

VEHICLE LEASE AGREEMENT

AGREEMENT BETWEEN Veolia Transportation Services, Inc., (hereinafter "Veolia") and _____ (hereinafter referred to as Provider).

Within this Agreement, the term "Parties" shall mean Veolia and the Provider. The term "Funding Entity" shall mean the City and County of San Francisco, San Francisco Municipal Railway and the San Francisco Municipal Transportation Authority, and any other entity providing funding for services rendered under this Agreement.

WHEREAS, Funding Entity has purchased {insert #} modified {insert length} paratransit vans ({insert type}) for the provision of paratransit services (hereinafter "Vehicle(s)"); and

WHEREAS, Funding Entity agrees to make some of the Vehicles available for use by Provider in providing ADA paratransit services for its paratransit program,

The Agreement of the Parties includes this document consisting of seventeen (17) numbered Sections and the following Attachments and any Exhibits thereto, all of which are incorporated into the Agreement and shall be construed together to form the Agreement between the Parties;

- I. Vehicle Lease
- II. Schedule of Vehicles
- III. General Provisions
- IV. Local Provisions
- V. Federal Provisions

IN CONSIDERATION OF the mutual promises, covenants and the payment terms set forth in this page and the Attachments and Exhibits, Provider agrees that it shall deliver services for Veolia in accordance with the terms and standards of this Agreement.

Notices under this Agreement should be delivered to:

For Veolia Transportation Services, Inc:

Mr. Ron Bushman, VP
Mr. Marc A. Soto, GM
Veolia Transportation Services, Inc.
68 12th Street, Suite 100
San Francisco, CA 94103-1297

For _____:

Veolia Transportation Services, Inc:

_____:

By: Ron Bushman

By:

Date

Date

Veolia
ATTACHMENT I

Vehicle Lease

1. Vehicle(s) Acceptance

Veolia agrees to lease _____ Vehicles listed on the Vehicle Schedule (Attachment II) to Provider in accordance with the terms set forth in this Agreement.

Upon delivery of the Vehicles, the parties will jointly execute a vehicle acceptance document specifying the condition of the Vehicles. Provider shall assume all risk and responsibility for the Vehicles thereafter until returned to Funding Entity. Vehicles shall be returned to Funding Entity in the same condition as originally delivered, except for ordinary wear and tear.

2. Use of Vehicle(s)

Provider will operate the Vehicle(s) in compliance with all applicable laws and regulations, including traffic regulations, and municipal ordinances of the City and County of San Francisco.

Provider shall use or cause the Vehicles to be used only for transporting qualified ADA paratransit passengers participating in the San Francisco Paratransit Program as defined by Federal regulations and Funding Entity's approved criteria and as stipulated by service contract dated _____, between the parties. Provider shall ensure that all drivers of vehicles are trained in paratransit passenger assistance procedures as described in the Paratransit Service Agreement dated _____.

NEITHER FUNDING ENTITY NOR VEOLIA MAKE ANY WARRANTY OR REPRESENTATION CONCERNING THE VEHICLE(S) AND EXPRESSLY DISCLAIM ANY EXPRESS WARRANTY, IMPLIED WARRANTY OR ANY RESPONSIBILITY RELATING TO THE FITNESS OR CONDITION OF ANY VEHICLE OR ANY VEHICLE'S FITNESS FOR ANY PURPOSE PROVIDED HEREUNDER.

3. Term

The term of this Agreement shall be _____, through _____, unless terminated earlier in accordance with this agreement or extended by amendment to this agreement. Veolia may assign this Agreement to Funding Entity or any designated entity at its sole discretion.

4. Assignment

Except as outlined in section 3, this Agreement may not be assigned. Vehicle(s) may be operated only by employees of Provider.

5. Possession of Vehicles

Provider shall not be entitled to use of the Vehicles until Provider has delivered to Veolia and Veolia has approved each of the following documents:

- a. Verification of Business Auto, General Liability and Workers' Compensation insurance covering all Vehicles leased to Provider, in accordance with the terms provided in Attachment III, paragraphs 6, 7 and 8;
- b. a fully executed copy of this Lease Agreement with Veolia;
- c. a separate acknowledgement of the required maintenance and repair schedule and program for the vehicles which, at a minimum, meet the requirements of Section 8 and

- Attachment V herein and providing for the timely repair of body damage;
- d. a guaranteed lease payment amount; and
 - e. a plan and timeline for equipping all vehicles with required radio and other communication devices, painting vehicles with the color scheme identifying the subcontractor and displaying required PUC number and placing wheelchair access decal markings on the vehicles and any other required signage. Such timeline shall specify that the painting and identification shall be completed not later than 30 days following the receipt of delivery of each vehicle.

6. Records.

Provider shall be required to prepare and keep vehicle files by vehicle number documenting all Vehicle(s) maintenance including, without limitation, preventative maintenance, scheduled maintenance, inspections, parts usage, unscheduled maintenance, and accident repairs. Said files shall be kept current throughout the duration of this agreement and a copy thereof shall be provided to Veolia and Funding Entity upon request and upon termination of this agreement. Veolia and Funding Entity shall have unrestricted access to all vehicle maintenance records during planned or unannounced visits or inspections of the Provider's facilities for the duration of this Agreement. Provider shall maintain all records generated in the performance of this Lease and the Paratransit Program for a period of at least three (3) years after the end of the lease term. Any violation of the provision of this Section will be considered a material breach of the lease and subject to Provider to all remedies for breach available under law, including, but not limited to, termination of the Agreement.

7. Lease and fuel payments

In consideration of the terms of this Agreement and the rental of vehicles hereunder, Provider agrees to pay Funding Entity through Veolia, a monthly lease payment of \$_____ per month per vehicle and such additional rent that may be assessed in accordance with paragraphs 8 of this Agreement. Provider also agrees to pay the cost of fuel it purchases directly from the City under the prescribed method. This cost shall be calculated each month and paid by Veolia in the same month and deducted by Veolia from amounts due to provider under its services provision agreement as described below.

Provider's lease and fuel payments shall be made concurrently with its monthly expenditure reports, as provided in Paragraph 9. Method of Payment of the Paratransit Service Agreement and the lease agreement. Payment for monthly invoices for services rendered for the month shall be adjusted by the amount of the lease and fuel payments due. Payments shall be made on a monthly basis and shall commence with the first regular expenditure report by Provider to Funding Entity after thirty (30) days after the effective date of this lease agreement. Along with its payment, Provider shall submit a monthly report detailing the number of passenger trips (one passenger/one way), and the number of trips credited to the San Francisco Paratransit Program. In cases where the vehicle is leased any date other than the first of the month, the lease payment shall be prorated in proportion to the days left in the month.

8. Maintenance program

Within seven (7) days of receipt of the first Vehicle, Provider shall submit to Veolia and Funding Entity, acknowledgement of the required Vehicle Maintenance & Repair requirements which will indicate Provider's agreement to implement said comprehensive preventative maintenance (PM) program for the Vehicle(s). Failure to comply with this requirement shall be grounds for immediate termination of this Agreement and immediate repossession of the Vehicle(s). The maintenance program to be implemented by Provider shall meet or exceed the manufacturer's recommended or

specified guidelines and shall include the maintenance of all add-on equipment, if any, supplied with the Vehicle(s). When maintenance requirements are specified by the manufacturer for different service categories (such as "normal service" and "severe service"), the most stringent and severe service guidelines shall be used. Provider shall maintain the vehicles in accordance with the specified program.

All parts and materials, including lubricants and fuel, used in maintaining or operating the Vehicle(s) shall be in accordance with the Vehicle(s) manufacturer's specifications for said parts and materials.

Provider shall provide at its sole cost:

- a. Lubricants, tires, tubes and all other operating supplies necessary for the Vehicle(s)
- b. Maintenance and repairs including all labor and parts required to keep the Vehicle(s) in good operating condition
- c. Regular exterior and interior washing and cleaning
- d. Road service for mechanical failures
- e. Repair of all damages to vehicle including that caused by accidents, vandalism, etc.

All repairs and maintenance shall be performed by personnel who have demonstrated the experience and skill necessary to perform the work, which shall be performed in a workmanlike manner to the generally accepted industry standard of quality. Provider will be solely responsible for the quality of all repairs and maintenance.

Veolia reserves the right to enter on the property of Provider or any location where the Vehicles may be parked during scheduled or unscheduled visits to inspect the Vehicles and Veolia may require the immediate repair thereof if the condition of the Vehicle(s) is not satisfactory. In lieu of the above, Veolia may elect to perform or have performed, the services and or repairs required and assess the costs thereof against Provider as additional rent. Nothing herein shall relieve Provider of its obligation to properly maintain the Vehicle(s).

Provider agrees that each Funding-Entity-owned vehicle shall be surrendered to Veolia's authorized representative for complete mechanical/appearance inspection when requested. These inspections shall be conducted at least twice per year per vehicle. These inspections are in addition to any other state or county required inspections.

In most cases, Veolia shall notify Provider each Friday, the week prior to inspection, of the date and the vehicle(s) to be surrendered for inspection. Provider shall arrange to deliver requested vehicle(s) to Veolia's designated representative within the City and County of San Francisco at the appointed date/time (or within 50 mile radius thereof). Provider shall be called upon completion of inspection so that within 24 hours of notification, Provider may call for vehicle. Arrangements for delivering vehicle for inspection shall be handled by Provider and costs associated with such shall be borne by Provider. Veolia at its sole discretion and with the cooperation of Provider may conduct some or all inspections at Provider's facility. In such case, Provider agrees to cooperate fully with Veolia and its representative and agrees to furnish necessary equipment to perform such inspection. Such equipment shall be limited to that equipment as used by Provider to safely and effectively maintain said vehicles.

Provider agrees that failure to deliver designated vehicle on the appointed date/time may result in the imposition of liquidated damages of \$500 per day until vehicle is delivered for inspection. Any damages assessed against Provider through said method will be deducted from monies owed to Provider from services provided under its Paratransit Service Agreement with Veolia.

Upon completion of inspection, Veolia shall forward to Provider a list of deficiencies, which may have been identified to Veolia by its inspector. Provider agrees to correct all deficiencies immediately-usually within 7 days of notification. If, upon re-inspection deficiencies have not been corrected, Provider agrees to pay \$500 per day per deficiency to Veolia until said deficiencies have been corrected. Any damages assessed against Provider through this method will be deducted from monies owed to Provider for services provided under its Paratransit Services Agreement with Veolia.

9. Transfer of Vehicle

Provider shall not transfer, lease, or otherwise dispose of the Vehicles during the term of this Lease Agreement without the written approval of Veolia or its designee. If Provider violates any provision of this Agreement, Veolia may terminate this agreement as to said vehicle(s) and with approval of Funding Entity, shall transfer use of the Vehicles to another Provider.

10. Vehicle(s) Safety Inspection

Provider shall be responsible for compliance with any state or local vehicle inspection programs. The costs of said inspections and any maintenance or repairs required to comply with said inspections shall be the responsibility of Provider.

11. Obligations of Provider

Provider, in relation to the lease of the vehicles, shall:

- a. For the term of the lease, maintain and repair or cause the vehicles to be maintained and repaired as specified herein and in a manner that will assure safe and reliable transportation to San Francisco paratransit passengers.
- b. Operate or cause the vehicles to be operated in a safe manner consistent with all applicable provisions of Federal, State and local laws.
- c. In writing, report to Veolia within seven (7) days any occurrence that will prevent compliance with this section (e.g., accident rendering the vehicle inoperative, mechanical deterioration to the extent that repair is not feasible).
- d. Ensure proper maintenance and repair are performed on the vehicles and that the costs of such maintenance and repairs are borne by the Provider.
- e. Unless otherwise authorized by Veolia in writing, within five (5) days after termination of this Lease Agreement or at the end of the three (3) year lease term, return the vehicles in the same condition as received, ordinary wear and tear excepted, to Veolia or Veolia's authorized representative at a location to be designated by Veolia (not to exceed a 50 mile radius of the City of San Francisco). Contractor is responsible for all cost incurred in the relocation of the vehicles to a location identified by Veolia.

12. Default

- A. Provider shall be in immediate default of this agreement if any of the following events occur:
1. Provider or Provider's property are the subject of a proceeding in bankruptcy, receivership or insolvency or Provider makes an assignment for the benefit of creditors.
 2. Provider fails to comply with the insurance provisions of this agreement and/ or the Purchase of Service Agreement between Provider and Veolia.
- B. Provider shall be in default of this agreement if any of the following events occur and remain uncured following ten (10) day written notice to Provider:
1. Provider fails to comply with any material term or condition of this agreement, including and without limitation, the maintenance and repair requirements.
 2. Provider fails to answer traffic summons or pay fines when due.
 3. Provider fails to keep the Vehicle(s) free of liens and encumbrances.

4. The Vehicle(s) is used for illegal purposes or driven by a person not in possession of the proper credentials or state drivers' license.

13. Remedies

In the event that Provider is in breach or default of this agreement, Veolia and Funding Entity may at their election, enter into Provider's premises and without further notice or demand take possession of some or all the Vehicles, and remove them from Provider's premises without prejudice to any other remedies both parties may have under any agreement or at law or equity. Upon such repossession Veolia shall have the right to inspect said Vehicle(s) and make any necessary repairs to said Vehicle(s) and assess the costs thereof against Provider as additional rent.

14. Indemnification

Provider shall indemnify, defend and hold harmless Funding Entity, Veolia and their respective officers, agents and employees from and against any and all suits, claims, actions, losses, penalties, and damages of whatsoever kind or nature, (including fines for traffic and parking violations) arising out of or in any way incident to or in connection with, the use, condition or operation of the Vehicle(s) hereunder, including without limitation, damage of any kind to the Vehicle(s), to third parties, and to property during the term of this agreement. Provider shall defend Funding Entity and Veolia in all legal or claim proceedings arising out of or in connection with or in anyway incident to the use or operation of the Vehicle(s), pay all costs of defense including attorney's fees, witness fees, and costs incurred directly or indirectly on account of said litigation or claim and satisfy any judgment rendered in connection therewith and/or to pay the costs of settling said litigation or claim.

15. Insurance

Provider shall, at all times maintain insurance, in such amounts and as required in the Purchase of Service Agreement between Provider and Veolia covering the Vehicle(s) and its operation and provide proof of said insurance to Veolia including Certificates of Insurance as required therein.

16. Theft or Destruction of Vehicle(s).

Provider shall be solely responsible for and indemnify Funding Entity and Veolia against any and all loss associated with the theft or destruction of the Vehicle(s) or the rendering of the Vehicle(s) unsuitable for use (as determined by Funding Entity) due to fire, riot, insurrection, act of God, accident, or theft.

17. No Property Interest in Vehicle(s)

Vehicles shall be titled by Funding Entity in Funding Entity's name. Provider shall acquire no property interest in the Vehicle(s) by virtue of, or operation of, this Agreement and they shall remain the property of Funding Entity throughout the term of this Agreement. Provider shall not disturb, remove or obstruct property tags or labels affixed to or on the Vehicle(s) by Funding Entity. After taking delivery of the vehicles, Provider shall be responsible to register the vehicles as Lessee thereof and pay all costs of registration and to comply with all official markings and decals as required by Veolia. Provider shall be responsible for annual vehicle registration fees and costs of keeping current with Department with Motor Vehicles.

Veolia
ATTACHMENT II

SCHEDULE OF VEHICLES

All units are identical *{insert Year Make Model}* and powered by a diesel engine.

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

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Veolia
ATTACHMENT III

GENERAL PROVISIONS

1. Independent Contractor

The Contractor at all times shall be an independent contractor. Contractor shall administer its own payroll and make all necessary payroll deductions and payments to federal, state, and local governments. No contractual relationship shall be established between Veolia and any employee, subcontractor or supplier of the Contractor by virtue of this Agreement. The Contractor represents and warrants that it is duly organized, validly existing and in good standing under the law of the state where organized and of the state where services are to be performed under this agreement. This Agreement is solely for the benefit of Veolia and the Contractor.

2. Amendments

This Agreement may be amended by the parties. No amendment to this Agreement shall be effective until and unless it is reduced to writing and signed by both parties.

3. Termination without cause

Veolia may terminate this agreement without cause upon thirty (30) days written notice to the Contractor. Upon such termination without cause, Contractor shall be entitled to payment, in accordance with the payment provisions, for services rendered up to the termination date and Veolia shall have no other obligations to Contractor. Contractor shall be obligated to continue performance of contract services, in accordance with this contract, until the termination date and shall have no further obligation to perform services after the termination date.

4. Termination for Default

Veolia may terminate this Agreement for default, in accordance with this paragraph, if the Contractor fails to perform the services in a timely manner and in accordance with the Attachments or fails in any other way to conform to the terms of this agreement. Prior to termination for default, the terminating party, Veolia, shall give the alleged defaulter a Notice of Default setting forth the circumstances of the default. Said party shall have ten (10) days to cure such default (measured from receipt of the Notice of Default). If the Contractor fails to cure the default or submit a plan for curing the default which is acceptable to Veolia before the expiration of the ten (10) day cure period, the Agreement shall be terminated upon the expiration of the cure period and Veolia shall be entitled to equity under the law. Neither party shall be found in default for events arising due to Acts of God, war, insurrections, strikes and unusually severe weather.

5. Assignment

Neither this agreement, nor any part of this agreement may be assigned by Contractor to another entity without the prior, written consent of Veolia.

6. Auto Liability Insurance

Contractor shall purchase and maintain auto liability insurance on all vehicles used to provide services under this Agreement (including non-revenue vehicles) regardless of whether said vehicles are owned by the Contractor or supplied to Contractor

by Veolia, the Funding entity or some other party. Auto liability insurance shall provide minimum limits of two million dollars (\$2,000,000) per occurrence combined single limit for bodily injury liability and property damage liability including liability to passengers. Said insurance shall provide coverage for "all vehicles" or "all hired, owned and non-owned vehicles." For vehicles not owned by Contractor, insurance coverage shall also be maintained for physical damage to the vehicles including comprehensive and collision coverage equal to the cash value of the vehicles. Contractor shall provide to Veolia, prior to beginning service under this agreement a certificate of insurance, specifying coverages as required in this paragraph, underwritten by a carrier acceptable to Veolia (and having a most recent published rating by A. M. Best Company of "A" or better) that indicates that Veolia and the Funding Entity, the officers, agents, employees, and volunteers of Veolia and the Funding Entity, individually and collectively and any subcontractor or agent of Contractor engaged in any work under this agreement are named as additional insureds on the policy. The certificate of insurance shall contain an endorsement providing that Veolia shall be given thirty (30) days notice before cancellation of the policy and an endorsement that such insurance is primary and no insurance of Veolia, the Funding entity, or subcontractor will be looked upon to contribute to any loss.

7. General liability insurance

Contractor shall obtain Comprehensive General Liability insurance in the amount of two million dollars (\$2,000,000) per occurrence. Said coverage shall be "broad form" and shall specifically cover contractual liabilities including the hold harmless provisions of this Agreement. Prior to the start of service under this agreement, Contractor shall provide Veolia a certificate of insurance, specifying coverages as required in this paragraph, underwritten by a carrier acceptable to Veolia (and having a most recent published rating by A. M. Best Company of "A" or better) indicating that Veolia and the Funding Entity the officers, agents, employees, and volunteers of Veolia and the Funding Entity, individually and collectively and any subcontractor or agent of Contractor engaged in any work under this agreement are named as additional insureds on the policy. Said policy shall contain a provision that Veolia shall be given thirty (30) days written notice before the cancellation of the policy and an endorsement that such insurance is primary and no insurance of Veolia, the Funding entity, or subcontractor will be called upon to contribute to any loss.

8. Worker's Compensation Insurance

Contractor shall maintain a policy of insurance covering Workers Compensation risks in the amount of one million dollars (\$1,000,000) and with such coverage as required by the laws of the State of California. Prior to the start of service under this agreement, Contractor shall provide Veolia a certificate of insurance, specifying coverages as required in this paragraph, underwritten by a carrier acceptable to Veolia (and having a most recent published rating by A. M. Best Company of "A" or better). The policy shall contain a provision that Veolia shall be given thirty (30) days written notice before the

cancellation of the policy; that such insurance is primary and no insurance of Veolia, the Funding Entity, or subcontractor will be called upon to contribute to any loss.

9. Indemnification and liability

Contractor shall indemnify, protect and hold Veolia and the Funding Entity, their officers, agents and employees (referred to collectively and individually as "indemnitees") harmless from and against all claims, actions, suits, proceedings, costs, expenses, damages, injuries, death and liabilities; including legal expenses and attorney's fees, of any kind or nature whatsoever; imposed upon, incurred by or asserted against indemnitees by any person, persons or entity arising out of actions or failures to act connected with or caused, directly or indirectly, by any of Contractor's services or activities, actions or failure to act resulting from this agreement.

10. Disputes

Any dispute concerning a question of fact or law arising under or related to this Agreement that is not disposed of by agreement shall be submitted by Contractor in writing to the Project Manager. Thereafter, the Parties shall have thirty (30) days to reach an agreed resolution of the dispute. In the event no agreement is reached, the decision of the Project Manager shall be the final decision, unless, within thirty (30) days the matter is referred to arbitration. Either party may submit the matter to arbitration by doing so in writing within the thirty (30) day period above specified. An arbitrator will be selected by alternate strikes of a list of five arbitrators supplied by the local office of the American Arbitration Association. The first strike shall be determined by lot. The parties shall alternately strike proposed arbitrators until only one arbitrator remains. This person shall hear the dispute. The decision of the arbitrator shall be final and binding and the cost of the arbitration shall be borne by the losing party. Notwithstanding any disagreement, the Contractor shall proceed during the pendency of any appeal with the services in accordance with the Project Manager's decision. Contractor shall be responsible for requesting instructions or interpretations when an ambiguity is apparent, and is liable for any cost or expenses arising from its failure to do so. The Contractor's failure to appeal the Project Manager's decision within the thirty (30) day period shall constitute a waiver of its rights to further appeal.

11. Records

Contractor shall maintain (in accordance with generally accepted accounting procedures) and make available for inspection, audit and /or reproduction by any authorized representative of Veolia, the Funding Entity, or any other authorized governmental agency; adequate books, documents and other evidence pertinent to the costs and expenses of this Agreement. This shall include direct and indirect costs of labor, material, equipment, supplies, services and all other costs and expenses of whatever nature for which reimbursement is claimed under the provisions of this Agreement. All records required by this Agreement or by law shall be maintained until an audit is completed and all questions arising therefrom are resolved or five (5) years after completion of this Agreement, whichever occurs first; except that records will be retained beyond the fifth year if an audit is in progress and/or the findings of a completed audit have not been resolved satisfactorily.

12. Notices

Notices in connection with this Agreement shall be in writing and delivered by regular, registered, or certified mail or hand

carried to the individual designated on the signature page to receive such notice. Telephone calls and facsimile machines may be used to expedite communications, but shall not be official communication unless confirmed in writing and delivered in accordance with this paragraph.

The parties designated to receive notice and/or addresses for delivery of notices may be changed from time to time by written notice.

13. Federal State and Local Taxes

All prices set forth in the payment provisions of this agreement are inclusive of all applicable taxes and Veolia shall not be liable to Contractor for any taxes, including payroll taxes and sales taxes not included within said prices.

14. Licenses and permits

The Contractor shall, without additional expense or obligation to Veolia, be responsible for obtaining any necessary licenses, permits, and approvals necessary for complying with any federal, state, county, municipal or other law, code or regulation applicable to the performance of the services to be provided under this agreement.

15. Compliance with Law

The Contractor shall perform all services required by this Agreement in accordance with all applicable federal, state and local laws and regulations. The Contractor shall use only licensed personnel to perform work required by law or regulation to be performed by such personnel.

16. Privacy of data

Contractor shall comply with all federal state and local data privacy laws, regulations, and requirements applicable to data collected or used by Contractor in the provision of services under this agreement.

17. Interest of Contractor

No Board member, owner or employee of Contractor shall have any interest in Veolia or become an employee of Veolia or member or employee of the Funding Entity.

18. Governing Law

This Agreement and the rights, obligations and remedies of the parties under it shall be governed by the law of the state in which the Funding Entity, if a unit of state or local government, is created, or, if the Funding Entity is not a unit of state or local government, the state in which the majority of services under this Agreement are delivered.

19. Notice of Labor Disputes

If the Contractor has knowledge of any actual or threatened labor dispute that is delaying or threatens to delay the timely or proper performance of this Agreement, the Contractor shall immediately give Veolia notice of the dispute, including all relevant information.

20. Publicity Releases

All publicity releases or releases of reports, papers, articles, maps or other documents in any way connected with this Agreement or the work under this Agreement which Contractor desires to make shall be subject to the prior approval of Veolia. Contractor shall promptly notify Veolia of all enquiries it receives from members of the media regarding the performance of the work under this Agreement. Veolia shall have unrestricted authority to reproduce, distribute, or use in whole or in part, without payment of any kind, photos of the

Contractor's employees and vehicles and any reports, data or materials submitted by Contractor associated with any services provided under this Agreement.

21. Equal Opportunity

During the performance of this Agreement, the Contractor agrees that it will, in good faith, afford equal opportunity required by applicable federal, state, or local law to all employees and applicants for employment without regard to race, color, religion, sex, sexual orientation, age, disability or national origin. The Contractor further agrees to afford equal opportunity required by applicable federal, state, or local law to subcontractors and vendors which are "disadvantaged business enterprises" or "women owned enterprises" (both as defined by federal law or regulation in effect on the date of this Agreement). The Contractor agrees to insert the substance of this clause in all subcontracts and purchase orders.

22. Complete Agreement, Savings Clause, Waiver

This agreement together with all attachments and exhibits is the complete agreement between the parties. If any provision of the Agreement is found to be invalid or unenforceable, the remaining provisions shall not be impaired. Failure or delay of Veolia (a) to insist in any one or more instances upon performance of any of the terms and conditions of this Agreement or (b) to exercise any rights or remedies, or (c) to approve the services, shall not release the Contractor from any obligations under this Agreement and shall not be construed as a waiver of relinquishment of Veolia' rights (a) to require strict performance of the Contractor's obligations or (b) to require the future performance of any terms and conditions, but the Contractor's obligations with respect to such performance shall continue in full force and effect.

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ATTACHMENT IV

LOCAL PROVISIONS

The locally required contract clauses and provisions in this Attachment apply to all City and County of San Francisco funded contracts. These provisions supersede and take precedence over any other conflicting clause or provision of the Agreement.

DEFINITIONS:

“City” shall mean the City and County of San Francisco

“Contractor” shall mean any person(s), firm, partnership, corporation, or combination thereof as identified in the Purchase of Service Agreement to which these provisions are attached.

“Funding Entity” shall mean the City and SFMTA

“SFMTA” shall mean the San Francisco Municipal Transportation Agency

1. Disadvantaged Business Enterprise

Contractor agrees to fully comply with and be bound by all provisions of the Disadvantaged Business Enterprise Program, as set forth in San Francisco Administrative Code Chapter 14A, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 14A of the San Francisco Administrative Code are incorporated by reference and made a part of this agreement as though fully set forth herein. For purposes of this provision, Disadvantaged Business Enterprise shall mean Small Business Enterprise.

SF Paratransit is committed to a Small Business Enterprise (SBE) Program (“SBE Program”) for the participation of SBEs in contracting opportunities in accordance with the federal regulations in 49 CFR Part 26, issued March 4, 1999, as amended from time to time (the “Regulations”). The Regulations are incorporated into this SBE Program as though fully set forth herein. It is the intention of Veolia to create a level playing field on which SBEs can compete fairly for contracts and subcontracts relating to the procurement and professional services activities of SF Paratransit. Contractor agrees to comply with all requirements of the SBE Program. Veolia reserves the sole-right to amend the SBE Program at any time to the extent the program complies with the Regulations.

Veolia has established an SBE participation goal of zero percent (0%) of the total Administrative Expenses proposed for this contract. Small business firms may qualify for this program by enrollment in either the State of California’s Small Business Program, the California Unified Certification Program (“Federal” DBE program), or the City and County of San Francisco’s LBE program. Under 49 CFR Sections 26.3 and 26.51, and in response to the Federal Transit Administration’s (“FTA”) March 23, 2006, publication of the Department of Transportation’s (“DOT”) guidance concerning the federal Disadvantaged Business Enterprise (“DBE”) program that applies to grant recipients within the Ninth Circuit, the SFMTA, a recipient of federal financial assistance from the FTA, is required to implement race-neutral means of facilitating DBE participation. The SFMTA’s SBE Program is in accordance with DOT’s guidance that, absent a disparity study, the SFMTA must meet its overall annual DBE goal using race-neutral means.

2. Equal Benefits Ordinance

Chapter 12B and 12C of the Administrative Code are incorporated by reference as though fully set herein. Chapters 12B and 12C prohibit discrimination by City contractors in employment, the use of property and the provision of employee benefits. The successful proposer must agree to abide by the following standard contract provisions regarding Chapter 12B and 12C. Documentation regarding Chapter 12B and 12C compliance must be on file with or submitted to the Human Rights Commission (HRC).

Contractor Shall Not Discriminate. In the performance of this contract, Contractor agrees not to discriminate on the basis of the fact or perception of a person’s race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV) against any employee of, any City employee working with, or applicant for employment with Contractor, in any of Contractor’s operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social or other establishments, or organizations operated by contractor.

Subcontracts. Contractor shall incorporate by reference in all subcontracts the provision of Sections 12B.2(a), 12B.2(c) - 12B.2(k) and 12C.3 of the San Francisco Administrative Code, and shall require all subcontractors to comply with such provisions. Contractor’s failure to comply with obligations in this subsection shall constitute a material breach of the Agreement.

Nondiscrimination in Benefits. Contractor does not as of the date of the Agreement and will not during the term of this agreement, in any of its operations within the United States, discriminate in the provision of benefits between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

Condition to Contract. As a condition to the Agreement, Contractor shall execute the “Nondiscrimination in Contracts and Benefits” form and secure the approval of the form by the San Francisco Human Rights Commission.

Incorporation of Administrative Code Provisions by Reference. The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated by reference and made a part of this agreement as thoughtfully set forth herein. Contractor shall comply fully with and be bound by all of the provisions that apply to the Agreement under Chapters 12B and 12C of the Administrative Code, including but not limited to remedies provided in such Chapters. Without limiting the foregoing, Contractor understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against Contractor and/or deducted from any payment due Contractor.

3. Health Care Accountability Ordinance

The provisions of Chapter 12Q of the San Francisco Administrative Code are incorporated by reference and made a part of this agreement as though fully set forth herein. Contractor shall comply fully with and be bound by all of the provisions that apply to the Agreement under Chapter 12Q of the Administrative Code, including but not limited to remedies provided in said Chapter. Without limiting the foregoing, Contractor understands that pursuant to Section 12Q.5.1 and 12Q.5.2 of the San Francisco Administrative Code liquidated damages of up to one hundred dollars (\$100) for each one-week pay period for each employee for whom the Contracting Party has either not offered health plan benefits or made payments as required by Section 12Q.3. Additionally, that for any failure to provide reports to the City or access to pertinent records, or any failure to cooperate with any audit, inspection or investigation conducted by Veolia or SFMTA, Veolia or the SFMTA may require the Contracting Party to pay the City liquidated damages of up to one thousand dollars (\$1000).

(a) Each Contracting Party that enters into a Contract, Subcontract, Lease, or Sublease shall agree:

- (1) To comply with the requirements of this Chapter, including the requirement to choose and perform one of the Health Care Accountability Components set forth in Section 12Q.3;
- (2) To comply with regulations adopted by the SFMTA pursuant to this Chapter;
- (3) To maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract or Subcontract. If the Contracting Party fails to maintain records that accurately reflect the number of hours each employee has worked on the City Contract or Subcontract, it shall be presumed that any employee who has worked on a City Contract or Subcontract is a Covered Employee as defined in Section 12Q.2.9.
- (4) To provide information and reports to the City in accordance with any reporting standards promulgated by the Agency in consultation with the Director of Health;
- (5) To provide the City with access to pertinent payroll records relating to the number of employees employed and terms of medical coverage after receiving a written request to do so and being provided at least ten (10) business days to respond;
- (6) To allow the City to inspect Contracting Parties' job sites

and have access to Contracting Parties' employees in order to monitor and determine compliance with this Chapter;

- (7) To cooperate with the Agency when it conducts audits;
- (8) To include in every Contract, Subcontract, Lease, or Sublease subject to this Chapter provisions requiring compliance with this Chapter, consistent with any directives or standards adopted by the Agency;
- (9) To notify the Contracting Department promptly of any Subcontractors performing services covered by this Chapter and certify to the Contracting Department that it has notified the Subcontractors of their obligations under this Chapter; and

(10) To represent and warrant that it is not an entity that was set up, or is being used, for the purpose of evading the intent of this Chapter.

(b) A Contracting Party shall not discharge, reduce in compensation, or otherwise discriminate against any Employee for notifying the City regarding the Contracting Party's noncompliance or anticipated noncompliance with this Chapter, for opposing any practice proscribed by this Chapter, for participating in proceedings related to this Chapter, or for seeking to assert or enforce any rights under this Chapter by any lawful means.

4. First Source

If the contract is for more than \$50,000 or involves the lease of City property, then the First Source Hiring Program (Admin. Code Chapter 83) may apply. Generally, this ordinance requires contractors to notify the First Source Hiring Program of available entry-level jobs and provide the Workforce Development System with the first opportunity to refer qualified individuals for employment. Contractors should consult the San Francisco Administrative Code to determine their compliance obligations under this chapter.

Incorporation of Administrative Code Provisions by Reference. The provisions of Chapter 83 of the San Francisco Administrative Code are incorporated by reference and made a part of this agreement as thoughtfully set forth herein. Contractor shall comply fully with and be bound by all of the provisions that apply to the Agreement under Chapter 83 of the Administrative Code, including but not limited to remedies provided in said Chapter. Without limiting the foregoing, Contractor understands that pursuant to Sections 83.10 and 83.12 of the San Francisco Administrative Code, liquidated damages may be assessed against Contractor and/or deducted from any payment due Contractor for violations of First Source Hiring requirements.

5. Minimum Compensation Ordinance

Contractor shall comply with all applicable provisions of Chapter 12P of the San Francisco Administrative Code, which are incorporated by reference and made part of this agreement. Contractor shall comply fully with and be bound by all of the provisions that apply to the Agreement under Chapter 12P of the Administrative Code, including but not limited to remedies provided in such Chapters. Without limiting the foregoing, Contractor understands that pursuant to Section 12P.6.1 of the San Francisco Administrative Code, liquidated damages may be assessed against Contractor and/or deducted from any payment due Contractor for violations of First Source Hiring requirements.

6. Food Service Waste Reduction

Contractor agrees to fully comply with and be bound by all provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing

guidelines and rules. The provisions of Chapter 16 of the San Francisco Administrative Code are incorporated by reference and made a part of this agreement as though fully set forth herein. This provision is a material term of this agreement. By entering into this agreement, contractor agrees that if it breaches this provision, the City will suffer actual damages that will be impractical or extremely difficult to determine; further, Contractor agrees that sum of one hundred dollars (\$100) liquidated damages for the first breach, two hundred dollars (\$200) liquidated damages for the second breach in the same year, and five hundred dollars (\$500) liquidated damages for subsequent breaches in the same year is a reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this agreement was made. Such amounts shall not be considered a penalty, but rather agreed monetary damages sustained by City because of contractor's failure to comply with this provision.

7. Graffiti Removal

Contractor agrees to fully comply with and be bound by all provisions of the Graffiti Removal and Abatement Ordinance, as set forth in San Francisco Public Works Code Article 23, including the remedies provided, and implementing guidelines and rules. The provisions of Article 23 of the San Francisco Public Works Code are incorporated by reference and made a part of this agreement as though fully set forth herein.

8. Tropical Hardwoods and Virgin Redwood Ban

Contractor agrees to fully comply with and be bound by all provisions of the Tropical Hardwood and Virgin Redwood Ban Ordinance, as set forth in San Francisco Environment Code Chapter 8, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 8 of the San Francisco Environment Code are incorporated by reference and made a part of this agreement as though fully set forth herein.

9. Arsenic Treated Lumber

Contractor agrees to fully comply with and be bound by all provisions of the Arsenic-Treated Wood Ban Ordinance, as set forth in San Francisco Environment Code Chapter 13, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 13 of the San Francisco Environment Code are incorporated by reference and made a part of this agreement as though fully set forth herein

10. MacBride Principles – Northern Ireland

City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles.

ATTACHMENT IV

FEDERAL PROVISIONS

The federally required contract clauses and provisions in this Attachment apply to all Federally assisted contracts. These provisions supersede and take precedence over any other conflicting clause or provision of the Agreement.

1. Equal Opportunity

During the performance of this Agreement, the Contractor agrees that it shall not discriminate against any employee or applicant for employment because of race color, creed, sex, disability, age or national origin. The Contractor shall take affirmative action to ensure that applicants are employed and the employees are treated during employment without regard to their race, color, creed, sex, disability, age, or national origin. This shall include, but not be limited to: 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. The Contractor shall include the provision of this section in every subcontract or purchase order except for standard commercial supplies or raw material and construction.

2. Disadvantaged Business Enterprise Program

It is the policy of the Department of Transportation that Disadvantaged Business Enterprises (DBEs) as defined in 49 CFR Part 23 shall have the maximum opportunity to participate in the performance of contracts financed in whole or part with Federal funds. Consequently, the DBE requirements of 49 CFR Part 23 apply to this Agreement. The Contractor shall not discriminate on the basis or race, color, national origin, or sex in the performance of this Agreement. The requirements of 49 CFR Part 23 are incorporated in this Agreement by reference. Failure by the Contractor to carry out these requirements is a material breach of the Agreement, which may result in termination or other appropriate remedy.

3. Interests of Members of Congress

No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this Agreement or to any benefit arising from it. However, this clause does not apply to this Agreement to the extent that this Agreement is made with a corporation for the corporation's general benefit.

4. Restrictions on Lobbying

(a) The Contractor shall timely comply with the requirements of the lobbying restrictions set forth in Section 301 of Public Law 101-121 as implemented by the Department of Transportation in 49 CFR Part 20, and as those authorities may be hereafter amended.

(b) Contractors who apply or bid for an award of \$100,000 or more shall file the certification required by 49 CFR part 20, "New Restrictions on Lobbying." Each tier certifies 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, officer or employee of Congress, or an employee of 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 are forwarded from tier to tier up to the recipient.

5. Contract Work Hours and Safety Standards Act-Overtime Compensation

(a) Overtime requirements. No Contractor contracting for any part of the Agreement work which may require or involve the employment of laborers or mechanics shall require or permit any such laborers or mechanics in any workweek in which the individual is employed on such work to work in excess for forty (40) hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half (1-1/2) times the basic rate of pay for all hours worked in excess of forty (40) hours in such workweek.

(b) Violation; Liability for Unpaid Wages; Liquidated Damages. In the event of any violation of the provisions set forth in paragraph (a) of this clause, the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the provisions set forth in paragraph (a) of this clause in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek or forty (40) hours without payment of the overtime wages required by the provision set forth in paragraph (a) of this clause.

(c) Withholding for Unpaid Wages and Liquidated Damages. Veolia shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor under any such contract or any other Federal Contract with the same Contractor or any other Federally - assisted contract subject to the Contract Work Hours and Safety Standards Act which is held by the same Contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the provision set forth in paragraph (b) of the clause.

(d) Payrolls and Basic Records

(1) The Contractor or subcontractor shall maintain payrolls and basic payroll records during the course of Agreement work and shall preserve them for a period of three (3) years from the completion of the Agreement for all laborers and mechanics working on the Agreement. Such records shall contain the name and address of each such employee, social security number, correct classification, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Nothing in this paragraph shall require the duplication of records required to be maintained for construction work by Department of Labor regulations at 29 CFR 5.5 (a)(3) implementing the Davis-Bacon Act.

(2) The records to be maintained under paragraph (d) (1) of this clause shall be made available by the Contractor or subcontractor for inspection, copying, or transcription by authorized representatives of Veolia or the Department of Labor. The Contractor or subcontractor shall permit such representatives to interview employees during working hours on the job.

(e) Subcontracts. The Contractor or subcontractor shall insert in any subcontracts the provisions set forth in paragraphs (a) through (e) of this clause and also a provision requiring the subcontractors to

include these clauses in any lower tier subcontracts. The Contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the provisions set forth in paragraphs (a) through(e) of this clause.

6. Civil Rights -

The following requirements apply to the underlying contract:

(1) Nondiscrimination - In accordance with 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, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

(2) Equal Employment Opportunity - The following equal employment opportunity requirements apply to the underlying 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 Contractor 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 Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

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

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

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

7. Clean Air and Water Acts

(a) Definitions:

(1) "Air Act" as used in this clause means the Clean Air Act (42 USC 7401 et seq.).

(2) "Clean Air Standards" as used in this clause means:

(i) Any enforceable rule, regulations, guidelines, standards, limitations, orders, controls, prohibitions, work practices, or other requirements contained in, issued under, or otherwise adopted under the Air Act or Executive Order 11738.

(ii) An applicable implementation plan as described in Section 110(d) of the Air Act (42 USC 7410(d))

(iii) An approved implementation procedure or plan under Section 110(c) or Section 111(d) of the Air Act (42 USC 7411(c) or (d)); or

(iv) An approved implementation procedure under Section 112 (d) of the Air Act (42 USC 7412 (d)).

(3) "Clean water standards" as used in this clause, means any enforceable limitation, control, condition, prohibition, standard, or other requirement promulgated under the Water Act or contained in a permit issued to a discharger by the Environmental Protection Agency or by a State under an approved program as authorized by Section 402 of the Water Act (33 USC 1342) or by local government to ensure compliance with pre-treatment regulations as required by Section 307 of the Water Act (33 USC 1371).

(4) "Compliance" as used in this clause, means compliance with:

(i) Clean air or water standard; or

(ii) A schedule or plan ordered or approved by a court of competent jurisdiction, the Environmental Protection Agency or an air or water pollution control agency under the requirements of the Air Act or Water Act and related regulations.

(5) "Facility" as used in this clause, means any building, plant, installation, structure, mine, vessel or other floating craft, location, or site of operations, owned, leased, or supervised, by a Contractor or subcontractor used in the performance of a contract or subcontract. When a location or site of operations includes more than one building, plant, installation or structure, the entire location or site shall be deemed a facility except when the Administrator, or a designee of the Environmental Protection Agency, determines that independent facilities are co-located in one geographical area.

(6) "Water Act" as used in this clause, means Clean Water Act (33 USC 1251 et seq.).

(b) The Contractor agrees:

(1) To comply with all the requirements of Section 114 of the Clean Air Act (42 USC 7417) and Section 308 of the Clean Water Act (33 USC 1318) relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in Section 114 and Section 308 of the Air Act and the Water Act, and all regulations and guidelines issued to implement those acts before the award of this Agreement. The Contractor agrees to report each violation to the Purchaser and understands and agrees that the Purchaser will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office;

(2) That no portion of the work required by this Agreement will be performed in a facility listed on the Environmental Protection Agency list of Violating Facilities on the date when this Agreement was awarded unless and until the EPA eliminates the name of the facility from the listing;

(3) To use best effort to comply with Clean Air standards and clean

water standards at the facility in which the Agreement is being performed; and

(4) To insert the substance of this clause into any nonexempt subcontract, including this paragraph (b) (4).

8. Energy Policy and Conservation Act

The Contractor shall recognize mandatory standards and policies relating to energy efficiency contained in the State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act (42 USC Section 6321 et. seq.)

9. Access Requirements for Individuals with Disabilities

The Contractor shall comply with all applicable requirements of the Americans with Disabilities Act of 1990 (ADA), 42 USC 12101 et. seq. and 49 USC 322; Section 504 of the Rehabilitation Act of 1973, as amended, 29 USC 794; Section 16 of the Federal Transit Act, as amended, 49 USC app 1612; and the regulations thereto.

10. Audits and Inspection of Records

(a) This clause is applicable if this Agreement was entered into by means of negotiation and shall become operative with respect to any modification to this Agreement whether this Agreement was initially entered into by means of negotiation or by means of formal advertising.

(b) The Contractor shall maintain records, and Veolia, the U. S. Department of Transportation, the United States Department of Health and Human Services, and the Comptroller General of the United States or any of their duly authorized representatives shall, until the expiration of three years after final payment under this Agreement, have access to and the right to examine any directly pertinent books, documents, papers and records of such Contractor, involving transactions related to the Agreement, for the purpose of making audit, examination, excerpts and transcriptions.

(c) The Contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees the Veolia, The United States Department of Transportation, the United States Department of Health and Human Services, and the Comptroller General of the United States or any of their duly authorized representatives shall, until the expiration of three years after final payment under this Agreement, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor, involving transactions related to the subcontract, for the purpose of making audit, examination, excerpts and transcriptions.

11. Privacy

Should the Contractor or its subcontractors or employees administer any system of records on behalf of the Funding Entity or the Federal Government, the following terms and conditions are applicable:

(a) The Contractor agrees:

(1) To comply with the Privacy Act of 1974, 5 USC Section 552a (the Act) and regulations thereunder, when performance under the Agreement involves the design, development, or operation of any system of records on individuals to be operated by the Contractor, its subcontractors or employees to accomplish a Funding Entity function.

(2) To notify Veolia, when the Contractor anticipates operating a system of records on behalf of the Funding Entity in order to accomplish the requirements of the Agreement, if such system contains information about individuals, which information will be retrieved by the individual's name or other identifier assigned to the individual. A system of records subject to the Act may not be employed in the performance of this Agreement until the necessary

approval and publication requirements applicable to the system have been carried out. The Contractor agrees to correct, maintain, disseminate, and use such records in accordance with all applicable requirements of the Act;

(3) To include the Privacy Act Notification contained in the Agreement in every third party contract solicitation and in every third party contract when the performance of work under that proposed third party contract may involve the design, development, or operation of a system of records on individuals to be operated under the Agreement to accomplish a Funding Entity function; and

(4) To include this clause, including this paragraph, in all third party contracts under which work for this Agreement is performed or which is awarded pursuant to this Agreement or which may involve the design, development, or operation of such a system of records on behalf of the Funding Entity.

(b) For purposes of the Privacy Act, when the Agreement involves the operation of a system of records on individuals to accomplish a Funding Entity function, the Contractor, third party contractors and any of their employees are considered to be an employee of the Funding Entity with respect to the Funding Entity function. Failure to comply with the provisions of the Act or this clause will make this Agreement subject to termination.

(c) The terms used in this clause have the following meaning:

(1) "Operation of a system of records" means performance of any of the activities associated with maintaining the system of records on behalf of the Funding Entity including the collection, use and dissemination of records.

(2) "Record" means any item, collection, or grouping of information about an individual that is maintained by the Contractor on behalf of the Funding Entity, including, but not limited to, his education, financial transactions, medical history, and criminal or employment history and that contains his name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print or a photograph.

(3) "System of records" on individuals means a group of any records under the control of the Contractor on behalf of the Funding Entity from which information is retrieved by the name of the individual or by some identifying number, symbol or other identifying particular assigned to the individual.

12. Buy America Provision

This Agreement is subject to the Buy America provisions of the Surface Transportation Assistance Act of 1982, as amended, and the Federal Transit Administration's implementing regulations found at 49 C.F.R. Part 661. The provisions of that Act and its implementing regulations are hereby incorporated by reference into this Agreement.

13. Fly America Requirements

The Contractor 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 subrecipients of Federal funds and their contractors 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. The Contractor 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. The Contractor agrees to include the requirements of this section in all subcontracts that may involve international air transportation.

14. Charter Service Operations

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

15. School Bus Operations

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

16. Recovered Materials

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

17. Program Fraud and False or Fraudulent Statements or Related Acts.

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

(b) The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on the Contractor, to the extent the Federal Government deems appropriate.

(c) The Contractor agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be

modified, except to identify the subcontractor who will be subject to the provisions.

18. Suspension and Debarment

This contract is a covered transaction for purposes of 49 CFR Part 29. As such, the contractor is required to verify that none of the contractor, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945.

The contractor is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into.

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

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

19. No Obligation by the Federal Government.

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

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

20. Federal Changes

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

21. Incorporation of Federal Transit Administration (FTA) Terms

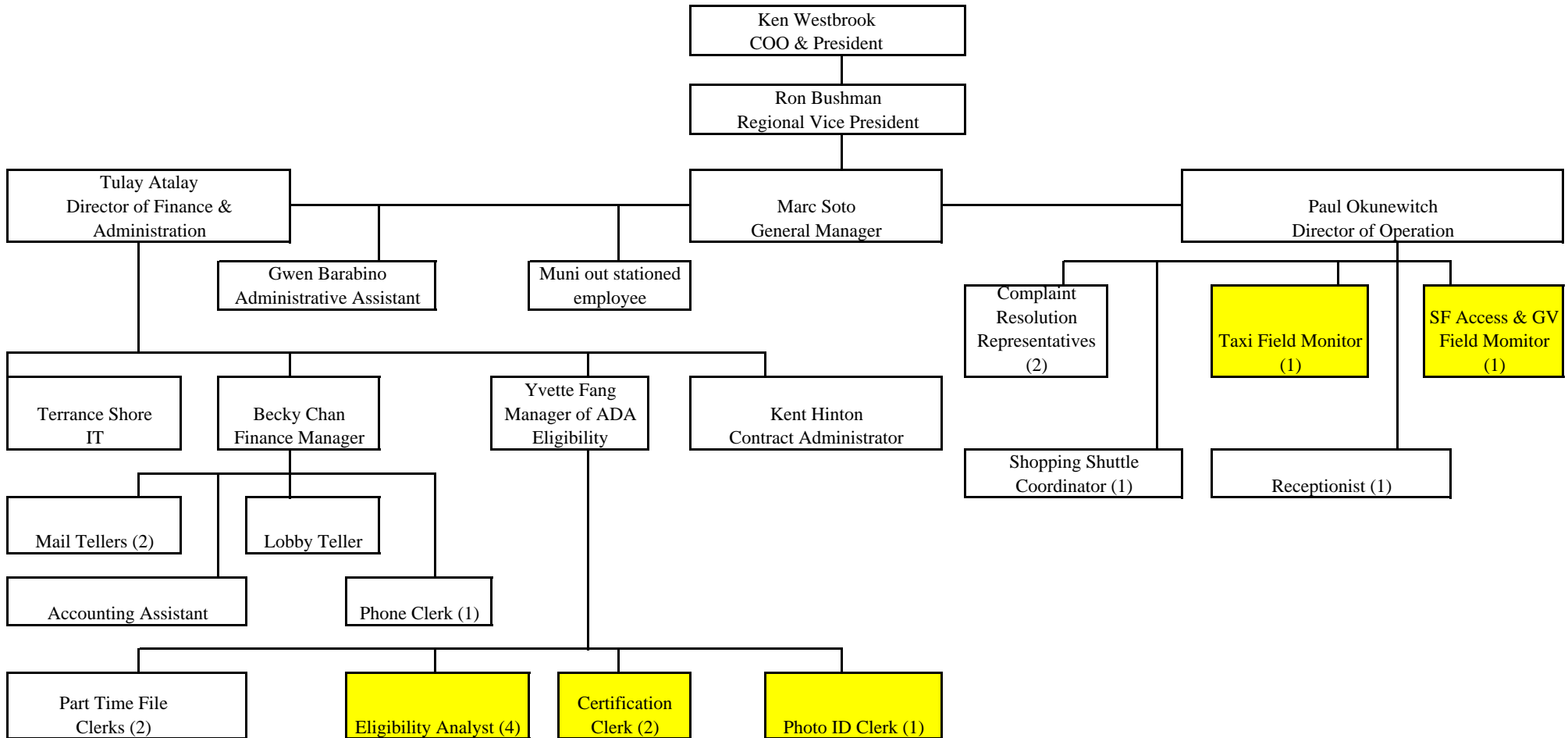
The preceding provisions include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220.1E,

are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Agreement. The Contractor shall not perform any act, fail

to perform any act, or refuse to comply with any (name of grantee) requests which would cause (name of grantee) to be in violation of the FTA terms and conditions.

DRAFT

Veolia Transportation, Inc.
San Francisco Paratransit Program



Shaded boxes represent DAJA employees

10/30/2010

**Wages, Benefits, and Number of Current Employees
by Job Classification for SF Access**

| <u>Job Classification</u> | <u># of Employees</u> | <u>Avg. Wage</u> |
|----------------------------------|------------------------------|-------------------------|
| Drivers | 72 | \$13.97 |
| Dispatch | 5 | \$14.50 |
| ETA ("Where's My Ride") | 3 | \$13.00 |
| Reservation | 6 | \$13.00 |
| Window Clerk | 2 | \$12.50 |
| Road Supervisor | 4 | \$15.50 |
| Scheduler | 2 | \$22.00 |
| Maintenance | 6 | \$25.50 |
| Utilities (Fueller/Cleaner) | 3 | \$12.50 |
| Classroom Trainer | 1 | \$18.75 |

Current provider offers all full-time employees medical, dental, vision, and 401(k) benefit plans.

**San Francisco Paratransit
Current Contract Rates by Service Mode**

| Vehicle Type | SF Access Ambulatory | SF Access Wheelchair | SFMTA Group Van Ambulatory | SFMTA Group Van Wheelchair | DAAS Group Van | DAAS Shopping Shuttle |
|--------------------------|-----------------------------|-----------------------------|-----------------------------------|-----------------------------------|-----------------------|------------------------------|
| Owned/ Leased | \$25.76 | \$47.09 | \$13.75 | \$14.37 | \$11.01 | \$11.47 |
| “ | n/a | n/a | \$13.91 | \$13.91 | \$11.01 | \$13.92 |
| “ | n/a | n/a | \$10.67 | \$10.90 | \$11.01 | \$13.81 |
| “ | n/a | n/a | \$9.49 | \$10.24 | \$11.01 | n/a |
| “ | n/a | n/a | n/a | n/a | \$11.01 | \$11.61 |
| “ | n/a | n/a | n/a | n/a | \$11.01 | \$10.18 |
| 5310- funded | \$24.47 | \$44.74 | \$13.14 | \$13.14 | \$11.01 | \$11.47 |
| “ | n/a | n/a | \$13.65 | \$13.65 | \$11.01 | \$13.92 |
| “ | n/a | n/a | \$9.49 | \$10.24 | \$11.01 | \$13.81 |
| “ | n/a | n/a | \$10.67 | \$10.90 | \$11.01 | n/a |
| “ | n/a | n/a | n/a | n/a | \$11.01 | \$11.61 |
| “ | n/a | n/a | n/a | n/a | \$11.01 | \$10.18 |