

RESOLUTION NO. 2004-258

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
AUTHORING AN AMENDED CONTRACT WITH AMERITRAN SERVICE
CORPORATION DBA TRANSIT RESOURCE CENTER FOR ENGINEERING
SUPPORT / BUS REMANUFACTURING INSPECTION SERVICES**

WHEREAS, the City Council of the City of Elk Grove will become a local transit operator for Elk Grove residents beginning January 2005; and

WHEREAS, in order to become an efficient and effective operator, the City has retained Ameritran Service Corporation dba Transit Resource Center for engineering support and bus remanufacturing inspection services; and

WHEREAS, at this time, a contract amendment is necessary in order to add additional necessary tasks to the contract that involve final bus acceptance inspections, technical advisory services and consulting.


NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Elk Grove hereby authorizes the City Manager or his designee to execute an amended contract with Ameritran Service Corporation dba Transit Resource Center for engineering support / bus remanufacturing inspection services.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 20th day of October 2004.



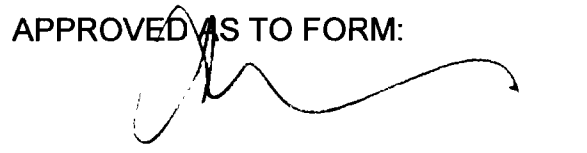
SOPHIA SCHERMAN, MAYOR of the
CITY OF ELK GROVE

ATTEST:



PEGGY E. JACKSON, CITY CLERK

APPROVED AS TO FORM:



ANTHONY B. MANZANETTI,
CITY ATTORNEY

CITY OF ELK GROVE



AMENDED CONTRACT FOR
AMERITRAN SERVICE CORPORATION INC.,
DBA TRANSIT RESOURCE CENTER
CONSULTANT



TABLE OF CONTENTS
Contract for AMERITRAN SERVICE CORPORATION, INC.
dba TRANSIT RESOURCE CENTER - CONSULTANT

Page

1.	SCOPE, TERM AND STANDARDS	1
A.	CONTRACT	1
B.	CONSULTANT IS INDEPENDENT CONTRACTOR	1
C.	NO PAY FOR ADDITIONAL SERVICES WITHOUT WRITING	2
D.	TERM	2
E.	INTENDED USE OF CONSULTANT’S PRODUCT AND MATERIALS	2
2.	EMPLOYMENT STATUS OF PERSONNEL	2
A.	AGENT OF CITY	2
B.	EMPLOYEES OF CONSULTANT	3
C.	INDEPENDENT INVESTIGATION	3
D.	COMPLIANCE WITH EMPLOYMENT LAWS	3
E.	UNLAWFUL DISCRIMINATION PROHIBITED	3
3.	TIME OF PERFORMANCE	3
4.	COMPENSATION	3
A.	TERMS	3
B.	TIME FOR PAYMENT	3
5.	SUPERVISION, LABOR AGREEMENTS AND PERSONNEL	3
A.	CONSULTANT SUPERVISES PERSONNEL	3
B.	LABOR RELATIONS	4
C.	PERFORMANCE NOT SUBJECT TO EMPLOYMENT AGREEMENTS	4
D.	APPROVAL OF STAFF MEMBERS	4
6.	TERMINATION	4
A.	90 DAYS NOTICE	4
B.	OBLIGATIONS SURVIVE TERMINATION	4
7.	CHANGES	4
8.	PROPERTY OF CITY	5
A.	MATERIALS PREPARED EXCLUSIVE PROPERTY OF CITY	5
B.	CONSULTANT TO DELIVER CITY PROPERTY	5
9.	CONFLICTS OF INTEREST	5



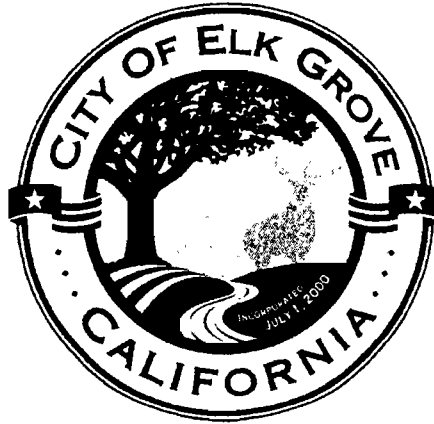
TABLE OF CONTENTS
Contract for AMERITRAN SERVICE CORPORATION, INC.
dba TRANSIT RESOURCE CENTER CONSULTANT
(continued)

	Page
A. CONSULTANT	5
B. CITY	5
10. CONFIDENTIAL INFORMATION	5
A. ALL INFORMATION KEPT IN CONFIDENCE	5
B. REIMBURSEMENT FOR UNAUTHORIZED RELEASE	6
C. COOPERATION	6
11. PROVISION OF LABOR, EQUIPMENT AND SUPPLIES	6
A. CONSULTANT PROPERTY	6
B. SPECIAL SUPPLIES	6
12. COMPLIANCE WITH LOCAL LAW	6
A. COMPLIANCE REQUIRED	6
B. PREVAILING WAGES	7
13. REPRESENTATION.....	7
14. SUBCONTRACTING	7
15. ASSIGNABILITY	7
16. INTEREST IN CONTRACT	7
17. FINDINGS CONFIDENTIAL.....	7
18. LIABILITY OF CONSULTANT	8
19. INDEMNITY AND LITIGATION COSTS	8
A. CONSULTANT IS SKILLED.....	8
B. CONSULTANT SHALL INDEMNIFY.....	8
C. LIMITS OF INSURANCE NOT LIMITING INDEMNIFICATION.....	8
20. CONSULTANT TO PROVIDE INSURANCE	9
A. CONSULTANT SHALL MAINTAIN INSURANCE	9
B. CONSULTANT TO PROVIDE EVIDENCE OF INSURANCE	9
C. CITY MAY OBTAIN INSURANCE AT CONSULTANT’S EXPENSE.....	9
D. NO SUSPENSION OF INSURANCE.....	9
E. DEDUCTIBLES	10
F. COVERAGES SHALL NOT LIMIT OBLIGATIONS	10



TABLE OF CONTENTS
Contract for AMERITRAN SERVICE CORPORATION, INC.
dba TRANSIT RESOURCE CENTER CONSULTANT
(continued)

	Page
G. REQUIRED LIMITS	10
(1) Workers' Compensation and Employer's Liability Insurance	10
(2) Commercial General and Automobile Liability Insurance	10
(3) Professional Liability	11
21. RECORDS	12
22. MISCELLANEOUS PROVISIONS.....	12
A. NONDISCRIMINATION/NONPREFERENTIAL TREATMENT STATEMENT	12
B. UNAUTHORIZED ALIENS.....	12
C. GOVERNING LAW.....	12
D. ASSIGNMENT OR SUBSTITUTION.....	12
E. ENTIRE CONTRACT.....	13
F. AMENDMENTS	13
G. CONSTRUCTION AND INTERPRETATION	13
H. WAIVER.....	13
I. SEVERABILITY	13
J. NOTICES.....	13
K. AUTHORITY TO EXECUTE.....	14



AMENDED CONTRACT FOR
AMERITRAN SERVICE CORPORATION, INC.,
dba TRANSIT RESOURCE CENTER - CONSULTANT

THIS AMENDED CONTRACT is made and entered into between City of Elk Grove, a Municipal Corporation ("City") and Ameritran Service Corporation, Inc., dba Transit Resource Center ("Consultant"). City and Consultant agree as follows:

1. SCOPE, TERM AND STANDARDS: This contract rescinds, supersedes, and restates in its entirety the previous contract with Ameritran Service Corporation, Inc., dba Transit Resource Center.

A. CONTRACT. Consultant shall do all work, attend all meetings, produce all reports and carry out all activities necessary to complete the services described in the SCOPE OF WORK AND STANDARDS FOR SERVICES, attached hereto and incorporated herein by this reference as Exhibit A, as requested by the City. Consultant shall, at its own cost, make any revisions of its own work as required by the City and re-do, at its own cost, any work which the City finds unsatisfactory due to Consultant's errors or omissions. Consultant represents and warrants that it has the qualifications, experience, and facilities to properly perform said services in a thorough, competent, and professional manner. This document shall be known as the "Contract." This Contract and its exhibits shall be known as the "Contract Documents." Terms set forth in any Contract Document shall be deemed to be incorporated in all Contract Documents as if set forth in full therein. In the event of conflict between terms contained in these Contract Documents, the more specific term shall control. If either party to this contract deems that any portion of the Contract Documents shall be in conflict with any other portion, the Parties shall first attempt to informally reach an interpretation of those provisions so as to reconcile them. If after five (5) business days the Parties are unable to reach an informal resolution, the City shall issue in writing an interpretation resolving the conflicting provisions, which shall be provided to Consultant. The interpretation provided by the City shall become final and binding on the parties three (3) business days after it was provided to Consultant, and shall thereafter be an integrated term of this Contract and neither party shall be considered to be the drafter of the provision.



B. CONSULTANT IS INDEPENDENT CONTRACTOR. Consultant enters into this Contract as, and shall at all times remain as to the City, an independent contractor and not as an employee of the City. Nothing in this Contract shall be construed to be inconsistent with this relationship or status. The Consultant shall have no power or authority except by this Contract to bind the City in any respect. All employees, agents, contractors or subcontractors hired or retained by the Consultant are employees, agents, contractors or subcontractors of the Consultant and not of the City. The personnel performing the services under this Contract on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Contract. Consultant shall not at any time or in any manner represent that it or any of its officers, or employees, or agents are in any manner officers, employees, of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner. The City shall not be responsible, obligated, or liable in any way to pay any salary, wage, compensation, tax, withholding, benefit, injury, illness claims or other claims made against the Consultant and/or the City by any such employees, agents, contractors or subcontractors, or any other person arising from performance of this Contract. Additionally, Consultant shall be solely responsible, obligated, and liable for any and/or all salary, wage, compensation, tax, withholding, benefit, injury, illness claims or other claims made against Consultant and/or the City by any such employees, agents, contractors or subcontractors, or other person arising from performance of this contract, and Consultant shall indemnify, defend and hold harmless the City against such claims to the extent caused by Consultant's errors, omissions or negligence.

C. NO PAY FOR ADDITIONAL SERVICES WITHOUT WRITING.

Consultant shall not be compensated for any services rendered in connection with its performance of this Contract, which are in addition to those set forth herein or listed in Exhibit A, unless such additional services are authorized in advance and in writing by the City Manager or the City Manager's designee (hereinafter "City Manager" shall include the City Manager's designee). Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City and Consultant at the time City's express written authorization signed by the City Manager is given to Consultant for the performance of said services.

D. TERM

Except as provided in Sections 6 and 19, below, this Contract shall terminate no later than April, 2005.

E. INTENDED USE OF CONSULTANT'S PRODUCT AND MATERIALS.

It is expressly intended by the parties that the Consultant's work product and materials, whether or not in writing, shall be used for the purposes of construction oversight for transit buses.

2. EMPLOYMENT STATUS OF PERSONNEL

A. AGENT OF CITY. For the purposes of performing the services provided for in this Contract, and for the purpose of giving official status to the performance thereof where necessary, every

City of Elk Grove

Ameritran Service Corporation, Inc.

dba Transit Resource Center

Re: Engineering Support/Bus Remanufacturing Inspection Services



Consultant officer and employee engaged in the performance of any service under this Contract shall be deemed to be an agent of City while performing such services, provided that such services are within the scope of this Contract and are purely municipal functions. Notwithstanding the agency relationship established by this subsection, City shall not be liable for any act or omission of any Consultant officer or employee performing the services provided for in this Contract, unless specifically provided for in this Contract.

B. EMPLOYEES OF CONSULTANT. Any persons employed by Consultant for the performance of services pursuant to this Contract shall remain employees of Consultant, shall at all times be under the direction and control of Consultant, and shall not be considered employees of City. All persons employed by Consultant to perform services pursuant to this Contract shall be entitled solely to the right and privileges afforded to Consultant employees and shall not be entitled, as a result of providing services hereunder, to any additional rights or privileges that may be afforded to City employees.

C. INDEPENDENT INVESTIGATION. The Consultant agrees and hereby represents it has satisfied itself by its own investigation and research regarding the conditions affecting the work to be done and labor and materials needed, and that its decision to execute this Contract is based on such independent investigation and research.

D. COMPLIANCE WITH EMPLOYMENT LAWS. The Consultant shall keep itself fully informed of, shall observe and comply with, and shall cause any and all persons, firms or corporations employed by it or under its control to observe and comply with, applicable federal, state, county and municipal laws, ordinances, regulations, orders and decrees which in any manner affect those engaged or employed on the work described by this Contract or the materials used or which in any way affect the conduct of the work.

E. UNLAWFUL DISCRIMINATION PROHIBITED. Consultant shall not engage in unlawful employment discrimination. Such unlawful employment discrimination includes, but is not limited to, employment discrimination based upon a person's race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, gender, citizenship or sexual orientation.

3. TIME OF PERFORMANCE:

The services of Consultant are to commence upon execution of this Contract by City, and shall be undertaken and completed in a prompt and timely manner, in accordance with the Scope of Work referenced in Exhibit A.

4. COMPENSATION:

A. TERMS. Compensation to the Consultant shall be as set forth in Exhibit B attached hereto and made a part hereof. Total compensation to Consultant shall not exceed \$55,000.00 without the advance written consent of City.

City of Elk Grove

Ameritran Service Corporation, Inc.

dba Transit Resource Center

Re: Engineering Support/Bus Remanufacturing Inspection Services



B. TIME FOR PAYMENT. Payments shall be made within thirty (30) days after receipt of each invoice as to all undisputed fees. If City disputes any of Consultant's fees, it shall give written notice to Consultant within 20 days of receipt of an invoice of any disputed fees set forth on the invoice.

5. SUPERVISION, LABOR AGREEMENTS AND PERSONNEL:

A. CONSULTANT SUPERVISES PERSONNEL. The Consultant shall have the responsibility for supervising the services provided under this Contract, hiring of personnel, establishing standards of performance, assignment of personnel, determining and affecting discipline, determining required training, maintaining personnel files, and other matters relating to the performance of services and control of personnel. The City Manager may use any reasonable means to monitor performance and the Consultant shall comply with the City Manager's request to monitor performance.

B. LABOR RELATIONS. Consultant shall be responsible for negotiating and administrating all labor relations agreements and personnel rules and procedures between Consultant and its employees rendering services pursuant to this Contract.

C. PERFORMANCE NOT SUBJECT TO EMPLOYMENT AGREEMENTS.

The City acknowledges that the Consultant may be obligated to comply with bargaining agreements and/or other agreements with employees and that the Consultant is legally obligated to comply with these Contracts. It is expressly the intent of the parties and it is agreed by the parties that the Consultant's performance shall not in any manner be subject to any bargaining agreement(s) or any other agreement(s) the Consultant may have covering and/or with its employees.

D. APPROVAL OF STAFF MEMBERS. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff assigned to perform the services required under this Contract. Consultant shall notify City of any changes in Consultant's staff to be assigned to perform the services required under this Contract and shall obtain the approval of the City Manager of a list of all proposed staff members who are to be assigned to perform services under this Contract prior to any such performance.

6. TERMINATION:

A. 90 DAYS NOTICE. The City, upon ninety (90) days written notice, may terminate this Contract, without cause, at any time. In the event of such termination, Consultant shall be compensated for non-disputed fees under the terms of this Contract up to the date of termination.

B. OBLIGATIONS SURVIVE TERMINATION. Notwithstanding any termination of this Contract, Consultant shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of this Contract by Consultant, and the City may withhold any payments due to Consultant until such time as the exact amount of damages, if any, due the City from Consultant is determined. All of the indemnification, defense and hold harmless obligations in this Contract shall survive termination.

7. CHANGES:



The City or Consultant may, from time to time, request changes in the scope of the services of Consultant to be performed hereunder. Such changes, including any increase or decrease in the amount of Consultant's compensation and/or changes in the schedule must be authorized in advance by both Parties in writing. Mutually agreed changes shall be incorporated in written amendments to this Contract. Any increase in the amount of Consultant's compensation and/or changes in Exhibit A and or Exhibit B must be authorized in advance by the City Manager.

8. PROPERTY OF CITY:

A. MATERIALS PREPARED EXCLUSIVE PROPERTY OF CITY.

It is mutually agreed that all materials prepared by the Consultant under this Contract are upon creation and shall be at all times the exclusive property of the City, and the Consultant shall have no property right therein whatsoever. City agrees that Consultant shall bear no responsibility for any modifications made to, or reuse of, the materials prepared by the Consultant if used for purposes other than those expressly set forth in the Intended Use of Consultant's Products and Materials section of this Contract. Consultant shall not disseminate any information or reports gathered or created pursuant to this Contract without the prior written approval of City including without limitation information or reports required by government agencies to enable Consultant to perform its duties under this Contract and as may be required under the California Public Records Act excepting therefrom as may be provided by court order. Consultant will be allowed to retain copies of all deliverables.

B. CONSULTANT TO DELIVER CITY PROPERTY.

Immediately upon termination, or upon the request by the City, the City shall be entitled to, and the Consultant shall deliver to the City, all data, drawings, specifications, reports, estimates, summaries and other such materials and property of the City as may have been prepared or accumulated to date by the Consultant in performing this Contract. Consultant will be allowed to retain copies of all deliverables to the City.

9. CONFLICTS OF INTEREST

A. CONSULTANT covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Contract. Consultant further covenants that in the performance of this Contract, Consultant shall take reasonable care to ensure that no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Contract. Consultant agrees to include language similar to this Section 9(A) in all contracts with subcontractors and agents for the work contemplated herein.

B. CITY understands and acknowledges that Consultant is, as of the date of execution of this Contract, independently involved in the performance of non-related services for other governmental agencies and private parties. Consultant is unaware of any stated position of City relative to such

City of Elk Grove

Ameritran Service Corporation, Inc.

dba Transit Resource Center

Re: Engineering Support/Bus Remanufacturing Inspection Services



projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.

10. CONFIDENTIAL INFORMATION

A. ALL INFORMATION KEPT IN CONFIDENCE. All information gained by Consultant in performance of this Contract shall be considered confidential and shall not be released by either party without the other's prior written authorization, including without limitation, that information which is a public record and subject to disclosure pursuant to the California Public Records Act Government Code §6250, et. seq. Neither the City nor the Consultant, its officers, employees, agents, or subcontractors, shall without written authorization given by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Contract or relating to any project or property located within the City. Response to a subpoena or court order shall not be considered "voluntary", provided Consultant or City gives notice to the other party of such court order or subpoena.

B. REIMBURSEMENT FOR UNAUTHORIZED RELEASE. If City or Consultant or any of its officer, employees, or subcontractors does voluntarily provide information in violation of this Contract, the other party has the right to reimbursement and indemnity from party releasing such information for any damages caused by the releasing party's, including the non-releasing party's attorney's fees and disbursements, including without limitation expert's fees and disbursements.

C. COOPERATION. City and Consultant shall promptly notify the other party should Consultant or City, its officers, employees, agents, or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Contract and the work performed thereunder or with respect to any project or property located within the City. City and Consultant each retains the right, but has no obligation, to represent the other party and/or be present at any deposition, hearing or similar proceeding. Consultant and City agree to cooperate fully with the other party and to provide the other party with the opportunity to review any response to discovery requests provided by Consultant or City. However, City and Consultant's right to review any such response does not imply or mean the right by the other party to control, direct, or rewrite said response.

11. PROVISION OF LABOR, EQUIPMENT AND SUPPLIES

A. CONSULTANT PROPERTY. Consultant shall furnish all necessary labor, supervision, equipment, communications facilities, and supplies necessary to perform the services required by this Contract. City acknowledges that all equipment and other tangible assets used by Consultant in providing these services are the property of Consultant and shall remain the property of Consultant upon termination of this Contract.

B. SPECIAL SUPPLIES. City shall be responsible for supplying any special supplies, stationary, notices, forms or similar items that it requires to be issued with a City logo. All such items shall be approved by the City Manager and shall be provided at City's sole cost and expense.



12. COMPLIANCE WITH LOCAL LAW:

A. COMPLIANCE REQUIRED. Consultant shall keep itself informed of applicable local, state, and federal laws and regulations which may affect those employed by it or in any way affect the performance of its services pursuant to this Contract. Consultant shall observe and comply with all applicable laws, ordinances, regulations and codes of federal, state and local governments, and shall commit no trespass on any public or private property in performing any of the work authorized by this Contract. Consultant shall at all times hold a valid contractor's license if performing any function or activity for which a license is required pursuant to Chapter 9 (commencing with section 7000) of Division 3 of the California Business and Professions Code, and Consultant shall provide a copy of the license(s) upon the request of the City. The City, its officials, officers, elected officials, appointed officials and employees shall not be liable at law or in equity as a result of any failure of consultant to comply with this section.

B. PREVAILING WAGES. In the event it is determined that the Consultant is required to pay prevailing wages for the work performed under this Agreement, the Consultant shall pay all penalties and wages as required by applicable law.

13. REPRESENTATION:

Consultant agrees and represents that it is qualified to properly provide the services set forth in Exhibit A in a manner which is consistent with the generally accepted standards of Consultant's profession. Consultant further represents and agrees that it will perform these services in a legally adequate manner in conformance with applicable federal, state and local laws and guidelines.

14. SUBCONTRACTING:

None of the services covered by this Contract shall be subcontracted without the prior written consent of the City Manager. Consultant shall be as fully responsible to the City for the negligent acts and omissions of its contractors and subcontractors, and of persons either directly or indirectly employed by them, as it is for the negligent acts and omissions of persons directly employed by Consultant.

15. ASSIGNABILITY:

Consultant shall not assign or transfer any interest in this Contract whether by assignment or novation. However, claims for money due or to become due Consultant from the City under this Contract may be assigned to a financial institution, but only with prior written consent of the City Manager. Notice of any assignment or transfer whether voluntary or involuntary shall be furnished promptly to the City. The rights and benefits under this agreement are for the sole and exclusive benefit of the City and this Contract shall not be construed that any third party has an interest in the Contract.

16. INTEREST IN CONTRACT:

Consultant covenants that it shall take reasonable care to ensure that neither it, nor any of its employees, agents, contractors, subcontractors have any interest, nor shall they acquire any interest,



direct or indirect, in the subject of the Contract, nor any other interest which would conflict in any manner or degree with the performance of its services hereunder.

17. FINDINGS CONFIDENTIAL:

All of the materials prepared or assembled by Consultant pursuant to performance of this Contract are confidential and Consultant agrees that they shall not be made available to any individual or organization without the prior written approval of the City, except by court order. However, Consultant shall not be deemed for any purposes a confidential employee of the City.

18. LIABILITY OF CONSULTANT:

Consultant shall be responsible for performing the work under this Contract in a manner which is consistent with the generally accepted standards of Consultant's profession and shall be liable for its own negligence and the negligent acts of its employees, agents, contractors and subcontractors. The City shall have no right of control over the manner in which the work is to be done but only as to its outcome, and shall not be charged with the responsibility of preventing risk to Consultant or its employees, agents, contractors or subcontractors.

19. INDEMNITY AND LITIGATION COSTS:

A. CONSULTANT IS SKILLED. Consultant represents it is skilled in the services necessary to perform the duties agreed to hereunder by Consultant, and City relies upon the skills and knowledge of Consultant. Consultant shall perform such duties consistent with the standards generally recognized as being employed by agencies or contractors performing similar service in the State of California.

B. CONSULTANT SHALL INDEMNIFY. Consultant is an independent contractor and shall have no authority to bind City nor to create or incur any obligation on behalf of or liability against City, whether by contract or otherwise, unless such authority is expressly conferred under this Contract or is otherwise expressly conferred in writing by City. City and their elected and appointed officials, officers, agents, employees, and volunteers (individually and collectively, "Indemnities") shall have no liability to Consultant or to any other person for, and Consultant shall indemnify, defend, protect, and hold harmless the Indemnities from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs, and expenses of whatever nature, including reasonable attorneys' fees and disbursement, including without limitation expert's fees and disbursements (collectively "Claims"), which the Indemnities may suffer or incur or to which the Indemnities may become subject by reason of or arising out of any failure to comply with applicable law, any injury to or death of any person(s), damage to property, loss of use of property, economic loss or otherwise arising out of the performance of the work described herein, to the extent caused by a negligent act or omission of the Consultant, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, occurring as a result of or allegedly caused by the performance or failure to perform by Consultant of Consultant's service under this Contract or the negligent or willful acts or omissions of Consultant, its agents, officers, directors, or

City of Elk Grove

Ameritran Service Corporation, Inc.

dba Transit Resource Center

Re: Engineering Support/Bus Remanufacturing Inspection Services



employees, in performing any of the services under this Contract, except such loss or damage which was caused by the active negligence or willful misconduct of the City.

C. LIMITS OF INSURANCE NOT LIMITING INDEMNIFICATION. If any action or proceeding is brought against the Indemnities by reason of any of the matters against which Consultant has agreed to indemnify the Indemnities as above provided, Consultant, upon notice from the City, shall defend the Indemnities at Consultant's expense. The Indemnities need not have first paid any of the matters as to which the Indemnities are entitled in order to be indemnified. The Consultant should assure that the insurance required to be maintained by Consultant under this Contract shall ensure Consultant's obligations under this paragraph, but the limits of such insurance shall not limit the liability of Consultant hereunder. The provisions of Sections 19(B) and 19(C) shall survive the expiration or early termination of this Contract.

20. CONSULTANT TO PROVIDE INSURANCE:

A. CONSULTANT SHALL MAINTAIN INSURANCE.

Consultant shall not commence any work before obtaining, and shall maintain in force at all times during the duration and performance of this Contract the policies of insurance specified in this Section. Such insurance must have the approval of the City as to limit, form, and amount, and shall be placed with insurers with a current A.M. Best's rating of no less than A:VII.

B. CONSULTANT TO PROVIDE EVIDENCE OF INSURANCE.

Prior to execution of this Contract and prior to commencement of any work, the Consultant shall furnish to the City, and the City must approve, original certificates of insurance and endorsements effecting coverage for all policies required by the Contract. The certificates shall be signed by a person authorized by the insurer, or insurers, to bind coverage on their behalf. Certificates of insurance and endorsements shall be on standard Acord, Department of Insurance, and Insurance Services Office approved forms or on forms approved by the City. As an alternative to providing the City with approved forms of certificates of insurance and endorsements, the Consultant may provide complete, certified copies of all required insurance policies, including endorsements, effecting the coverage required by this Section. At anytime at the written request of the City, the Consultant agrees to furnish one or more copies of each required policy including declarations pages, conditions, provisions, endorsements, and exclusions. Such copies shall be certified by an authorized representative of each insurer. Approval of the insurance by the City shall not relieve or decrease any liability of Consultant.

C. CITY MAY OBTAIN INSURANCE AT CONSULTANT'S EXPENSE.

In addition to any other remedy the City may have, if Consultant fails to maintain the insurance coverage as required in this Section 20, the City may obtain such insurance coverage as is not being maintained, in form and amount substantially the same as is required herein, and the City may deduct the cost of such insurance from any amounts due or which may become due Consultant under this Contract.

City of Elk Grove

Ameritran Service Corporation, Inc.

dba Transit Resource Center

Re: Engineering Support/Bus Remanufacturing Inspection Services



D. NO SUSPENSION OF INSURANCE. Each insurance policy required by this Contract shall be endorsed to state that coverage shall not be suspended, voided, canceled, terminated by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City, except in the event of non-payment of premium, in which case no less than ten (10) days' prior written notice by certified mail, return receipt requested, must be given to the City.

E. DEDUCTIBLES. Any deductibles exceeding five thousand dollars (\$5,000) must be declared to, and approved by, the City.

F. COVERAGES SHALL NOT LIMIT OBLIGATIONS. The requirement as to types, limits, and the City's approval of insurance coverage to be maintained by Consultant are not intended to, and shall not in any manner, limit or qualify the liabilities and obligations assumed by Consultant under the Contract.

G. REQUIRED LIMITS. Consultant and its contractors and subcontractors shall, at their expense, maintain in effect at all times during the performance or work under the Contract not less than the following coverage and limits of insurance, which shall be maintained with insurers and under forms of policy satisfactory to the City. The maintenance by Consultant and its contractors and subcontractors of the following coverage and limits of insurance is a material element of this Contract. The failure of Consultant or of any of its contractors or subcontractors to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of this Contract.

(1) Workers' Compensation and Employer's Liability Insurance

Consultant shall maintain Workers' Compensation insurance as required by Labor Code Section 3700 of the State of California and Employer's Liability Act's, including Longshoremen's and Harbor Workers' Act ("Acts"), if applicable. Employer's Liability limits shall not be less than one million dollars (\$1,000,000) per occurrence. The Consultant shall execute a certificate in compliance with Labor Code Section 1861, on the form provided in the Contract Documents.

If an injury occurs to any employee of the Consultant for which the employee or his dependents, in the event of his death, may be entitled to compensation from the City under the provisions of the Acts, for which compensation is claimed from the City, there will be retained out of the sums due the Consultant under this Contract, an amount sufficient to cover such compensation as fixed by the Acts, until such compensation is paid or it is determined that no compensation is due. If the City is required to pay such compensation, the amount so paid will be deducted and retained from such sums due, or to become due to the Consultant. The insurer shall agree to waive all rights of subrogation against the City, its officers, officials, and employees for losses arising from work performed by the Consultant.

(2) Commercial General and Automobile Liability Insurance.

The insurance shall include, but not be limited to, protection against claims arising from death, bodily or personal injury, or damage to property resulting from actions, failures to act, or operations of the insured, or by its employees or agents, or by anyone directly or indirectly employed by

City of Elk Grove

Ameritran Service Corporation, Inc.

dba Transit Resource Center

Re: Engineering Support/Bus Remanufacturing Inspection Services



the insured. The amount of insurance coverage shall not be less than one million dollars (\$1,000,000) per occurrence/five thousand dollars (\$5,000) medical per occurrence, and two million dollars (\$2,000,000) per policy aggregate. As an alternative to the per policy aggregate the Consultant may have an aggregate limit of one million dollars (\$1,000,000) per project apply. Coverage shall be at least as broad as Insurance Services Office "occurrence form CG 00 01 (ed. 10/03)" covering commercial general liability or its equivalent, and Insurance Services Office "form CA 00 01 (ed. 06/92) covering automobile liability, Code 1 "Any Auto".

Consultant shall include all subcontractors as insureds under its policies or shall furnish separate Certificates for each subcontractor. All coverage for subcontractors shall be subject to all of the insurance requirements stated herein. Commercial general liability coverage shall include independent contractor's coverage, and the Consultant shall be responsible for assuring that all subcontractors are properly insured.

The commercial general and automobile liability insurance coverage shall also include, or be endorsed to include, the following:

a. Provision or endorsement naming the City and each of its officers, employees, and agents, as additional insureds in regards to: liability arising out of the performance of any work under the Contract; liability arising out of activities performed by or on behalf of the Consultant; premises owned, occupied or used by the Consultant; or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, officials, employees or volunteers.

b. Provision or endorsement stating that for any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers to the extent the City is an additional insured. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be in excess of the Consultant's insurance and shall not contribute with it.

c. Provision or endorsement stating that any failure to comply with reporting or other provisions of the policies including breaches of representations shall not affect coverage provided to the City, its officers, officials, employees, or volunteers.

d. Provision or endorsement stating that the Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(3) Professional Liability.

The Consultant and its contractors and subcontractors shall secure and maintain in full force, during the term of this Contract professional liability insurance policies appropriate to the respective professions and the work to be performed as specified in this Contract. The limits of such professional liability insurance coverage shall not be less than one million dollars (\$1,000,000) per claim and two million dollars (\$2,000,000) aggregate. As an alternative there may be a limit of not less than one million dollars (\$1,000,000) per claim and one million dollars (\$1,000,000) per project aggregate. If

City of Elk Grove

Ameritrans Service Corporation, Inc.

dba Transit Resource Center

Re: Engineering Support/Bus Remanufacturing Inspection Services



any professional liability policy is written on a "claims made" basis, such policy, and any succeeding policy must be specifically endorsed to show that "prior acts" occurring at anytime after the inception date of this Contract will be covered. Upon termination of the Contract with the City, the same professional liability insurance requirements will apply for a three (3) year period following such termination. A "tail" policy may be purchased as an alternative to satisfy this requirement.

21. RECORDS.

Consultant shall maintain complete and accurate records with respect to labor costs, material expenses, parcels abated or serviced and other such information required by City that relates to the performance of services under this Contract. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible and in a form acceptable to the City, which the City may specify and change from time to time. Consultant shall provide free access to the representatives of City or its designees, at reasonable times, to such books and records, shall give City the right to examine and audit said books and records, shall permit City to make transcripts therefrom as necessary, and shall allow inspection of all work, data, documents, proceedings, and activities related to this Contract. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

22. MISCELLANEOUS PROVISIONS:

A. NONDISCRIMINATION/NONPREFERENTIAL TREATMENT STATEMENT.

In performing this Contract, the parties shall not discriminate or grant preferential treatment on the basis of race, sex, color, age, religion, sexual orientation, disability, ethnicity, or national origin, and shall comply to the fullest extent allowed by law, with all applicable local, state, and federal laws relating to nondiscrimination.

B. UNAUTHORIZED ALIENS. Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act (8 U.S.C.A. & 1101 et seq.), as amended; and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this contract, and should the Federal Government impose sanctions against the City for such use of unauthorized aliens, Consultant hereby agrees to, and shall, reimburse City for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by the City in connection therewith.

C. GOVERNING LAW. The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Contract and also govern the interpretation of this Contract. Any litigation concerning this Contract shall take place in the Sacramento Superior Court, federal diversity jurisdiction being expressly waived.

D. ASSIGNMENT OR SUBSTITUTION. City has an interest in the qualifications of and capability of the persons and entities that will fulfill the duties and obligations imposed upon Consultant by this Contract. In recognition of that interest, neither any complete nor partial assignment of this

City of Elk Grove

Ameritran Service Corporation, Inc.
dba Transit Resource Center

Re: Engineering Support/Bus Remanufacturing Inspection Services



Contract, may be made by Consultant nor changed, substituted for, deleted, or added to without the prior written consent of City which consent shall not be unreasonably withheld. Any attempted assignment or substitution shall be ineffective, null, and void, and constitute a material breach of this Contract entitling City to any and all remedies at law or in equity, including summary termination of this Contract. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Contract.

E. ENTIRE CONTRACT. This Contract constitutes the entire Contract and understanding between the parties relative to the services specified herein and there are no understandings, agreements, conditions, representations, warranties or promises, with respect to this Contract, except those contained in or referred to in this Contract and this Contract supersedes all prior understandings, agreements, courses of conduct, prior dealings among the parties and documentation of any kind without limitation.

F. AMENDMENTS. This Contract may be modified or amended, or any of its provisions waived, only by a subsequent written agreement executed by each of the parties. The parties agree that this requirement for written modifications cannot be waived and any attempted waiver shall be void.

G. CONSTRUCTION AND INTERPRETATION. Consultant and City agree and acknowledge that the provisions of this Contract have been arrived at through negotiation and that each party has had a full and fair opportunity revise the provisions of this Contract and to have such provisions reviewed by legal counsel. Therefore, any ambiguities in construing or interpreting this Contract shall not be resolved against the drafting party. The titles of the various sections are merely informational and shall not be construed as a substantive portion of this Contract.

H. WAIVER. The waiver at any time by any party of any of its rights with respect to a default or other matter arising in connection with this Contract shall not be deemed a waiver with respect to any subsequent default or other matter.

I. SEVERABILITY. The invalidity, illegality or unenforceability, of any provision of this Contract shall not render the other provisions invalid, illegal or unenforceable.

J. NOTICES. All invoices, payments, notices, demands, requests, comments, or approvals that are required to be given by one party to the other under this Contract shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited in a United States Post Office for delivery by registered or certified mail addressed to the parties (deemed to have been received three (3) business days after deposit in the U.S. Mail) at the following addresses:

City: City of Elk Grove
City Manager
8400 Laguna Palms Way
Elk Grove, CA 95758

Consultant Ameritran Services Corporation Inc.
dba Transit Resource Center
Attn: Edward W. Pigman, President

City of Elk Grove
Ameritran Service Corporation, Inc.
dba Transit Resource Center
Re: Engineering Support/Bus Remanufacturing Inspection Services



5840 Red Bug Lake Road, Suite 165
Winter Springs, FL 32708

Each party may change the address at which it gives notice by giving ten (10) days advance, written notice to the other party.

K. **AUTHORITY TO EXECUTE.** The person or persons executing this Contract on behalf of Consultant warrant and represent that they have the authority to execute this Contract on behalf of their agency and further warrant and represent that they have the authority to bind Consultant to the performance of its obligations hereunder.

AGREED to this _____ day of _____, 2004, by the parties as follows.

Approved as to form:

CONSULTANT

Counsel for consultant

By: _____
Edward W. Pigman, President

Approved as to form:

CITY OF ELK GROVE

By: _____
Anthony B. Manzanetti, City Attorney

By: _____
John Danielson, City Manager



CERTIFICATE OF COMPLIANCE
WITH LABOR CODE § 3700

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I have complied or will comply with such provisions before commencing the performance of the work of this contract. (Cal. Labor C. §§1860, 1861.)

CONSULTANT

Edward W. Pigman, President



EXHIBIT A

Scope of Work

Phase I – Vehicle Engineering and Specification Support

TASK 1: DEVELOP BUS SPECIFICATIONS

TRC will write comprehensive bus specifications for remanufactured 40-foot buses powered by alternative fuel propulsion systems, TRC will also write specifications for new paratransit vehicles. These specifications will include all standards for accepting or rejecting conditions on the used 40-foot chassis structure found prior to the start of the reassembly process. These specifications will include all ADA, FTA, and California regulatory requirements.

To enable TRC's work in writing these bus specifications, the City of Elk Grove ("City") will appoint a Technical Advisory Committee whose task will be to provide input on the performance requirements of the 40-foot buses as well as the paratransit vehicles.

Within six (6) weeks from a Notice to Proceed, TRC will provide the City with final specifications in CD format.

TASK 2: PROVIDE ENGINEERING SUPPORT ON RECOMMENDED POWER TRAIN

To assist the City in evaluating the use of hybrid gasoline/electric of propulsion system to meet State of California regulations for its transit buses, TRC will conduct a thorough design review of the City's proposed gas/electric propulsion system with a special emphasis on the electro-motive part of the system. Issues to be reviewed by TRC will include, but not be limited to, overall configuration, wiring specifications, defect history, connections, torque specifications, vibration dampers, installation methodology etc.

Within 7 weeks of Notice to Proceed, TRC will provide the City with a written engineering report that will outline any design deficiencies or other technical issues which may impact the performance or the life cycle of the proposed hybrid propulsion system.

TASK 3: PROVIDE TECHNICAL SUPPORT DURING CONTRACT NEGOTIATIONS

TRC will provide the City with technical support throughout the period of evaluation of proposals by potential bus manufacturers as well as during contract negotiations with the selected bus manufacturer. TRC will attend meetings with the City and the selected bus manufacturer and prepare written materials to support the City's positions during contract negotiations.

TASK 4: PROVIDE ENGINEERING SUPPORT FOR VEHICLE SELECTION

TRC will provide a complete engineering inspection of prospective used buses chosen for the City's project. This inspection will focus on evaluating each individual bus for key criteria, including but not limited to the following:



- Make/Model
- Origin of vehicles
- Total chassis miles
- Evidence of accident damage
- Chassis frame condition
- Body condition
- Evidence of rust or salt corrosion

Transit Resource Center will grade each bus inspected for each of the above criteria. TRC will then prepare a written report to the City outlining TRC's recommendations on which buses the City should select for remanufacturing. This report will be delivered within 2 weeks after the inspections are completed.

Phase II – Vehicle Re-Manufacturing Inspection Services

TASK 1: PRE-PRODUCTION ACTIVITIES

Approximately one (1) week before production begins on the City's remanufactured transit buses, TRC will attend a pre-production meeting at the manufacturer's plant to review all preparations for the project startup. This will include conducting a thorough review of the Pre-Award Buy America audit and the City's bus specifications, approved equals, subsequent engineering changes, as well as all notes and communications on technical issues.

Also prior to production startup, TRC will meet with the manufacturer's production manager to identify and inspect any materials intended for use on the City's vehicles. Upon the completion of the above work items, TRC will submit a written report to the City that will include, but not be limited to:

- Notification to the City of any concerns about contract compliance, specifications, or scheduling delays; and
- Submission of TRC's updated inspection forms to be used for the City's transit vehicles. 0

TASK 2: INSPECTION OF PRODUCTION VEHICLES

In compliance with FTA regulations on transit bus assembly, TRC's inspector will be on site at the manufacturer's factory throughout production to inspect the City's remanufactured buses during assembly. All inspections of the City's buses will be conducted in full compliance with 49CFR Part 663 rules, as applicable to eleven (11) or more vehicles.



TRC's inspectors will have available a City Approved checklist of items, specifications, and contract documents enabling the inspectors to conduct a comprehensive configuration audit on the buses. Upon completion of the production of each unit and conditional acceptance by the TRC inspector, each vehicle will be given a final review for compliance with the City's contract specifications. Any discrepancies or defective items discovered will be called to the attention of the bus manufacturer's quality assurance representative. These deficiencies will be corrected on each vehicle and the information will be documented in a final report to the City.

TASK 3: ENGINEERING SUPPORT AND DOCUMENTATION

TRC will provide technical engineering support services to the City and to the TRC resident inspector during the assembly of the City's buses.

TRC will ensure that technical documentation exists for each step of the build process for the City's busses. TRC will review the bus manufacturer's compliance with quality standards and specification requirements. Any compliance failure or defect noted by TRC which has not been corrected by the manufacturer by week's end shall be placed on a Pending Points List. That list shall number each issue identified; TRC will keep an accurate accounting of each issue which remains "open" until it has been resolved to the satisfaction of the TRC inspector. In those cases where the manufacturer refuses to correct a noted deficiency, TRC's Project Manager will intervene. If that proves unsuccessful, TRC will notify the City so that the City can decide either to allow the deficiency or to require the manufacturer to make the necessary correction. Once a satisfactory determination has been made on each issue, TRC will "close" the issue with an explanation of how it was resolved and the date of resolution.

TRC will document the entire manufacturing process with photographs taken with digital cameras. These digital photographs will be relayed daily to the City's Project Manager for review and input. A complete explanation of the reporting system, including the Pending Points list, is included in Task 4 below.

TASK 4: COMMUNICATIONS AND REPORTS

Communications

Each inspector assigned to the City's remanufactured bus project will be equipped by TRC with the following:

- A cell phone or local area pager;
- An Internet e-mail address;
- A laptop computer with a fax modem rated at no less than 56K and a printer;
- A 35 mm camera; and
- A digital camera to record the manufacturing process.

Daily project updates, digital photos, and notes will be sent by TRC via e-mail to the City's Project Manager. In addition, telephone communications from the factory will be made by TRC's resident inspector to the City's Project Manager as needed.



Program Deliverables – Written Reports

As part of TRC's quality assurance program for the City, a historical record will be provided for each vehicle. TRC will highlight specific problems observed and encountered, and their disposition, in the following written progress reports:

Three-Part Weekly Report

TRC will produce a three-part report, which will be provided the City's Project Manager on the Monday following every week of vehicle production. This three-part report consists of:

- Weekly Report
- Pending Points Report
- Photo Report

The Weekly Report will include four sections:

- General Overview Of Activities – Will provide an executive summary of all activities that took place during the previous week. It shall give the reader a snapshot look of the overall production activities, including any issues that arose during the preceding week, how the issues were addressed, any production delays, and a summary of the bus production.
- Production Status – Will provide a detailed look into each bus in production, including where each bus stands in the production process, status of function tests, road and water tests, final inspection status, reworks undertaken after initial final inspection, vehicle release status, and vehicle delivery status.
- Inspection Activities – Will include any notes related to the inspection activity that the City should be aware of. These activities will include, but not be limited to, include any actions taken by CCW as a result of intervention by the TRC inspection process. For example, if TRC's inspector noted that undercoating was not applied in certain areas and CCW applied additional undercoating as a result, that action would be noted.
- Pending Points Status – Will provide a summary of all the issues or "points" that are either open (pending action by CCW or the City) or closed (issue is resolved).
- The Pending Points Report - The second of the three report parts consists of a pending points list. Each time the TRC inspector identifies an issue that CCW has not corrected or refuses to correct, that issue will be placed on the Pending Points List and numbered in sequential order. The point will remain "open" until a solution agreed upon by the City is found. At that time, the point will mark it closed. Each closed point will include the date the point was closed and a description of how it was closed. (For example, the TRC inspector finds that the fitting of an interior panel is not aligned with the adjacent panel and CCW refuses to make the required change.) The TRC inspector will then open the point on the Pending Points List and assign a number to it. The TRC inspector discuss the issue with TRC's Project Manager, a photo will be taken, and the Project Manager will review the photo and discuss the issue with the TRC inspector and the bus builder to resolve the issue. If CCW persists in its refusal to correct the issue, the Project Manager will then involve the City to inform it and determine its position regarding the defect.
- Photo Report - The final portion of the three-part report consists of the Photo Report. This report includes a series of photographs to help the City visualize the production status, any open issue defects awaiting resolution, alternative equipment or configurations being proposed by the bus builder, and/or any other area where a photograph would be helpful to the City of Elk Grove.



Final Report

TRC will provide a Final Report to the City that will include information, including but not limited to the following:

- All FTA required Audits and documentation;
- Technical specification configuration certification and reports;
- Manufacturing production process quality assurance and reports;
- Pre-delivery inspection and testing reports;
- Conditional acceptance testing reports;
- Post-delivery reports and post production Buy America reports; and
- Photographic history of every stage of the production process.

TASK 5: POST-DELIVERY BUY AMERICA AUDIT

Upon completion of the manufacture of the City's transit vehicles, TRC will prepare a Post-Delivery Buy America Audit report. The Post-Delivery Audit must comply with applicable federal regulations, and at a minimum certify that:

- The buses built and sold to the City are the same as specified in the procurement documents;
- Final assembly of the buses was carried out in the U.S. in compliance with Buy America requirements;
- A minimum of 60% of the components and sub-component parts of the buses were purchased from domestic U.S. sources;
- That a resident inspector was on site throughout the period of manufacture.

In accordance with FTA requirements, TRC will provide the City with the audit findings in a written report upon completion of the audit.

Phase III – SCOPE OF WORK ADDITIONS

- TRC will do and perform everything necessary for the final bus acceptance inspections;
- TRC will provide technical advisory services as needed regarding such items as the manufacturing processes and procedures, component assembly procedures, maintenance procedures, and other related matters as deemed necessary by City.
- TRC will be available for technical consulting related to the buses, on-site plant visits, conduct special inspections or quality checks, and to consult with City on bus related matters as deemed necessary by City.



EXHIBIT B

Compensation and Method of Payment

Phase I Budget
Vehicle Engineering and Specification Support
City of Elk Grove

Transit Resource Center proposes to conduct all tasks outlined in the Phase I Work Scope for a budget not to exceed \$19,700. Work will be billed at a rate of \$137 per hour plus direct out-of-pocket expenses.

Phase II Budget
Vehicle Re-Manufacturing Inspection Services
City of Elk Grove

Transit Resource Center proposes to conduct in-plant vehicle quality control inspection services at the Complete Coach Works (CCW) factory during the production for the remanufactured buses. CCW states that the production period will be approximately five (5) months from start to delivery of the last bus.

Given that the production time is somewhat flexible, TRC proposes to charge a rate of \$488 per day per inspector, plus any out-of-pocket travel expenses. TRC expects to place only one (1) inspector at the factory during most of the production time.

Potentially, TRC's Electrical Engineer may be required briefly during the production period. His charges would be \$137 per hour, if needed.

Phase III Budget

Contract level is based on a time and materials basis and will not exceed \$25,000.

In no event shall the total compensation paid under this Contract exceed the amount specified in Paragraph 4.A

**CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2004-258**

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) **ss**
CITY OF ELK GROVE)

I, Peggy E. Jackson, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on the 20th day of October 2004 by the following vote:

AYES 4: COUNCILMEMBERS: Scherman, Soares, Briggs, Leary

NOES 0: COUNCILMEMBERS:

ABSTAIN 0: COUNCILMEMBERS:

ABSENT 1: COUNCILMEMBERS: Cooper



A handwritten signature in black ink, appearing to read "Peggy E. Jackson".

**Peggy E. Jackson, City Clerk
City of Elk Grove, California**