and subcontractors at any tier in connection with a federal contract. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other federal law.

Regularly employed means, with respect to an officer or employee of a person requesting or receiving a federal contract, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 days.

State means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a state, and a multi-state, regional, or interstate entity having governmental duties and powers.

(b) Prohibition.

- (1) Title 31 USC § 1352 provides in part that no appropriated funds may be expended by the recipient of a federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence 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 any of the following covered federal actions: 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) The prohibition does not apply as follows:

(i) Agency and legislative liaison by Own Employees.

- (A) The prohibition on the use of appropriated funds, in paragraph (b) (1) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a federal contract if the payment is for agency and legislative liaison activities not directly related to a covered federal action.
- (B) For purposes of paragraph (b) (2) (i) (A) of this section, providing any information specifically requested by an agency or Congress is allowable at any time.
- (C) For purposes of paragraph (b) (2) (i) (A) of this section, the following agency and legislative liaison activities are allowable at anytime only where they are not related to a specific solicitation for any covered federal action:
 - (1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the persons products or services, conditions or terms of sale, and service capabilities, and
 - (2) Technical discussions and other activities regarding the application or adaptation of the persons products or services for an agency's use.
- (D) For purposes of paragraph (b) (2) (i) (A) of this section, the following agency and legislative liaison activities are allowable only when they are prior to formal solicitation of any covered federal action:
 - (1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered federal action;
 - (2) Technical discussions regarding the preparation of an unsolicited proposal prior to official submission, and
 - (3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.
- (E) Only those activities expressly authorized by paragraph (b) (2) (i) of this section are allowable under paragraph (b) (2) (i).

(ii) Professional and technical services by Own Employees.

- (A) The prohibition on the use of appropriated funds, in paragraph (b) (1) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a federal contract or an extension, continuation, renewal, amendment, or modification of a federal contract if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal or application for that federal contract or for meeting requirements imposed by or pursuant to law as a condition for receiving that federal contract.
- (B) For purposes of paragraph (b) (2) (ii) (A) of this section professional and technical services shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However,

communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her clients proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered federal action.

- (C) Requirements imposed by or pursuant to law as a condition for receiving a covered federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.
- (D) Only those services expressly authorized by paragraph (b) (2) (ii) of this section are allowable under paragraph (b) (2) (ii).

(iii) Reporting for Own Employees.

No reporting is required with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

(iv) Professional and technical services by Other than Own Employees.

- (A) The prohibition on the use of appropriated funds, in paragraph (b) (1) of this section, does not apply in the case of any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that federal contract or for meeting requirements imposed by or pursuant to law as a condition for receiving that federal contract.
- (B) For purposes of paragraph (b) (2) (iv) (A) of this section professional and technical services shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered federal action.
- (C) Requirements imposed by or pursuant to law as a condition for receiving a covered federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

- (D) Persons other than officers or employees of a person requesting or receiving a covered federal action include Companies and trade associations.
- (E) Only those services expressly authorized by paragraph (b) (2) (iv) of this section are allowable under paragraph (b) (2) (iv).

(c) Disclosure.

- (1) Each person who requests or receives from Customer a contract with federal assistance shall file with Customer a certification, set forth in IFB/RFP Submittal Form entitled FEDERAL LOBBYING CERTIFICATION, that the person has not made, and will not make, any payment prohibited by paragraph (b) of this clause.
- (2) Each person who requests or receives from Customer a contract with federal assistance shall file with Customer a disclosure form, Standard Form-LLL, Disclosure of Lobbying Activities, if such person has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered federal action), which would be prohibited under paragraph (b) of this clause if paid for with appropriated funds.
- (3) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under paragraph (c) (2) of this section. An event that materially affects the accuracy of the information reported includes:
 - (i) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action; or
 - (ii) A change in the person(s) or individual(s) influencing or attempting to influence a covered federal action; or,
 - (iii) A change in the officer(s), employee(s), or member(s) contacted to influence or attempt to influence a covered federal action.
- (4) Any person who requests or receives from a person referred to in paragraph (c) (1) of this section a subcontract with a contract value exceeding \$100,000 at any tier under a contract with federal assistance shall file a certification, and a disclosure form, if required, to the next tier above. All disclosure forms shall be forwarded from tier to tier until received by the Prime Company who will forward it to Customer.

EXHIBIT 2

CERTIFICATION OF COMPLIANCE WITH FEDERAL LOBBYING REQUIREMENTS (49 CFR PART 20)

To be submitted with each Bid/Proposal or offer of Bidder/Proposer exceeding \$100,000

The _____ (Bidder/Proposer) certifies to the best of its knowledge and belief that:

1. No federally 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 any agency; a member of Congress, an officer or employee of Congress, an employee of a member of Congress; or any Board member or employee of Customer in connection with the awarding of any federal contract; any federally funded contract; or the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment or modification of any federal contract, federally funded 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, or influencing or attempting to influence; an officer or employee of any agency; a member of Congress; an officer or employee of Congress; an employee of a member of Congress or a Board member or employee of Customer in connection with this federally funded contract, grant, loan, or cooperative agreement, the undersigned shall register and comply with all federal disclosure requirements.
3. The undersigned shall require that the language of this certification be included in the solicitation and award documents for all subawards at all tiers including but not limited to 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 Title 31 USC § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any offeror 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.

Executed on this _____ day, of _____, 20____, by:

Bidder/Proposer: _____

Authorized Representative: _____

Signature of Authorized Representative: _____

Title: _____

Date: _____

EXHIBIT 3
DISCLOSURE OF LOBBYING ACTIVITIES INSTRUCTIONS FOR COMPLETION OF SF-LLL

This disclosure form shall be completed by the reporting entity, whether subawardee or prime federal recipient, at the initiation of receipt of a covered federal action, or a material change to a previous filing, pursuant to Title 31 USC § 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence 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 a covered federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered federal action.
2. Identify the status of the covered federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime if the first tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks Subawardee, then enter the full name, address, city, state and zip code of the prime federal recipient. Include the Congressional District, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the federal program, name or description for the covered federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate federal identifying number available for the federal action identified in item 1 (e.g. Request For Proposals (RFP) number, Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the federal agency). Include prefixes, e.g., RFP-DE-90-001.
9. For a covered federal action where there has been an award or loan commitment by the federal agency, enter the federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered federal action.
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter LastName, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box (es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the dates of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with federal officials. Identify the federal official(s) or employee(s) contacted or the officer(s), employee(s), or member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (03-46-00046). Washington, D.C. 20503.

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to
 Title 31 USC § 1352

(See next page for public burden disclosure.)

1. Type of Federal Action: ... a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	2. Status of Federal Action: ... a. bid/offer/application b. initial award c. post award	3. Status of Federal Action: ... a. initial change b. material change For Material Change Only: year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity Prime ... Subawardee Tier _____, if known: Congressional District, if known:	5. If Reporting Entity in No. 4 is subawardee. Enter name and Address of Prime: Congressional District, if known:	
6. Federal Department/Agency: Department of Transportation Federal Transit Administration	7. Federal Program Name/Description: CFDA Number, if applicable: _____	
8. Federal Action Number, if known:	9. Award Amount, if known: \$	
10. a. Name and Address of Lobbying Entity (if individual, last name, first name, MI): attach continuation sheet(s) SF-LLL-A if necessary	b. Individuals Performing Services (including address if different from No. 10.a) (last name, first name, MI): attach continuation sheet(s) SF-LLL-A if necessary	
11. Amount of Payment (check all that apply): \$ _____... actual ... planned		
12. Form of Payment (check all that apply): a. cash b. in-kind; specify: nature _____ value _____	13. Type of Payment (check all that apply): ... a. retainer ... b. one-time fee ... c. commission ... d. contingent fee ... e. deferred ... f. other; specify _____	
14. Brief Description of Services Performed or to be Performed and Date(s) of Service, including officer(s), employer(s), or member(s) contacted, for Payment indicated in Item 11:		
15. Continuation Sheet(s) SF-LLL-A attached: ... Yes ... No		

16. Information requested through this form is authorized by Title 31
Signature: _____ USC § 1352. This disclosure of lobbying activities
is a material
representation of fact upon which reliance was placed by the tier
Print Name: _____
above when this transaction was made or entered into. This
information will be reported to the Congress semi-annually and will Title: _____
be available for public inspection. Any person who fails to file the
required disclosure shall be subject to a civil penalty of not less than Telephone No.: _____ Date: _____
\$10,000 and not more than \$100,000 for each such failure.

Federal Use Only:

Authorized for Local Reproduction Standard Form - LLL

**DISCLOSURE OF LOBBYING ACTIVITIES
CONTINUATION SHEET**

Reporting Entity: _____ Page _____ of _____

EXHIBIT 4 – INSURANCE REQUIREMENTS

Company shall at all times maintain in force at Company's expense, each insurance noted below:**

Workers' Compensation insurance in compliance with **California Code of Regulation, Title 8 - Industrial Relations, Chapter 4.5 - Division of Workers' Compensation, together with Employer's Liability insurance with coverage limits of not less than \$1,000,000 must be included, unless exempt.**

THIS COVERAGE IS REQUIRED. Attach Certificate of Insurance. If Company does not have coverage and claims to be exempt, attach proof that an exemption is grantable pursuant to California Code of Regulation, Title 8 - Industrial Relations, Chapter 4.5 - Division of Workers' Compensation.

Commercial General Liability insurance, on an occurrence basis, with a combined single limit of not less than \$1,000,000, \$2,000,000 each occurrence for Bodily Injury and Property Damage, with an annual aggregate limit of \$1,000,000, \$2,000,000. This insurance must include contractual liability coverage.

Required by Customer Not required by Customer

Automobile Liability insurance with a combined single limit, or the equivalent of not less than \$1,000,000, \$2,000,000 each claim, incident, or occurrence for Bodily Injury and Property Damage, including coverage for owned, hired, or non-owned vehicles, with an annual aggregate limit of \$1,000,000, \$2,000,000.

Required by Customer Not required by Customer, if use of the vehicle is not required as part of the service provided to Customer.

Coverage must be provided by an insurance company admitted to do business in California and rated A-VII or better by AM Best's Insurance Rating. Company's coverage will be primary in the event of loss. Company shall pay all deductibles and retentions. A cross-liability clause or separation of insured's condition will be included in all commercial general liability policies required by this Contract.

Company shall furnish a Certificate of Insurance, and original required endorsement(s), to the Customer with the signed Contract. The Policy(ies) shall provide that there shall be no cancellation, termination, material change, or reduction of limits of the insurance coverage without **ten (10) calendar days** written notice from the Company or Company's insurer to the Customer. The Certificate shall also state the deductible or retention level. If requested, complete copies of insurance policies shall be provided to the Customer. The Policy(ies) shall require that not less than ten (10) days written notice shall be provided to the Customer prior to any reduction in policy limits or coverage, and not less than ten (10) days' notice shall be provided to the Customer prior to cancellation of any required policy.

If Company ships all item(s)(equipment, material, product, services or work product, etc.) to be supplied under this Contract by common carrier and will not make deliveries to the Customer using its own employees, and/or transportation proof of insurance as set forth in this section of the solicitation documents will not be required.

The amount and type of insurance coverage as required herein is not intended to, and shall not be interpreted to, limit the scope of the indemnity set forth in this Contract.

Additional Insureds. The commercial general liability and automobile liability insurance policies shall be endorsed to provide that the "**Antelope Valley Transit Authority, its boards, commissions, directors, departments, officers, officials, agents, and employees are additional Insureds with respect to Company's services to be provided under this Contract.**" These policies shall require the insurer to waive the right of subrogation. Company waives the right of subrogation. If requested, complete copies of insurance policies shall be provided to the Customer.

****Note to Contract Originator:** For certain types of contracts additional insurance may be required. Procurement and Contracts Officer's Office.

EXHIBIT 5 - PROMPT PAYMENT AFFIDAVIT

(Form to be used only upon payment to DBE Subcontractors)

Consultant will place a check in the appropriate box below that applies to this payment request.

Re: Payment Request No. _____

I, _____ (Name), the _____ (Title - e.g., President, Vice President, etc.) of _____ ("Company"), do state the following with regard to payments made under Customer Contract No. _____ ("Contract"):

A. ___ Subcontractors, at the first tier, both DBE and non-DBE, who completed work and were listed for payment on the prior Payment Request No. _____, were paid no later than ten (10) business days after Consultant received payment from Customer.

B. ___ Copies of invoices and cancelled checks for subcontractors at the first tier who were paid under the prior payment request have been delivered or mailed to the Procurement and Contracts Office, DBE Program. In addition, Consultant has attached to the current Payment Request all lien waivers for prior subcontractor payments and any other documentation required by the Customer. (Failure to attach all required documentation to the Payment Request or forward cancelled checks and invoices to the Customer's Procurement and Contracts Office, DBE Program may cause the Payment Request to be rejected by the Customer.)

C. ___ All retainage amounts withheld from any subcontractor who satisfactorily completed its portion of the contract work, including punch list items, were paid to the subcontractor(s) no later than seven (7) business days after it satisfactorily completed its work, whether or not the Customer has paid said retainage amounts to Consultant. Attach a copy of the cancelled check evidencing payment of each retainage amount.

D. ___ There was no delay in or postponement of any payment owed to a subcontractor, whether periodic payment or retainage amount, except for good cause and after receipt of prior written approval from the Customer's Procurement and Contracts Office.

Attach a copy of the written approval from the Customer's Procurement and Contracts Office.

Company Name

Signature

Print Name

Date

SIGNATURE MUST BE WITNESSED BY A NOTARY

PROMPT PAYMENT AFFIDAVIT (CONTINUED)

State of California)
County of _____)
)

On _____ before me, _____

(insert name and title of the officer)

personally appeared _____
_____.

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

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

WITNESS my hand and official seal.

Signature _____

(Seal)

Signature of Notary Public



DATE: May 26, 2020

TO: BOARD OF DIRECTORS

SUBJECT: Public Safety Programming Agreement No. 2020-53 Between the Antelope Valley Transit Authority and City of Lancaster

RECOMMENDATION

That the Board of Directors: 1) approve Agreement No. 2020-53 (Attachment A), a Public Safety Programming Agreement between the City of Lancaster and the Antelope Valley Transit Authority; and 2) authorize the Executive Director to execute the agreement and all necessary documents.

FISCAL IMPACT

Antelope Valley Transit Authority agrees to reimburse the City \$1,932,402 for the term of the agreement for the implementation and administration of a Transit Oriented Public Safety Program and for related calls for service. Adequate funding exists through the special CARES Act 5307 allocation received by AVTA.

BACKGROUND

The COVID-19 Pandemic has brought new challenges to all industries and all walks of life and has been especially difficult to deal with in the transportation sector which by definition moves masses of people while we seek to fight and contain a disease that requires separation and distancing along with personal protective equipment. As new regulations are passed by state, county and local cities, AVTA's responsibility to continue to provide mass transit services as safely as possible while complying with these new rules will require a combination of public education, outreach and law enforcement assistance from our jurisdictional stakeholders.

Under this Agreement, the City of Lancaster will create and implement, in partnership with the Antelope Valley Transit Authority, specific transit oriented public safety programming and outreach to promote the benefit of safe travel on the local bus system with an emphasis of adhering to federal, state and local mandates as related to COVID-19 guidelines.

The City under this agreement will provide City public safety field staff and service hours and will direct under its current contract with the Los Angeles County Sheriff's Department (LASD) to assign sworn personnel, equivalent to five forty-hour deputy positions, to this program. In return, the Antelope Valley Transit Authority agrees to reimburse the City for those associated costs for the term of this one (1) year and fifteen (15) day agreement. During the term of this one (1) year and fifteen (15) day agreement, the City and LASD, Lancaster Station, will document outreach and enforcement efforts, patrol hours, and calls for service in an effort to prioritize the needs for service under this agreement.

Prepared by:

Submitted by:

Judy Vaccaro-Fry
Director of Finance and Administration

Macy Neshati
Executive Director/CEO

Attachment: A – Agreement No. 2020-53

**AGREEMENT NO. 2020-53
PUBLIC SAFETY PROGRAMMING BETWEEN THE CITY OF LANCASTER AND
THE ANTELOPE VALLEY TRANSIT AUTHORITY, A JOINT POWERS
AUTHORITY**

This Public Safety Programming (hereinafter called "Agreement") is made and entered into this 1st day of June 2020, by and between the City of Lancaster, a Municipal Corporation and Charter City (hereinafter called "City"), and the Antelope Valley Transit Authority, a Joint Powers Authority (hereinafter called "AVTA").

RECITALS

WHEREAS, the City currently utilizes its public safety programming and has a contract with the Los Angeles County Sheriff's Department to provide community engagement and law enforcement services to the City; and

WHEREAS, AVTA has identified a need to actively promote and, if necessary, enforce federal, state, county and local ordinances, laws and regulations related to social distancing and other mitigation efforts related to COVID-19 containment and requires a law enforcement presence at various bus stops and the AVTA Transfer Station located at Owen Memorial Park for the benefit of the commuters, staff, and City residents; and

WHEREAS, the City is solely responsible for providing law enforcement within its jurisdictional boundaries currently employs, funds and staffs Deputy Sheriff positions that focus on public safety programming at the direction of the City; and

WHEREAS, the AVTA has agreed to contribute Federal Transit Administration (FTA) funding, Catalog of Federal Domestic Assistance CFDA 20.507, towards the cost of implementing a public safety transportation program that provides LASD sworn personnel coverage, and related City cost, as it relates to implementing and operating the proposed public safety transportation program that seeks enforcement of social distancing and related mitigation strategies related to combating the spread of the COVID-19 virus.

NOW, THEREFORE, the parties agree as follows:

1. Parties to the Agreement.

The parties to this Agreement are:

- A. City: The City of Lancaster
44933 Fern Avenue
Lancaster, California, 93534

B. AVTA: Antelope Valley Transit Authority, a Joint Powers Authority
42210 6th Street West
Lancaster, California, 93534

2. Representatives of the Parties and Service of Notices.

The representatives of the parties who are primarily responsible for the administration of this Agreement, and to whom formal notices, demands and communications shall be given, are as follows:

A. The principal representative of the City shall be:

City Manager
City of Lancaster
44933 Fern Avenue
Lancaster, California 93534

With a copy to:

City Attorney's Office
Attn: Asst. City Attorney
City of Lancaster
44933 Fern Avenue
Lancaster, CA 93534

B. The principal representative of the AVTA shall be:

Macy Neshati
Executive Director/CEO Antelope Valley Transit Authority
42210 6th Street West Lancaster, California 93534
(661) 729-2229
Mneshati@avta.com

Or any successor designated by the Antelope Valley Transit Authority Board of Directors pursuant to Section 2(D) below.

With a copy to:

Board of Directors
Antelope Valley Transit Authority
42210 6th Street West
Lancaster, CA 93434
Info@AVTA.com

C. Formal notices, demands, and communications to be given hereunder by either party shall be made in writing and may be affected by certified mail or by nationally recognized overnight courier.

Agreement with Antelope Valley Transit Authority, a Joint Powers Authority

D. If the name of the principal representative designated to receive the notices, demands or communications, or the address of such person is changed, written notice shall be given within five (5) working days of said changes.

3. Description of Agreed Services.

A. The City of Lancaster will administer, coordinate, and promote, in partnership with the AVTA, the implementation of a public safety program promoting the benefits of utilizing local the AVTA transportation in Lancaster.

B. Under the Law Enforcement Services Agreement (hereinafter called "LESA") with the Los Angeles County Sheriff's Department, the City will cause the assignment equivalent to five forty-hour Deputy Sheriffs, and as needed, City personnel to this program. The Deputy Sheriff hours will be flexible to be on duty at the most appropriate hours and days as required to maintain this program. The City will set The Los Angeles County Sheriff's Department deputy's hours as requested by the AVTA.

C. The rendition of the Services performed by City of Lancaster staff and the Sheriff's Department, the standards of performance, the discipline of officers, and other matters incident to the performance of such services and the control of personnel so employed shall remain with the City of Lancaster and as applicable the County of Los Angeles under the LESA with the City. In the event of a dispute between the parties to this Agreement as to the extent of the duties and functions to be rendered, or the minimum level or manner of performance of such service, the City shall be consulted and a mutual determination thereof shall be made by both the City and the AVTA.

4. Payment for Service.

A. The City will direct the Los Angeles County Sheriff's Department to provide the equivalent service level of five 40-hour Deputy Sheriffs to this program, under its existing LESA. The City shall invoice AVTA for the deputy sheriff to be placed under the terms and conditions of the current LESA.

B. During the one-year term of this agreement from July 1, 2020 through June 30, 2021, AVTA will reimburse the City \$1,610,335.00 which represents the cost of five 40 hour Deputy Sheriffs and \$322,067.00 for City field staff and administrative service costs including community outreach for a total agreement amount of \$1,932,402.00.

C. All persons employed in the performance of such services and functions pursuant to this Agreement shall be City of Lancaster and/or County employees and no person employed hereunder shall have any AVTA pension or any other status or right as to the AVTA.

D. The AVTA shall not be called upon to assume any liability for the direct payment of any Sheriff's Department salaries, wages, or other compensation to any County personnel performing service hereunder.

5. Reimbursement Procedures.

A. The City will invoice the AVTA quarterly in the amount of \$483,100.50

B. Payments should be made payable to "The City of Lancaster" and sent to the City of Lancaster, Finance Department, 44933 Fern Avenue, Lancaster, CA 93534.

C. The City will invoice the AVTA at the end of each fiscal quarter and AVTA shall issue payment within thirty days of each invoice.

6. Terms of Agreement.

A. Unless sooner terminated as provided for herein, this Agreement shall be effective June 1, 2020 and shall remain in effect until June 30, 2021.

Notwithstanding the provisions of paragraph 6A above, either party may terminate this agreement as of the first day of any month upon notice in writing to the other party of not less than sixty (60) days prior thereto. If the City gives notice to terminate this agreement, the City will (i) reimburse the AVTA for the prorated amount for any amounts paid in advance beyond the effective date of such termination.

7. Indemnification and Insurance.

A. The AVTA, at its expense, shall provide and maintain in effect at all times during the terms of this Agreement the following coverage and limits of insurance naming as additional insured the City of Lancaster, its elected officials, officers, employees and agents (collectively, for purposes of this Section 7, "the City"), and shall provide written notice to the City at least thirty (30) days prior to the expiration or other termination of the coverage. Such insurance coverage and limits shall consist of, but not be limited to, the following:

Commercial General Liability

-\$1,000,000 limit on a per occurrence basis

-\$2,000,000 general aggregate limit

B. The AVTA agrees to indemnify, defend and hold harmless the City and the Los Angeles County Sheriff's Department from and against all claims, losses, obligations, or liabilities which arise out of, or are in any way related to, (i) the AVTA acts, errors or omissions, or those of its employees or agents under this agreement, except to the extent that any of the same arise from the negligent

Agreement with Antelope Valley Transit Authority, a Joint Powers Authority

acts, errors or omissions of the City, or the Los Angeles County Sheriff's Department, or those of its employees or agents under this Agreement.

To the extent permitted by law, the City agrees to indemnify, defend and hold harmless the AVTA, and its respective officers, agents and employees, from and against all claims, losses, obligations or liabilities which arise out of, or are in any way related to, (i) any breach of this Agreement by the City (ii) the City's acts, errors or omissions, or those of its employees or agents under this Agreement, except to the extent that any of the same arise from the negligent acts, errors or omissions of the AVTA, or those of its employees or agents under this Agreement.

Any indemnity obligations under this Section 7 shall survive the expiration or termination of this Agreement.

8. General Provisions.

- A. This Agreement integrates all the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.
- B. Both parties agree that this agreement will be subject to all Federal Terms and Conditions (See attachment A) as applicable for the use of FTA funds.
- C. No modification, waiver, amendment, discharge or change to this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is or may be sought.
- D. If any term or provision of this Agreement or the application thereof shall to any extent be invalid or unenforceable, the remainder of the Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected hereby and each term and provision of this Agreement shall be valid and enforced to the extent permitted by law.
- E. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereto.
- F. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.
- G. The City shall comply (and shall cause the Los Angeles Sheriff's Office to comply) with all applicable tax laws and, it will withhold (or cause to be withheld) all applicable federal employment taxes and assessments and pay said taxes and assessments as required by the Internal Revenue Code. AVTA shall not be responsible for the payment or withholding of any taxes for the services performed or income generated by this Agreement. This Agreement Agreement with Antelope Valley Transit Authority, a Joint Powers Authority

Exhibit 1 – AVTA and Federal Terms, Conditions and Clauses

1. **Time is of the Essence.** Time is of the essence in the performance of this Contract. Company is providing services which may involve transportation, and the health, safety and welfare of the general public within Antelope Valley area of Los Angeles County, California. Delivery time is of the essence. Delivery must be made in accordance with the delivery schedule as promised by the Company.
2. **Contract Amendments.** This Contract shall be modified only by a written Contract Amendment signed by the Customer's Board Chairman, Executive Director/CEO or designee duly authorized to enter into Contracts on behalf of the Customer.
3. **No Third Party Beneficiaries.** The Customer and Company are the only parties to this Contract and are the only parties entitled to enforce its terms. Nothing in this Contract gives or provides any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name in this Contract and expressly described as intended beneficiaries of this Contract.
4. **Merger Clause.** This Contract and the attached exhibits constitute the entire agreement between the parties. All understandings and agreements between the parties and representations by either party concerning this Contract are contained in this Contract. No waiver, consent, modification, or change in the terms of this Contract shall bind either party unless in writing and signed by both parties. Any written waiver, consent, modification, or change shall be effective only in the specific instance and for the specific purpose given.
5. **Governing Law.** The provisions of this Contract shall be construed in accordance with the laws of the State of California and the provisions of the Antelope Valley Transit Procurement Policy. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in Los Angeles County, California. In the event of litigation in a U.S. District Court, exclusive venue shall lie in the U.S. District Court located in Los Angeles, Los Angeles County, California.
6. **Purchase Order.** Company acknowledges and agrees that Company has read, understands and agrees to the Purchase Order upon execution of this Agreement, the Company acknowledges they have read, understands and agree (with incorporation of the revised terms noted herein) to the Purchase Order General Terms and Conditions, which are available for viewing at www.avta.com. The Purchase Order Terms and Conditions referenced above are hereby made a part of this Agreement and subsequent purchases.
7. **Early Termination.** This Contract may be terminated as follows:
 - a. The Customer and Company, by written agreement, may terminate this Contract at any time.
 - b. The Customer, in its sole discretion, may terminate this Contract for any reason on thirty (30) days written notice to Company.
 - c. Either the Customer or Company may terminate this Contract in the event of a breach of the Contract by the other. Prior to such termination, the party seeking termination shall give to the other party written notice of the breach and intent to terminate. If the party committing the breach has not entirely cured the breach within fifteen (15) days of the date of the notice, then the party giving the notice may terminate the Contract at any time thereafter by giving a written notice of termination.
 - d. Notwithstanding paragraph 7(c), Customer may terminate this Contract immediately by written notice to Company upon denial, suspension, revocation, or non-renewal of any license, permit, or certificate that Company must hold to provide services under this Contract.

- 8. Payment on Early Termination.** Upon termination pursuant to paragraph 7, payment shall be made as follows:
- a. If terminated under 7(a) or 7(b) for the convenience of the Customer, the Customer shall pay Company for work performed prior to the termination date if such work was performed in accordance with the Contract. Customer shall not be liable for direct, indirect, or consequential damages. Termination shall not result in a waiver of any other claim the Customer may have against Company.
 - b. If terminated under 7(c) by the Company due to a breach by the Customer, then the Customer shall pay the Company for work performed prior to the termination date if such work was performed in accordance with the Contract.
 - c. If terminated under 7(c) or 7(d) by the Customer due to a breach by the Company, then the Customer shall pay the Company for work performed prior to the termination date provided such work was performed in accordance with the Contract less any setoff to which the Customer is entitled.
- 9. Remedies.** In the event of breach of this Contract, the parties shall have the following remedies:
- a. If terminated under 7(c) by the Customer due to a breach by the Company, the Customer may complete the work either itself, by agreement with another Company, or by a combination thereof. If the cost of completing the work exceeds the remaining unpaid balance of the total compensation provided under this Contract, then the Company shall pay to the Customer the amount of the excess.
 - b. In addition to the remedies in paragraphs 7 and 8 for a breach by the Company, the Customer also shall be entitled to any other equitable and legal remedies that are available.
 - c. If the Customer breaches this Contract, Company's remedy shall be limited to termination of the Contract and receipt of Contract payments to which Company is entitled.
- 10. Waiver.** Waiver of any default under this Contract by Customer shall not be deemed to be a waiver of any subsequent default or a modification of the provisions of this Contract.
- 11. Non Waiver of Liability.** The Customer as a public entity supported by monetary tax funding, in execution of its public trust, shall not agree to waive any lawful or legitimate right to recover monetary funds lawfully due it. Therefore, Company agrees that it will not insist upon or demand any statement whereby the Customer agrees to limit in advance or waive any right the Customer might have to recover actual lawful damages in any court of law under applicable California law.
- 12. Conflict of Interest/Contract Cancellation.** Company stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers, and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation, or government unit that would create a conflict of interest in the performance of its obligations pursuant to this Contract.
- Pursuant to State of California enacted Political Reform Act of 1974, this Contract is subject to cancellation by the Customer if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of the Customer is, at any time while the Contract is in effect, an employee of any other party to the Contract in any capacity or a Company to any other party of the Contract with respect to the subject matter of the Contract.
- 13. No Kick Back Fee.** Company stipulates that no person has been employed or has been retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee; and that no member of the Board of Directors or any employee of the Customer has any interest, financially or otherwise, in this Contract that has not been publically declared

and procured in accordance with Anti-Kickback Act of 1986 (41 United States Code Section 51, et. seq.). In case of breach or violation of this requirement, the Customer shall have the right to annul this Contract without liability or at its discretion to deduct from the Contract price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

14. **Gratuities.** The Customer may, by written notice to the Company, cancel this Contract if it is found that gratuities, in the form of entertainment, gifts, or otherwise, were offered or given by the Company or any agent or representative of the Company, to any officer or employee of the Customer. In the event this Contract is canceled by the Customer pursuant to this provision, the Customer shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Company the amount of the gratuity.
15. **Non Exclusive Contract.** Any subsequent Contract resulting from the solicitation shall be awarded with the understanding and agreement that it is for the sole convenience of the Customer. The Customer reserves the right to obtain like goods, service, or work product from another source when necessary.
16. **Force Majeure.**
 - a. Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term 'force majeure' means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.
 - b. Force Majeure shall not include the following occurrences:
 1. Late delivery of item(s)(equipment, material, product, services or work product, etc.) caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;
 2. Late performance by a subCompany unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or
 3. Inability of either the Company or any subCompany to acquire or maintain any required insurance, bonds, licenses, or permits.
 - c. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.
 - d. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused, by force majeure.
 - e. The Customer shall have no obligation to pay Company for services that are suspended by a force majeure event.

- 17. Gratuities.** The Customer may, by written notice to the Company, cancel this Contract if it is found that gratuities, in the form of entertainment, gifts, or otherwise, were offered or given by the Company or any agent or representative of the Company, to any officer or employee of the Customer. In the event this Contract is canceled by the Customer pursuant to this provision, the Customer shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Company the amount of the gratuity.
- 18. Non Exclusive Contract.** Any subsequent Contract resulting from the solicitation shall be awarded with the understanding and agreement that it is for the sole convenience of the Customer. The Customer reserves the right to obtain like goods, service, or work product from another source when necessary.
- 19. Late Submission of Claim.** The Customer shall not honor any invoices or claims which are tendered six (6) months or later after the right to receive payment for the last item of the account accrued.
- 20. Access to Records.** Company shall maintain fiscal records and all other records pertinent to this Contract. All fiscal records shall be maintained pursuant to generally accepted accounting standards, and other records shall be maintained to the extent necessary to clearly reflect actions taken. All such records shall be retained and kept accessible for no less than **five (5) years** following final payment. Customer's authorized representatives shall have the right to direct access to all of Company's books, documents, papers and records related to this Contract for the purpose of conducting audits and examinations and making copies, excerpts and transcripts. Customer shall reimburse Company for Company's cost of preparing copies at a rate of \$.15 per page, if requested by Company.
- 21. Insurance Requirements.** Company shall maintain throughout the term of the Contract the amounts and limits established and referenced in the solicitation documents and included herein. See "Exhibit 4 – Insurance Requirements".
- 22. Indemnity.** To the maximum extent permitted by law, Company shall indemnify, defend, save, and hold harmless the Customer, its boards, commissions, directors, departments, officers, officials, agents, and employees individually and collectively (hereinafter referred to as "Indemnitees") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation, and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), any financial loss, or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of, or arising out of, or relating to activities of, the Company or any of its owners, officers, directors, agents, employees, or subcontractors under this Contract. It is the specific intention of the parties that the Customer shall, in all instances be indemnified by Company from and against any and all claims, regardless of whether or not the Claims are caused in whole or in part by a party indemnified hereunder. It is agreed that Company will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. However, neither Company nor any attorney engaged by Company shall defend the claim in the name of the Customer or any department of the Customer, nor purport to act as legal representative of the Customer or any of its departments, without first receiving from Antelope Valley Transit Authority's Counsel's Office, authority to act as legal counsel for the Customer, nor shall Company settle any claim on behalf of the Customer without the approval of Customer's Board of Directors or Executive Director/CEO. The Customer may, at its election and expense, assume its own defense.
- 23. Indemnity–Patents, Copyright, and Trademark.** Company agrees to defend the Customer, its boards, commissions, directors, departments, officers, officials, agents, and employees individually and collectively (hereinafter referred to as "Indemnitees") at Company's own expense, in all suits, actions, and/or proceedings in which the Customer is made a defendant for actual or alleged infringement of any United States of America or foreign letters, patents or intellectual property rights resulting from the

Customer's use of the item(s)(equipment, material, product, services or work product, etc.) purchased as a result of this Procurement (Request For Proposals (RFP) and subsequent Contract). Company further agrees to pay and discharge any and all judgments or decrees which may be rendered in any such suit, action, or proceedings against the Customer. Company agrees to indemnify and hold harmless the Indemnitees from any and all license, royalty and proprietary fees or costs, including payment of Indemnitees' attorneys' fees, costs of experts and any other legal costs, which may arise out of the Customer's purchase and use of goods, service, or work product supplied by the Company. Company will indemnify Indemnitees against all claims for damages to persons or property resulting from defects in materials or workmanship. It is expressly agreed by Company that these covenants are irrevocable and perpetual.

24. **No Advance Payments.** Advance payments are not authorized. Payment will be made for only actual services or commodities that have been received and accepted by the Customer.
25. **Advertisement.** Company shall not advertise or publish news releases concerning this Contract without the prior written consent of the Customer's Executive Director/CEO or designee.
26. **Non-Discrimination Clause.** In accordance with Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. sections 1681 *et seq.* and 49 CFR Part 25, Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, and Federal transit law at 49 U.S.C. § 5332, the Company agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, disability, source of income, or political affiliation in programs, activities, services, benefits, or employment. Company shall not discriminate against minority-owned, women-owned, or disadvantaged small businesses. Company shall include a provision in each sub-contract requiring subcontractors to comply with the requirements of this clause. In addition, the Company agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.
27. **Equal Employment Opportunity.** The following equal employment opportunity requirements apply to this Contract:
 - a. Race, Color, Creed, National Origin, Sex – In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Company agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 *et seq.*, (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Company 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, national origin, sex, or age. Such action shall include, but not 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 Company 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 Company agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Company 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 Company 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 Company agrees to comply with any applicable implementing requirements issued by the federal government.
 - d. Subcontracts – The Company also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance, modified only if necessary to identify the affected parties.
- 28. OMB Circular A-133.** If Company is determined by the Customer to be a sub-recipient of federal funds passed through the Customer, the Company must submit an annual Federal Compliance Audit in conformity with the OMB Circular A-133, which applies the Federal Single Audit Act of 1984, Public Law 98-502, to non-profit organizations.
- 29. Disadvantaged/Minority/Woman Business Enterprise.** Company agrees to give Disadvantaged/Minority/Woman Businesses the maximum practical opportunity to participate in this Contract when possible, by obtaining supplies, materials, and services from such firms.
- 30. Non Appropriation Clause - Fiscal Year.** If appropriations are reallocated, reduced or eliminated by legislative action or for any reason these goods and / or services are not funded, during any fiscal year the Customer may take any of the following actions:
- a. Accept a decrease in price offered by the Company and complete the Contract;
 - b. Place the Contract on-hold and pay the Company for work performed up to the date of the non-appropriation notice. Work must be performed in accordance with the Contract prior to payment and be less any setoff to which the Customer is entitled. The contract may be resumed at a later date when funding is reestablished. Contract cannot be resumed beyond a (4) four year time period from the date of non-appropriation notice. Company must also reaffirm pricing and resubmit insurance and bonding certificates, if applicable. Documents must be received by the Customer prior to resuming the Contract;
 - c. Cancel the Contract and pay the Company for work performed up to the date of the non-appropriation notice. Work must be performed in accordance with the Contract prior to payment and be less any setoff to which the Customer is entitled, and re-solicit a new procurement;
 - d. Cancel the contract and re-solicit the requirements;
 - e. Cancel the contract.
- 31. Non Appropriation Clause - Future Fiscal Year.** Funds may not presently be available for performance under this Contract beyond the current Customer’s fiscal year. If payment for performance under this Contract extends into next fiscal year, the Customer’s obligation to pay for such performance is subject to approval of future appropriations to fund this Contract by legislative action. The Customer shall have no legal liability to pay funds due for performance under the terms of the Contract until and unless funds are appropriated by legislative action.
- 32. Notice to Proceed.** The Company agrees to render services promptly and diligently upon receipt of written notice by a duly authorized Customer’s Agent and to proceed with any or all of the services set forth herein.

33. Right to Assurance. Whenever one party to this Contract in good faith has reason to question the other party's intent to perform, the former party may demand that the other party give a written assurance of this intent to perform. In the event that a demand is made and no written assurance is given within **seven (7) days**, the demanding party may treat this failure as an anticipatory repudiation of this Contract.

34. Non Performance. In the event of nonperformance under this Contract, the Customer, after **seven (7) days** written notice to the Company, shall have the right to obtain from other sources such item(s)(equipment, material, product, services or work product, etc.) as may be required to accomplish the work not performed, and it is agreed that the difference in cost, if any, for said work or goods shall be borne by the Company.

For purposes of this section, nonperformance shall be defined as failure to appear and perform work and/or deliver item(s)(equipment, material, product, services or work product, etc.) as specified and scheduled.

35. Liens and Stop Notices. Company shall hold the Customer harmless from liens and stop notices filed by claimants supplying labor or materials to the Company or its subcontractors in the performance of the work required under this Contract. Company shall provide written certification that all liens against materials and labor, and/or stop notices, have been satisfied, before the Customer will make final payment.

36. Severability. If any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or provision held invalid.

37. Title and Risk of Loss. The title and risk of loss of materials and/or service shall not pass to the Customer until the Customer actually receives and unconditionally accepts the material and/or service at the point of delivery FOB; and such loss, injury, or destruction shall not release Company from any obligation hereunder. The Customer shall notify the Company promptly of any damaged item(s)(equipment, material, product, services or work product, etc.), and further shall assist the Company in arranging for inspection.

38. Employment Standards. The Company agrees that upon request by the Customer, it shall remove from the Customer's premises any Company's employee, who, in the reasonable opinion of the Customer, is guilty of improper conduct, bringing any unauthorized personnel (including their own children) into a facility or work area, or is not qualified to perform the work assigned. The Company agrees that its employees must complete and pass a security background check, if so requested.

39. Organization–Employment Disclaimer. The agreement resulting hereunder is not intended to constitute, create, give rise to, or otherwise recognize a joint venture agreement or relationship, partnership or formal business organization of any kind, and the right and obligations of the parties shall be only those expressly set forth in the agreement. The parties agree that no persons supplied by the Company in the performance of Company's obligations under the agreement are considered to be Customer's employees and that no rights of Customer's civil service, retirement or personnel rules accrue to such persons. The Company shall have total responsibility for all salaries, wage bonuses, retirement, withholdings, workers' compensation, occupational disease compensation, unemployment compensation, other employee benefits, and all taxes and premiums appurtenant thereto concerning such persons and shall save and hold the Customer harmless with respect thereto.

- 40. Default in One Installment to Constitute Breach.** Each installment or lot of the agreement is dependent on every other installment or lot and a delivery of nonconforming goods, service, or work product or a default of any nature under one installment or lot will impair the value of the whole agreement and constitute a breach of the agreement as a whole.
- 41. Security.** Any disclosure or removal of any Customer material and/or information marked as confidential or private on the part of Company shall be cause for immediate cancellation of the Contract. Any liability, including, but not limited to, attorney fees, resulting from any action or suit brought against the Customer as a result of the Company's willful or negligent release of information, documents, or property contained in Customer facilities shall be borne solely by the Company.
- 42. Preference for Recycled Materials.** Company agrees to comply with all the requirement of Section 6002 of the Resource Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including the regulatory provisions of 40 C.F.R. Part 247, and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 C.F.R. Part 247.
- 43. Prohibition on Government Contracts.** The Proposer/Company shall comply with all applicable provisions of Public Law 110-174 – Sudan Accountability and Divestment Act of 2007, as amended and Public Law 104-172 - Iran Sanctions Act of 1996, as amended. Proposer/Company further agrees that they shall not have any scrutinized business operations in Sudan and/or Iran.
- 44. Terrorism Country Divestments.** In accordance with Export Administration Act of 1979, as amended, Customer is prohibited from purchasing from a company that is in violation of this Export Administration Act. By entering into this Contract, Proposer/Company warrants compliance with the Export Administration Act.
- 45. Company's Employee E-Verify Eligibility Requirement.** The Proposer/Company shall comply with all applicable provisions of the Federal Immigration and Nationality Act (FINA), Title 8, United States Code (USC), which requires compliance with federal immigration laws by State employers, State Companies and State subcontractors in accordance with the E-Verify Employee Eligibility Verification Program. See the following website for further information: www.dhs.gov/e-verify.
- Pursuant to the previous listed regulations, Customer may request verification of compliance from any Company or subcontractor performing work under this Contract. Customer reserves the right to confirm compliance. Should Customer suspect or find that the Company or any of its subcontractors are not in compliance, Customer may pursue any and all remedies allowed by law, including, but not limited to suspension of work, termination of this Contract for breach or default, and suspension and/or debarment of the Company. All costs necessary for compliance shall be solely borne by the Proposer/Company.
- 46. DBE Contract Assurance.** The Company, sub-recipient, or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Company shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT assisted contracts. Failure by the Company 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 the recipient deems appropriate.
- 47. Prompt Payment To Subcontractors.**
- a. The Company is required to pay all Subcontractors for all work that the Subcontractor has satisfactorily completed, no later than ten (10) calendar days after the Company has received payment from the Customer.

- b. In addition, all Retainage amounts must be paid by the Company to the Subcontractor no later than seven (7) business days after the Subcontractor has, in the opinion of the Customer and/or Company, satisfactorily completed its portion of the Work.
- c. A delay in or postponement of payment to the Subcontractor requires good cause and prior written approval of the Customer's Procurement and Contracts Office.
- d. The Company is required to include, in each subcontract, a clause requiring the use of appropriate arbitration mechanisms to resolve all payment disputes.
- e. The Customer will not pay the Company for work performed unless and until the Company ensures that the Subcontractors have been promptly paid for the work they have performed under all previous payment requests, as evidenced by the filing with the Customer of lien waivers, canceled checks (if requested), and the Company's sworn statement that it has complied with the prompt payment requirements. Prime Contractors must submit a prompt payment affidavit, (form to be provided by the Customer) which identifies each subcontractor (both DBE and non-DBE) and the date and amount of the last payment to such subcontractor, with every payment request filed with the Customer, except for the first payment request, on every contract with the Customer. (See **Exhibit 5 - Prompt Payment Affidavit**).
- f. Failure to comply with these prompt payment requirements is a breach of the Contract, which may lead to any remedies permitted under law, including, but not limited to, Company debarment. In addition, Company's failure to promptly pay its Subcontractors is subject to the provisions of Code of Federal Regulations (CFR) Title 49, Part 26 and California Public Contract Code.

48. Reporting Requirements during the Term of the Contract

- a. The proposer shall, within five (5) business days from contract execution, or prior to any work being performed, execute formal subcontracts or purchase orders with the DBE firms included in the proposal. These written agreements shall be made available to the Procurement and Contracts Office, DBE Program, upon request. All contracts between the proposer/Company and its subcontractors must contain a prompt payment affidavit as set forth in Exhibit 5 herein.
- b. During the term of annual contracts, the proposer/Company shall submit regular "Status Reports of DBE Subcontract Payments" in a form acceptable to the Customer. The frequency with which these reports are to be submitted will be determined by the Procurement and Contracts Office, DBE Program, but in no event will reports be required less frequently than quarterly. **In the absence of written notice from the Procurement and Contracts Office, DBE Program, the bidder's/proposer's first "Status Report of DBE Subcontract Payments" will be due 90 days after the date of contract award, with additional reports due quarterly thereafter.**
- c. In the case of a one-time procurement with either a single or multiple deliveries, a "Status Report of DBE Subcontract Payments," in a form acceptable to the Customer, indicating final DBE payments shall be submitted directly to the Procurement and Contracts Office, DBE Program. The information must be submitted prior to or at the same time as the bidder's/proposer's final invoice to the Customer user department identified in the solicitation. (NOTICE: The original invoices must be submitted directly to the Customer's department identified in the contract documents and the Status Report of DBE Subcontract Payments must be submitted directly to the Procurement and Contracts Office, DBE Program.) **Failure to follow these directions may delay final payment.**
- d. The address for the Procurement and Contracts Office, DBE Program, is: Customer Procurement and Contracts Office, Antelope Valley Transit Authority, 42210 6th Street West, Lancaster, CA, 93534.

49. No Government Obligations to Third Parties

A. Applicability.

This Article applies to all federally funded contracts.

- B. Notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award this 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 Customer, Company, or any other party (whether or not a party to that Contract) pertaining to any matter resulting from this Contract. Company shall include this Article in each Subcontract and shall not modify the Article, except to identify the subcontractor who will be subject to its provisions.

50. Program Fraud And False or Fraudulent Statements or Related Acts

A. Applicability.

This Article applies to all federally funded contracts.

- B. 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, shall apply to actions pertaining to this Contract. Upon execution of this Contract, Company certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining this Contract or the FTA assisted project for which this Contract Work is being performed. In addition to other penalties that may be applicable, Company 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 Company to the extent the Federal Government deems appropriate.
- C. Company also acknowledges that this Contract is 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 and if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on Company, to the extent the Federal Government deems appropriate.
- D. Company shall include this Article in each subcontract financed in whole or in part with Federal assistance provided by FTA. Company shall not modify the Article, except to identify the Subcontractor who will be subject to the provisions.

51. Access to Third Party Contract Records

A. Applicability

This Article applies to all federally funded contracts.

- B. For a period of three (3) years following Agreement closing, the Company shall maintain, preserve and make available to Customer, the FTA Administrator, the Comptroller General of the United States, and any of their authorized representatives, access at all reasonable times to any books, documents, papers and records of Company which are directly pertinent to this Agreement for the purposes of making audits, examinations, excerpts and transcriptions. Company also agrees, pursuant to 49 CFR 633.17, to provide the FTA Administrator or his or her authorized representatives, including any project management oversight Company, access to Company's records and sites pertaining to a major capital project, defined at 49 U.S.C. § 5302(a)1, which is receiving federal financial assistance through the programs described at 49 U.S.C. § 5307, § 5309 or § 5311.

- C. The Company shall maintain and Customer shall have the right to examine and audit all records and other evidence sufficient to reflect properly all prices, costs or rates negotiated and invoiced in performance of this Agreement. This right of examination shall include inspection at all reasonable times of the Company's offices engaged in performing the Agreement.
- D. If this Agreement is completely or partially terminated, the Company shall make available the records relating to the work terminated until three (3) years after any resulting final termination settlement. The Company shall make available records relating to appeals under the Disputes clause or to litigation or the settlement of claims arising under or relating to this Agreement until such appeals, litigation, or claims are finally resolved.
- E. "Access to Records and Reports" applies with equal force and effect to any subcontractors hired by the Company to perform Work under this Agreement. The Company shall insert this provision in all subcontracts under this Agreement and require subcontractor compliance therewith.

52. Administration (FTA) Terms, and Federal Changes.

A. Applicability.

This Article applies to all federally funded contracts.

- B. This Contract includes, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the Contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220.1F, dated November 1, 2008 (including any changes, revisions or successor circulars) are automatically 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 Contract. Company shall not perform any act, fail to perform any act, or refuse to comply with any Customer requests which would cause Customer to be in violation of the FTA terms and conditions. This Contract is subject to a financial assistance agreement between Customer and the Federal Transit Administration of the US Department of Transportation and all laws, regulations, guidelines, and provisions of the financial assistance agreement apply to this Contract and are incorporated by reference as if fully set forth herein.
- C. Company shall at all times comply with all applicable federal laws and regulations, including without limitation FTA regulations, policies, procedures and directives, including those listed directly or by reference in Applicable Grant Agreements between Customer and FTA, as they may be amended or promulgated from time to time during the term of this Contract collectively "Federal Requirements". These Federal Requirements may change and the changed Federal Requirements will apply to this Contract as required unless the Federal Government determines otherwise. Company's failure to so comply with the Federal Requirements shall constitute a material breach of this Contract.

53. Disadvantaged Business Enterprise (DBE)

- A. This Agreement shall be governed by the terms of the DBE Policy of Customer. It is the policy of Customer that DBEs as defined in 49 C.F.R. Part 26 shall have the opportunity to compete fairly for contracts financed in whole or in part with federal funds under this Agreement. Consequently, the DBE requirements of 49 C.F.R. Part 26 apply to this Agreement.
- B. Company agrees that it will take necessary and reasonable steps to ensure that DBEs as defined in 49 C.F.R. Part 26 have a fair opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with federal funds provided under this Agreement. Company shall not discriminate on the basis of race, color, national origin, physical or mental disability, or sex in the award and performance of DOT assisted contracts.
- C. The established goals for this Agreement shall be in accordance with Customer's DBE Program in effect at the time of proposal submittal.

- D. The established DBE participation goal for this Agreement is 4.00 percent.
- E. Company shall submit a DBE Utilization Report with each Application and Certification for Payment.

54. Energy Conservation Requirements.

A. Applicability.

This Article applies to all federally funded contracts.

- B. Company shall 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 42 USC § 6321 et seq.

55. Recycled Products.

A. Applicability.

This Article applies to federally funded operations/management, construction, or materials & supplies contracts for items designated by the Environmental Protection Agency, when procuring \$10,000 or more per year.

- B. To the extent practicable and economically feasible, a competitive preference shall be given for products and services that conserve natural resources and protect the environment and are energy efficient.

56. Suspension And Debarment

A. Applicability.

This article applies to federally funded contracts and subcontracts at any level expected to equal or exceed \$25,000 as well as any contract or subcontract (at any level) for federally required auditing services.

- B. This Contract is a covered transaction for purposes of 49 CFR Part 29. As such, Company shall verify that none of the Company, 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. Company shall comply with 49 CFR 29, Subpart C and shall include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into.
- C. By entering into this Contract, Company certifies that it shall comply with the requirements of 49 CFR 29, Subpart C throughout the period of this Contract and that Company has not been suspended or debarred. This certification is a material representation of fact relied upon by Customer. If it is later determined that Company knowingly rendered an erroneous certification, in addition to remedies available to Customer, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

57. Americans With Disabilities Act.

Company shall ensure that the Project meets the applicable Accessibility Guidelines for Transportation Facilities set out as Appendix A to 49 C.F.R. Part 37. Company agrees to comply with all applicable requirements of the Americans with Disabilities Act of 1990 (ADA), section 504 of the Rehabilitation Act of 1973, and any implementing requirements FTA may issue.

58. Clean Water and Clean Air Requirements.

A. Applicability.

This Article applies to all federally funded contracts over \$100,000.

B. Clean Water Requirements.

Company shall comply with all applicable standards, orders or regulations issued pursuant to the

Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq., and all applicable clean water standards of the State of California and any state or local agency having jurisdiction. Company shall report each violation to Customer. Customer will, in turn, report each violation as required to FTA and the appropriate EPA Regional Office, and all other agencies having jurisdiction.

C. Clean Air.

Company shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq. and all applicable Clean Air Standards of the State of California or any state or local agency having jurisdiction. Company shall report each violation to Customer. Customer will, in turn, report each violation as required to FTA, the appropriate EPA Regional Office and all other agencies having jurisdiction.

59. Compliance with Federal Lobbying Policy.

A. Applicability.

The following Article applies to federally funded contracts over \$100,000.

- B. The Byrd Anti-Lobbying Amendment, 31 U.S.C. 1352, requires that Companies who apply or bid/proposal for an award of \$100,000 or more shall file the certification required by 49 CFR Part 20, attached hereto as the certification entitled, "Certification of Compliance with Federal Lobbying Requirements." As set forth in the certifications, each tier of subcontractors shall certify to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. 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 shall be forwarded from tier to tier up to Customer.

60. Buy America.

A. Applicability.

The following Article applies to federally funded rolling stock purchase and construction contracts over \$100,000 and to contracts over \$100,000 for materials & supplies for steel, iron, or manufactured products.

- B. Company shall comply with 49 U.S.C. 5323(j) and 49 CFR Part 661, which provide that Federal funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver.

Customer may investigate Company's, any Subcontractor's, and any Supplier's compliance with this Article. If an investigation is initiated, Company, Subcontractor, or Supplier shall document its compliance, in accordance with 49 CFR 661.15, and cooperate with the investigation. Company shall incorporate the Buy America conditions set forth in this Article in every subcontract or purchase order and shall enforce such conditions.

61. Cargo Preference.

A. Applicability.

The following Article applies to federally funded contracts involving equipment, materials, or commodities which may be transported by ocean vessels.

- B. Use Of United States Flag Vessels.

Company shall use privately owned United States-Flag commercial vessels to ship at least 50 percent of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners, and tankers)

involved, whenever shipping any equipment, material, or commodities pursuant to this Contract to the extent such vessels are available at fair and reasonable rates for United States-Flag commercial vessels Company shall furnish within 20 working days following the date of loading for shipments originating within the United States or within 30 working days following the date of leading for shipments originating outside the United States, a legible copy of a rated, "on-board" commercial ocean bill-of-lading in English for each shipment of cargo described in the preceding paragraph to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590 and to Customer (through Company in the case of a subcontractor's bill-of-lading). Company shall include these requirements in all subcontracts issued pursuant to this Contract when the subcontract may involve the transport of equipment, material, or commodities by ocean vessel.

62. Fly America.

A. Applicability.

This Article applies to federally funded contracts if the contract or subcontracts may involve the international transportation of goods, equipment, or personnel by air.

- B. Company agrees to comply with 49 U.S.C. 40118 (the "Fly America" Act) in accordance with the General Services Administration's regulations at 41 CFR Part 301-10, which provide that recipients and sub-recipients of Federal funds and their Companies are required to use U.S. Flag air carriers for U.S. Government-financed international air travel and transportation of their personal effects or property, to the extent such service is available, unless travel by foreign air carrier is a matter of necessity, as defined by the Fly America Act. Company shall submit, if a foreign air carrier was used, an appropriate certification or memorandum adequately explaining why service by a U.S. flag air carrier was not available or why it was necessary to use a foreign air carrier and shall, in any event, provide a certificate of compliance with the Fly America requirements. Company agrees to include the requirements of this section in all subcontracts that may involve international air transportation.

63. Non-Construction Employee Protections - Contract Work Hours and Safety Standards Act.

A. Applicability

This Article applies to federally funded non-construction contracts over \$100,000 (including ferry vessels), for all turnkey, rolling stock purchases over \$100,000 and to operations/management contracts over \$100,000 (except transportation services and open market contracts).

- B. Company agrees to comply, and assures the compliance of each subcontractor, lessee, third party Company, and other participant at any tier of the Agreement, with the employee wage and hour protection requirements for non-construction employees of the Contract Work Hours and Safety Standards Act, as amended, 40 U.S.C. §§ 3701 *et seq.*, in particular with the wage and hour requirements of section 102 of that Act at 40 U.S.C. § 3702, and other relevant parts of that Act, 40 U.S.C. 3701, *et seq.*, and with implementing U.S. DOL regulations, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction (also Labor Standards Provision Applicable to Non-construction Contracts Subject to the Contract Work Hours and Safety Standards Act)," 29 CFR Part 5.

64. Federal Patent and Data Rights.

A. Applicability

This Article applies to each contract involving experimental, developmental or research work and for which the purpose of the FTA grant is to finance the development of a product or information.

B. Subject Data

The term "Subject Data" used in this Article means recorded information, whether or not copyrighted,

that is delivered or specified to be delivered under the Contract. The term includes graphic or pictorial delineation in media such as drawings or photographs; text in Specifications or related performance or design-type documents; machine forms such as punched cards, magnetic tape, or computer memory printouts; and information retained in computer memory. Examples include, but are not limited to: computer software, engineering drawings and associated lists, Specifications, standards, process sheets, manuals, technical reports, catalog item identifications, and related information. The term "Subject Data" does not include financial reports, cost analyses, and similar information incidental to contract administration.

C. Restrictions on Subject Data

The following restrictions apply to all Subject Data first produced in the performance of the Contract:

- A. Except for its own internal use, Customer or Company may not publish or reproduce Subject Data in whole or in part, or in any manner or form, nor may Customer or Company authorize others to do so, without the written consent of the Federal Government, until such time as the Federal Government may have either released or approved the release of such data to the public; this restriction on publication, however, does not apply to any contract with an academic institution.
2. In accordance with 49 C.F.R. § 18.34 and 49 C.F.R. § 19.36, the Federal Government reserves a royalty-free, non-exclusive and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for "Federal Government purposes," any Subject Data or copyright described in subparagraphs C.2(a) and C.2(b) of this Paragraph C.2. As used in the previous sentence, "for Federal Government purposes," means use only for the direct purposes of the Federal Government. Without the copyright owner's consent, the Federal Government may not extend its Federal license to any other party.
 - (a) Any Subject Data developed under the Contract, whether or not a copyright has been obtained; and
 - (b) Any rights of copyright purchased by Customer or Company using Federal assistance in whole or in part provided by FTA.
3. When FTA awards Federal assistance for experimental, developmental, or research work, it is FTA's general intention to increase transportation knowledge available to the public, rather than to restrict the benefits resulting from the work to participants in that work. Therefore, unless FTA determines otherwise, Customer and Company performing experimental, developmental, or research work required by the Contract shall permit FTA to make available to the public, either FTA's license in the copyright to any Subject Data developed in the course of the Contract, or a copy of the Subject Data first produced under the Contract for which a copyright has not been obtained. If the experimental, developmental, or research work, which is the subject of the Contract, is not completed for any reason whatsoever, all data developed under the Contract shall become Subject Data and shall be delivered as the Federal Government may direct. This Paragraph C.3 shall not apply to adaptations of automatic data processing equipment or programs for Customer's or Company's use whose costs are financed in whole or in part with Federal assistance provided by FTA for transportation capital projects.
4. Unless prohibited by state law, upon request by the Federal Government, Customer and Company shall indemnify, save, and hold harmless the Federal Government, its officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by Customer or Company of proprietary rights, copyrights, or right of privacy, arising out of the publication, translation, reproduction, delivery, use, or disposition of any data furnished under the Contract. Neither Customer nor Company shall be required to indemnify the Federal Government for any such liability arising out of the wrongful act of any employee, official, or agent of the Federal Government
5. Nothing contained in this Article shall imply a license to the Federal Government under any patent

or be construed as affecting the scope of any license or other right otherwise granted to the Federal Government under any patent.

6. Data developed by Customer or Company and financed entirely without using Federal assistance provided by the Federal Government that has been incorporated into work required by the Contract is exempt from the requirements of Paragraphs 2, 3, and 4 of this Article, provided that Customer or Company identifies that data in writing at the time of delivery of the Contract Work.

D. Patent Rights

If any invention, improvement, or discovery is conceived or first actually reduced to practice in the course of or under the Contract, and that invention, improvement, or discovery is patentable under the laws of the United States of America or any foreign country, Customer and Company shall take actions necessary to provide immediate notice and a detailed report to the party at a higher tier until FTA is ultimately notified.

- E. Provision of Rights in Invention to Federal Government Unless the Federal Government later makes a contrary determination in writing, irrespective of Company's status (a large business, small business, state government or state instrumentality, local government, nonprofit organization, institution of higher education, individual), Customer and Company shall take the necessary actions to provide, through FTA, those rights in that invention due the Federal Government as described in U.S. Department of Commerce regulations, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," 37 C.F.R. Part 401.

65. Interests of Members of / or Delegates to Congress. In accordance with 18 U.S.C. Section 431, 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 therefore.

66. Interests of Members of / or Delegates to Congress. In accordance with 18 U.S.C. Section 431, 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 those rights in that invention due the Federal Government as described in U.S. Department of Commerce regulations, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," 37 C.F.R. Part 401.

67. Federal Lobbying Certificate Requirements

(a) Definitions, as used in this clause:

Agency as defined in Title 5 USC § 552(f), includes federal executive departments and agencies as well as independent regulatory commissions and government corporations, as defined in Title 31 USC § 9101(1).

AVTA ("Customer") means the Antelope Valley Transit Authority, Los Angeles County, California.

Covered Federal action means any of the following federal actions:

1. The awarding of any federal contract;
2. The making of any federal grant;
3. The making of any federal loan;
4. The entering into of any cooperative agreement, and
5. The extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement.

Covered federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

Indian tribe and **tribal organization** have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act Title 25 USC § 450(b). Alaskan Natives are included under the definitions of Indian tribes in that Act.

Influencing or attempting to influence means making, with the intent to influence, any communication to or appearance before 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 any covered federal action.

Local government means a unit of government in a state and, if chartered, established, or otherwise recognized by a state for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments,

a sponsor group representative organization, and any other instrumentality of a local government.

Officer or employee of an agency includes the following individuals who are employed by an agency:

1. An individual who is appointed to a position in the government under Title 5, USC, including a position under a temporary appointment;
2. A member of the uniformed services as defined in Title 37 USC § 101(3);
3. A special government employee as defined in, Title 18 USC § 202; and,
4. An individual who is a member of a federal advisory committee, as defined by the Federal Advisory Committee Act, Title 5 USC Appendix 2.

Person means an individual, corporation, company, association, authority, firm, partnership, society, state, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other federal law.

Reasonable compensation means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the federal government.

Reasonable payment means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

Recipient includes all Companies and subcontractors at any tier in connection with a federal contract. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other federal law.

Regularly employed means, with respect to an officer or employee of a person requesting or receiving a federal contract, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 days.

State means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a state, and a multi-state, regional, or interstate entity having governmental duties and powers.

(b) Prohibition.

- (1) Title 31 USC § 1352 provides in part that no appropriated funds may be expended by the recipient of a federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence 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 any of the following covered federal actions: 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) The prohibition does not apply as follows:

(i) Agency and legislative liaison by Own Employees.

- (A) The prohibition on the use of appropriated funds, in paragraph (b) (1) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a federal contract if the payment is for agency and legislative liaison activities not directly related to a covered federal action.
- (B) For purposes of paragraph (b) (2) (i) (A) of this section, providing any information specifically requested by an agency or Congress is allowable at any time.
- (C) For purposes of paragraph (b) (2) (i) (A) of this section, the following agency and legislative liaison activities are allowable at anytime only where they are not related to a specific solicitation for any covered federal action:
 - (1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the persons products or services, conditions or terms of sale, and service capabilities, and
 - (2) Technical discussions and other activities regarding the application or adaptation of the persons products or services for an agency's use.
- (D) For purposes of paragraph (b) (2) (i) (A) of this section, the following agency and legislative liaison activities are allowable only when they are prior to formal solicitation of any covered federal action:
 - (1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered federal action;
 - (2) Technical discussions regarding the preparation of an unsolicited proposal prior to official submission, and
 - (3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.
- (E) Only those activities expressly authorized by paragraph (b) (2) (i) of this section are allowable under paragraph (b) (2) (i).

(ii) Professional and technical services by Own Employees.

- (A) The prohibition on the use of appropriated funds, in paragraph (b) (1) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a federal contract or an extension, continuation, renewal, amendment, or modification of a federal contract if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal or application for that federal contract or for meeting requirements imposed by or pursuant to law as a condition for receiving that federal contract.
- (B) For purposes of paragraph (b) (2) (ii) (A) of this section professional and technical services shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However,

communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her clients proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered federal action.

- (C) Requirements imposed by or pursuant to law as a condition for receiving a covered federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.
- (D) Only those services expressly authorized by paragraph (b) (2) (ii) of this section are allowable under paragraph (b) (2) (ii).

(iii) Reporting for Own Employees.

No reporting is required with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

(iv) Professional and technical services by Other than Own Employees.

- (A) The prohibition on the use of appropriated funds, in paragraph (b) (1) of this section, does not apply in the case of any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that federal contract or for meeting requirements imposed by or pursuant to law as a condition for receiving that federal contract.
- (B) For purposes of paragraph (b) (2) (iv) (A) of this section professional and technical services shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered federal action.
- (C) Requirements imposed by or pursuant to law as a condition for receiving a covered federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

- (D) Persons other than officers or employees of a person requesting or receiving a covered federal action include Companies and trade associations.
- (E) Only those services expressly authorized by paragraph (b) (2) (iv) of this section are allowable under paragraph (b) (2) (iv).

(c) Disclosure.

- (1) Each person who requests or receives from Customer a contract with federal assistance shall file with Customer a certification, set forth in IFB/RFP Submittal Form entitled FEDERAL LOBBYING CERTIFICATION, that the person has not made, and will not make, any payment prohibited by paragraph (b) of this clause.
- (2) Each person who requests or receives from Customer a contract with federal assistance shall file with Customer a disclosure form, Standard Form-LLL, Disclosure of Lobbying Activities, if such person has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered federal action), which would be prohibited under paragraph (b) of this clause if paid for with appropriated funds.
- (3) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under paragraph (c) (2) of this section. An event that materially affects the accuracy of the information reported includes:
 - (i) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action; or
 - (ii) A change in the person(s) or individual(s) influencing or attempting to influence a covered federal action; or,
 - (iii) A change in the officer(s), employee(s), or member(s) contacted to influence or attempt to influence a covered federal action.
- (4) Any person who requests or receives from a person referred to in paragraph (c) (1) of this section a subcontract with a contract value exceeding \$100,000 at any tier under a contract with federal assistance shall file a certification, and a disclosure form, if required, to the next tier above. All disclosure forms shall be forwarded from tier to tier until received by the Prime Company who will forward it to Customer.

EXHIBIT 2

CERTIFICATION OF COMPLIANCE WITH FEDERAL LOBBYING REQUIREMENTS (49 CFR PART 20)

To be submitted with each Bid/Proposal or offer of Bidder/Proposer exceeding \$100,000

The _____ (Bidder/Proposer) certifies to the best of its knowledge and belief that:

1. No federally 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 any agency; a member of Congress, an officer or employee of Congress, an employee of a member of Congress; or any Board member or employee of Customer in connection with the awarding of any federal contract; any federally funded contract; or the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment or modification of any federal contract, federally funded 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, or influencing or attempting to influence; an officer or employee of any agency; a member of Congress; an officer or employee of Congress; an employee of a member of Congress or a Board member or employee of Customer in connection with this federally funded contract, grant, loan, or cooperative agreement, the undersigned shall register and comply with all federal disclosure requirements.
3. The undersigned shall require that the language of this certification be included in the solicitation and award documents for all subawards at all tiers including but not limited to 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 Title 31 USC § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any offeror 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.

Executed on this _____ day, of _____, 20____, by:

Bidder/Proposer: _____

Authorized Representative: _____

Signature of Authorized Representative: _____

Title: _____

Date: _____

EXHIBIT 3
DISCLOSURE OF LOBBYING ACTIVITIES INSTRUCTIONS FOR COMPLETION OF SF-LLL

This disclosure form shall be completed by the reporting entity, whether subawardee or prime federal recipient, at the initiation of receipt of a covered federal action, or a material change to a previous filing, pursuant to Title 31 USC § 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence 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 a covered federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered federal action.
2. Identify the status of the covered federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime if the first tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks Subawardee, then enter the full name, address, city, state and zip code of the prime federal recipient. Include the Congressional District, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the federal program, name or description for the covered federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate federal identifying number available for the federal action identified in item 1 (e.g. Request For Proposals (RFP) number, Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the federal agency). Include prefixes, e.g., RFP-DE-90-001.
9. For a covered federal action where there has been an award or loan commitment by the federal agency, enter the federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered federal action.
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter LastName, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box (es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the dates of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with federal officials. Identify the federal official(s) or employee(s) contacted or the officer(s), employee(s), or member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (03-46-00046). Washington, D.C. 20503.

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to
 Title 31 USC § 1352

(See next page for public burden disclosure.)

1. Type of Federal Action: ... a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	2. Status of Federal Action: ... a. bid/offer/application b. initial award c. post award	3. Status of Federal Action: ... a. initial change b. material change For Material Change Only: year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity Prime ... Subawardee Tier _____, if known: Congressional District, if known:	5. If Reporting Entity in No. 4 is subawardee. Enter name and Address of Prime: Congressional District, if known:	
6. Federal Department/Agency: Department of Transportation Federal Transit Administration	7. Federal Program Name/Description: CFDA Number, if applicable: _____	
8. Federal Action Number, if known:	9. Award Amount, if known: \$ _____	
10. a. Name and Address of Lobbying Entity (if individual, last name, first name, MI): attach continuation sheet(s) SF-LLL-A if necessary	b. Individuals Performing Services (including address if different from No. 10.a) (last name, first name, MI): attach continuation sheet(s) SF-LLL-A if necessary	
11. Amount of Payment (check all that apply): \$ _____... actual ... planned		
12. Form of Payment (check all that apply): a. cash b. in-kind; specify: nature _____ value _____	13. Type of Payment (check all that apply): ... a. retainer ... b. one-time fee ... c. commission ... d. contingent fee ... e. deferred ... f. other; specify _____	
14. Brief Description of Services Performed or to be Performed and Date(s) of Service, including officer(s), employer(s), or member(s) contacted, for Payment indicated in Item 11:		
15. Continuation Sheet(s) SF-LLL-A attached: ... Yes ... No		

16. Information requested through this form is authorized by Title 31
Signature: _____ USC § 1352. This disclosure of lobbying activities
is a material
representation of fact upon which reliance was placed by the tier
Print Name: _____
above when this transaction was made or entered into. This
information will be reported to the Congress semi-annually and will Title: _____
be available for public inspection. Any person who fails to file the
required disclosure shall be subject to a civil penalty of not less than Telephone No.: _____ Date: _____
\$10,000 and not more than \$100,000 for each such failure.

Federal Use Only:

Authorized for Local Reproduction Standard Form - LLL

**DISCLOSURE OF LOBBYING ACTIVITIES
CONTINUATION SHEET**

Reporting Entity: _____ Page _____ of _____

EXHIBIT 4 – INSURANCE REQUIREMENTS

Company shall at all times maintain in force at Company's expense, each insurance noted below:**

Workers' Compensation insurance in compliance with **California Code of Regulation, Title 8 - Industrial Relations, Chapter 4.5 - Division of Workers' Compensation, together with Employer's Liability insurance with coverage limits of not less than \$1,000,000 must be included, unless exempt.**

THIS COVERAGE IS REQUIRED. Attach Certificate of Insurance. If Company does not have coverage and claims to be exempt, attach proof that an exemption is grantable pursuant to California Code of Regulation, Title 8 - Industrial Relations, Chapter 4.5 - Division of Workers' Compensation.

Commercial General Liability insurance, on an occurrence basis, with a combined single limit of not less than \$1,000,000, \$2,000,000 each occurrence for Bodily Injury and Property Damage, with an annual aggregate limit of \$1,000,000, \$2,000,000. This insurance must include contractual liability coverage.

Required by Customer Not required by Customer

Automobile Liability insurance with a combined single limit, or the equivalent of not less than \$1,000,000, \$2,000,000 each claim, incident, or occurrence for Bodily Injury and Property Damage, including coverage for owned, hired, or non-owned vehicles, with an annual aggregate limit of \$1,000,000, \$2,000,000.

Required by Customer Not required by Customer, if use of the vehicle is not required as part of the service provided to Customer.

Coverage must be provided by an insurance company admitted to do business in California and rated A-VII or better by AM Best's Insurance Rating. Company's coverage will be primary in the event of loss. Company shall pay all deductibles and retentions. A cross-liability clause or separation of insured's condition will be included in all commercial general liability policies required by this Contract.

Company shall furnish a Certificate of Insurance, and original required endorsement(s), to the Customer with the signed Contract. The Policy(ies) shall provide that there shall be no cancellation, termination, material change, or reduction of limits of the insurance coverage without **ten (10) calendar days** written notice from the Company or Company's insurer to the Customer. The Certificate shall also state the deductible or retention level. If requested, complete copies of insurance policies shall be provided to the Customer. The Policy(ies) shall require that not less than ten (10) days written notice shall be provided to the Customer prior to any reduction in policy limits or coverage, and not less than ten (10) days' notice shall be provided to the Customer prior to cancellation of any required policy.

If Company ships all item(s)(equipment, material, product, services or work product, etc.) to be supplied under this Contract by common carrier and will not make deliveries to the Customer using its own employees, and/or transportation proof of insurance as set forth in this section of the solicitation documents will not be required.

The amount and type of insurance coverage as required herein is not intended to, and shall not be interpreted to, limit the scope of the indemnity set forth in this Contract.

Additional Insureds. The commercial general liability and automobile liability insurance policies shall be endorsed to provide that the "**Antelope Valley Transit Authority, its boards, commissions, directors, departments, officers, officials, agents, and employees are additional Insureds with respect to Company's services to be provided under this Contract.**" These policies shall require the insurer to waive the right of subrogation. Company waives the right of subrogation. If requested, complete copies of insurance policies shall be provided to the Customer.

****Note to Contract Originator:** For certain types of contracts additional insurance may be required. Procurement and Contracts Officer's Office.

EXHIBIT 5 - PROMPT PAYMENT AFFIDAVIT

(Form to be used **only** upon payment to DBE Subcontractors)

Consultant will place a check in the appropriate box below that applies to this payment request.

Re: Payment Request No. _____

I, _____ (Name), the _____ (Title - e.g., President, Vice President, etc.) of _____ ("Company"), do state the following with regard to payments made under Customer Contract No. _____ ("Contract"):

A. ___ Subcontractors, at the first tier, both DBE and non-DBE, who completed work and were listed for payment on the prior Payment Request No. _____, were paid no later than ten (10) business days after Consultant received payment from Customer.

B. ___ Copies of invoices and cancelled checks for subcontractors at the first tier who were paid under the prior payment request have been delivered or mailed to the Procurement and Contracts Office, DBE Program. In addition, Consultant has attached to the current Payment Request all lien waivers for prior subcontractor payments and any other documentation required by the Customer. (Failure to attach all required documentation to the Payment Request or forward cancelled checks and invoices to the Customer's Procurement and Contracts Office, DBE Program may cause the Payment Request to be rejected by the Customer.)

C. ___ All retainage amounts withheld from any subcontractor who satisfactorily completed its portion of the contract work, including punch list items, were paid to the subcontractor(s) no later than seven (7) business days after it satisfactorily completed its work, whether or not the Customer has paid said retainage amounts to Consultant. Attach a copy of the cancelled check evidencing payment of each retainage amount.

D. ___ There was no delay in or postponement of any payment owed to a subcontractor, whether periodic payment or retainage amount, except for good cause and after receipt of prior written approval from the Customer's Procurement and Contracts Office.

Attach a copy of the written approval from the Customer's Procurement and Contracts Office.

Company Name

Signature

Print Name

Date

SIGNATURE MUST BE WITNESSED BY A NOTARY

PROMPT PAYMENT AFFIDAVIT (CONTINUED)

State of California)
County of _____)
)

On _____ before me, _____

(insert name and title of the officer)

personally appeared _____

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

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

WITNESS my hand and official seal.

Signature _____

(Seal)

Signature of Notary Public