

OPERATING AGREEMENT
BETWEEN THE CITY OF LOS ANGELES AND
PACIFIC COAST SIGHTSEEING TOURS AND CHARTERS, INC.
FOR
THE OPERATION OF VAN NUYS/ORANGE LINE AND
UNION STATION FLYAWAY BUS SERVICE
AT
LOS ANGELES INTERNATIONAL AIRPORT

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THIS OPERATING AGREEMENT (hereinafter referred to as this "Agreement"), made and entered into this _____ day of _____, 20__, by and between the **CITY OF LOS ANGELES**, a municipal corporation (hereinafter referred to as "City"), acting by order of and through its Board of Airport Commissioners (hereinafter referred to as "Board") of the Department of Airports also known as Los Angeles World Airports or LAWA, and **Pacific Coast Sightseeing Tours and Charters, Inc.**, a **Florida Corporation registered to do business in California** (hereinafter referred to as "Operator and/or Contractor"), a subsidiary of Coach USA, a division of Stagecoach Group plc, a publicly traded company incorporated in the United Kingdom.

RECITALS

WHEREAS, City is the owner and operator of Los Angeles International Airport (hereinafter referred to as "Airport"), and the Van Nuys FlyAway Bus Terminal located at 7610 Woodley Ave, Van Nuys 91406 (hereinafter referred to as "Van Nuys Bus Terminal"); and

WHEREAS, City and the Los Angeles County Metropolitan Transportation Authority (herein referred to as "Metro") have entered into a right of entry permit (hereinafter referred to as "ROE") which provides use of the Union Station facilities located at Patsaouras Transit Plaza, 810 North Vignes Street, Los Angeles, CA 90012 (hereinafter referred to as "Union Station Bus Terminal"); and

WHEREAS, Operator submitted a response to City's November 20, 2014 Request for Proposal for Operation of Van Nuys/Orange Line FlyAway Bus Service and Union Station FlyAway Bus Service (hereinafter referred to as "RFP") by providing its proposal on February 27, 2015 (hereinafter referred to as "Proposal"); and

WHEREAS, Operator is the holder of permit(s) issued by the State of California (hereinafter referred to as "State") and the City authorizing Operator to provide bus services and has the qualifications and experience to provide such services; and

WHEREAS, City and Operator desire to enter into this Agreement to provide the traveling public with such bus services as stated herein (hereinafter referred to as "FlyAway Bus Service"); and

NOW, THEREFORE, in consideration of the terms, covenants and conditions hereinafter contained to be kept and performed by the respective parties hereto, IT IS MUTUALLY AGREED as follows:

Section 1. Term.

1.1. The Term of this Agreement shall commence on the Commencement Date, which shall be established in a document (hereinafter referred to as "Commencement Date Memorandum") executed by both parties no later than sixty (60) days after receipt of all required City approvals, and expiring seven (7) years thereafter (hereinafter referred to as "Expiration Date") subject, however, to earlier termination with or without cause and in accordance with Section 10 of this Agreement. The Commencement Date Memorandum shall be incorporated herein upon its execution, as Exhibit A-1.

Section 2. Operating Rights Granted.

2.1 Operator's Rights. City hereby grants to Operator the right to manage and operate City's public bus FlyAway Bus Service between Airport and Route 1, the Van Nuys FlyAway Bus Terminal with an en route stop at Metro Orange Line Woodley Station, effective upon the Executive Director's issuance of a Notice to Proceed, and Route 2, Union Station Bus Terminal effective upon the Executive Director's issuance of a Notice to Proceed (hereinafter referred to collectively as the "FlyAway Bus Service Locations") in accordance with the Service Operation Schedule, which is attached hereto as Exhibit B and incorporated herein by reference, and the terms and conditions set forth in this Agreement. Operator shall have the right and obligation to perform the functions as described herein and as more fully described in its Business and Operations Plan, which is attached hereto as Exhibit A and incorporated herein by reference. To the extent Exhibit A conflicts with any terms in this Agreement, this Agreement shall prevail.

2.1.1 Notwithstanding anything to the contrary in this Agreement, Operator shall be required to pick up passengers on the Route 1 en route stop at Metro Orange Line Woodley Station, in accordance with Exhibit B, subject to seat availability for FlyAway Bus Service passengers.

2.1.2 Should the Executive Director, at her or his sole discretion, elect to discontinue FlyAway Bus Service to the Metro Orange Line Woodley Station, Executive Director shall provide Operator thirty (30) days advance written notice, subject to Section 4.2.1 herein.

2.2 Additional FlyAway Bus Service Locations. In addition to the FlyAway Bus Service Locations identified in Section 2.1 above, subject to the prior written approval of Executive Director, Operator may provide FlyAway Bus Service between Airport and other locations (hereinafter referred to as "Additional Locations"), subject to Sections 2.3 and 8.3.4. herein. Executive Director shall notify Operator (hereinafter referred to as

“Additional Location Notification Memorandum”) of the i) service commencement date (hereinafter referred to as “Additional Location Commencement Date”), and (ii) required service schedule, and (iii) description of FlyAway Bus Service location. The Additional Location Commencement Date shall be no sooner than thirty (30) days from the date of Additional Location Notification Memorandum, unless otherwise mutually agreed upon by the parties. FlyAway Buses used for the provision of FlyAway Bus Service between Airport and Additional Locations shall comply with the terms herein, unless waived in writing by the Executive Director; provided however, all FlyAway Buses, including those FlyAway Buses used for the provision of FlyAway Bus Service between LAX and Additional Locations shall comply with applicable laws, rules and regulations as set forth in Sections 16 and 31, including but not limited to ADA accessibility specifications for transportation vehicles, operated by a public entity.

2.3 City’s Right to Operate Services or Contract with Others. Notwithstanding Section 2.2, City reserves the right to operate or contract with an entity or entities other than Operator for FlyAway Bus Services to Additional Locations and/or bus services to and from other locations not mentioned in this Agreement.

Section 3. FlyAway Bus Service Terminal Facilities.

3.1 Bus Terminals. City authorizes Operator to use facilities at Union Station Bus Terminal subject to City’s ROE with Metro, attached as Exhibit O, and Van Nuys Bus Terminal (hereinafter referred to collectively as “Bus Terminals”), subject to the terms and conditions set forth herein.

3.2 Union Station Bus Terminal. Operator acknowledges the terms of use, availability and condition of facilities at Union Station Bus Terminal vary and are subject to Metro’s authorization and approval. If City enters into a successor ROE agreement with Metro for use of Union Station Bus Terminal, that successor ROE agreement shall replace Exhibit O with no further action by the Board.

3.2.1. In the event one or more of the facilities covered by the ROE are relocated by Metro or otherwise become unavailable, Operator shall cooperate with City in the relocation of such FlyAway facilities.

3.3 Van Nuys Bus Terminal. City hereby grants to Operator a license to use and occupy certain space located at the Van Nuys Bus Terminal that consists of (i) bus terminal including a bus depot with six (6) bays and three (3) staging positions; (ii) 271 square feet of exclusive use office space (#8 and #20 on page 2 of Exhibit A-2); (iii) 402 square feet of non-exclusive use break room space (#14 on Page 2 of Exhibit A-2); (iv) a 99 square foot exclusive use ticketing kiosk (#14 on Page 1 of Exhibit A-2) and (v) [Up to 100] square feet of automated ticket vending machine space (Exhibit A-3), hereinafter referred to collectively as “Van Nuys Facilities”. City may, at its sole option, expand, contract, or relocate the Van Nuys Facilities at any time upon thirty (30) days written prior notice from Executive Director.

3.3.1 Facility Use and Modification. In no event will Operator: (i) use any portion of Van Nuys Facilities to conduct any activity other than the FlyAway Bus Service; or (ii) make any alterations thereto without Executive Director's prior written approval.

3.3.2 Fees for Use of Van Nuys Facilities. As consideration for the license, Operator shall pay City the annual fees set forth in Exhibit A-4 (hereinafter referred to as "Annual License Fees"). The Annual License Fees include all charges for water, gas, heat, light power, telephone hardwiring, and any other utilities provided to the facilities described within this section. City shall deduct the Annual License Fees due from Operator's invoice to City. If City increases or decreases the size of Van Nuys Facilities, then City shall proportionally adjust Annual License Fees as of the effective date of such facility size modification. Annual fees due under this Section 3.3.2 shall be subject to increase commencing on July 1, 2016 and every July 1 thereafter by an amount equal to two percent (2%) of the Annual License Fees in effect for the prior July 1.

3.3.3 Van Nuys Facilities Maintenance Requirements.

3.3.3.1 Subject to Section 19, Operator is not responsible for (i) maintaining the structural portions of the Van Nuys Facilities, including but not limited to painting of the structure, repairs to walls, floors and the roof of the Van Nuys Bus Terminal, including pavement or asphalt resurfacing, and the electrical, plumbing, ventilation and elevator systems thereof, (ii) maintaining and repair the pipes, conduits and lines necessary for utility service, and (iii) making any capital improvements.

3.3.3.2 Operator agrees to maintain the ticketing kiosk, break room and office space in a clean, sanitary and orderly condition. Operator is responsible for obtaining telephone and data service and providing all furnishings for Operator's own use.

Section 4. Management and Operations.

4.1 Operator's Duties and Obligations. Operator shall conduct the FlyAway Bus Service operations in accordance with terms and conditions as described herein. Operator shall use Bus Terminals and Airport only in connection with this Agreement and shall not, through its employees or otherwise, conduct any business hereunder that is not included in the terms set forth in this Agreement or as may be authorized in writing by the Executive Director.

4.2 FlyAway Bus Service Operation Schedule. Operator shall maintain the Service Operation Schedule and Trips as provided in Exhibit B, which is subject to change at the discretion of the Executive Director with no further action by the Board. A "Trip" is defined as each one-way, completed trip in each direction between Airport and Bus Terminals, including en route service to the Metro Orange Line Woodley Station

which will not be counted as a separate trip for Trip Rate purposes. Operator shall ensure that proper and uniform bus service headways are maintained. Operator shall modify, add and delete such service as may be required by Executive Director from time to time. Said changes may include increasing or decreasing Trips, as defined herein and as further described in Section 4.2.1 below. Operator may propose recommendations regarding possible scheduling system changes; provided, however, any recommendations must be made in writing to City with thirty (30) days prior notice and are subject to Executive Director's prior written approval. Extra Trips, in addition to those provided in Exhibit B, may be scheduled for use during holidays and other peak travel periods at the prevailing Trip Rate, upon prior written approval of Executive Director. Operator shall coordinate its activities in such a manner so as to ensure that FlyAway Buses are available for assignment at all times.

4.2.1 Route 1 and Route 2 Service Modification. Subject to Section 2.1.2 and 8.3.3, in the event Executive Director elects to modify the Route 1 and Route 2 Service Operation Schedule and/or number of Trips provided in Exhibit B (hereinafter referred to as a "Service Modification"), Executive Director shall notify Operator of such in writing. The notification shall include a description and the effective date of the Service Modification (hereinafter referred to as a "Notification"). In the event that any Service Modification substantially increases Operator's operating expenses, the parties shall enter into discussions to review the effect such modification may have on the Trip Rate. Prior to such discussions, Operator shall substantiate the financial effect of such modification on the Trip Rate, in a form acceptable to the Executive Director, within fifteen (15) business days of the Notification, and Executive Director will be reasonable in considering such financial effect. The parties acknowledge that any change to the Trip Rate shall require the Executive Director to authorize adjustment to this Agreement, which may be subject to approval by Board.

4.3 Business and Operations Plan. Operator shall prepare a detailed plan for the management of FlyAway Bus Service (hereinafter referred to as "Business and Operations Plan"), which Business and Operations Plan shall be subject to the approval of the Executive Director as set forth in this Section 4.3, such approval not to be unreasonably withheld, conditioned or delayed. The initial version of the Business and Operations Plan shall be in a form prepared by Operator and approved by the Executive Director, prior to the Commencement Date of this Agreement, and shall become Exhibit A to this Agreement. Thereafter, the Business and Operations Plan shall be updated by Operator and submitted to the Executive Director, on an annual basis, no later than March 31st of each year continuing through the expiration or earlier termination date of this Agreement. The updated Business and Operations Plan shall be subject to the written approval of the Executive Director each year, and any changes to the Business and Operations Plan as so approved by the Executive Director that occur during the year shall be subject to the further approval of the Executive Director in a similar manner. The Executive Director shall respond within thirty (30) days following Operator's submission of any Business and Operations Plan with approval or reasons for rejection requiring revision of the proposed Business and Operations Plan and resubmission. Until such

approval is obtained, Operator shall continue to operate under the most recent approved Business and Operations Plan. Operator shall manage the FlyAway Bus Service in accordance with the Business and Operations Plan as approved by the Executive Director at all times. Upon Executive Director's approval, the updated Business and Operations Plan shall supersede all previous Business and Operations Plans and shall replace Exhibit A. Notwithstanding anything contained in the Business and Operations Plan, in the event of a conflict between the provisions of this Agreement and the provisions of the Business and Operations Plan, the provisions of this Agreement shall control. The contents of the Business and Operations Plan shall include, but not be limited to, the following:

(a) The plan to perform the functions set forth in this Agreement in compliance with all safety rules and regulations promulgated by any governmental authority having control over Operator's operations under this Agreement.

(b) The fleet plan for the operation and management of the FlyAway Bus Service, including vehicle specifications, age, make, model and condition.

(c) The personnel plan for the operation and management of the FlyAway Bus Service which ensures 1) appropriate staffing levels for fulfilling the terms of this Agreement; and 2) that Operator's employees are neatly and cleanly dressed with identification in accordance with each employees' respective duties, and includes, Operator's employee background check and screening program, compliant with Section 31.1 herein.

(d) A training program for Operator's personnel which includes, but is not limited to, training on Airport operating practices and procedures as determined by the Executive Director, system requirements, operating characteristics, work specifications, performance standards, standard operating procedures, and an employee disciplinary code, including a plan for ensuring attendance to said training program by all of Operator's personnel.

(e) A quality control plan which includes continuous measurement of compliance with all elements of the Business and Operations Plan, quality control inspections, and/or secret shopper services.

(f) A communications equipment plan including a plan for provision of all field communication equipment (e.g. two way radios) and repeaters, and obtaining required licenses.

(g) A plan with written procedures for ADA compliance consistent with the ADA provision in Section 16 herein.

(h) A maintenance and servicing plan for FlyAway Buses to ensure vehicles are in good mechanical condition in accordance with the terms of this Agreement and meet all applicable laws including but not limited to those laws

for fire protection and for the enhancement of the safety of operations considering the nature of the business in which Operator is engaged.

- (i) A fueling and cleaning plan for FlyAway Buses.
- (j) A customer service plan subject to Section 7.
- (k) An emergency response plan in the event of emergencies and potential security threats.
- (l) Any proposed change to FlyAway Bus Service schedules and Exhibit B, pursuant to Section 4.2 herein.
- (m) Operational and managerial plans, procedures and requirements necessary for operation of FlyAway Bus Service.

4.4 Quality of Operator's Services.

4.4.1 Operator shall, at all times during the term of this Agreement, comply with all safety rules and regulations promulgated by any governmental authority having control over Operator's operations under this Agreement.

4.4.2 All vehicles, automotive equipment, machinery, appliances, underground installations and other equipment used by Operator in its operations under this Agreement shall be maintained in good mechanical condition and appearance which shall, at all times, meet all requirements necessary or lawfully required for fire protection and for the enhancement of the safety of operations considering the nature of the business in which Operator is engaged.

4.4.3 All employees of Operator engaged in rendering the services authorized in this Agreement shall, at all times while on duty, be neatly and cleanly dressed in accordance with the duty being performed by them, and they shall wear badges and/or other identification as approved by the City.

4.4.4 Operator shall furnish professional, prompt and efficient service so as not to reflect any discredit on City or Airport.

4.5 Facilities. On the Commencement Date of this Agreement, Operator shall provide a facility with a maintenance area of adequate size and proper equipment for repairing, servicing, washing, cleaning and storing all FlyAway Buses assigned to the service. Facility shall include all necessary equipment to maintain and service FlyAway Buses, and must comply with all federal, state and local requirements pertaining to FlyAway Buses.

4.5.1 City's Right to Inspect Maintenance Facility. City reserves the right to inspect Operator's maintenance facility, upon one (1) business days'

notice, for compliance with industry standards in areas to include tools, diagnostic equipment, mechanic competency and fleet management practices and records.

4.5.2 Compliance with Industry Standards. Operator must comply with industry standards for housekeeping and hazardous materials handling and disposal procedures at its maintenance facility in accordance with all federal and state laws.

4.5.3 Location of Facility. Said facility must be located within a reasonable distance of Airport and/or Bus Terminals in order for Operator to promptly respond to breakdowns, passenger overloads and other problems.

4.6 Gratuities. Gratuities for handling baggage may be accepted only by Operator's porters and by drivers only when serving as porters, but under no circumstances are porters or other personnel to solicit gratuities or imply in any manner that tips are required from passengers. Operator is responsible for ensuring that all personnel refrain from such prohibited solicitation. Tipping by a passenger is strictly on a voluntary basis.

Section 5. Fleet Plan.

5.1 Fleet Requirements. Operator will not be supplied with any equipment for this operation except for that equipment provided in connection with Section 5.1.9 or as otherwise stated herein.

5.1.1 Buses. Operator shall provide no less than Twenty-One (21) buses (referred to collectively herein as "FlyAway Buses") and three (3) cars for driver switch to reduce the use of deadhead buses, in accordance with the Fleet Plan as described in Exhibit A, at all times during the contract term. All FlyAway Buses, including those FlyAway Buses used for the provision of FlyAway Bus Service to Additional Locations, shall comply with applicable laws, rules and regulations as set forth in Section 16 and 31.

5.1.1.1 Operator acknowledges that Operator shall be the sole supplier of the vehicles and/or equipment necessary for effective and efficient FlyAway Bus Service.

5.1.1.2 Should Operator provide WIFI service to the FlyAway Bus Service passengers, it must do so free of charge. Such WIFI service costs and provision shall be the full responsibility of Operator and are not eligible for any reimbursement from the City.

5.1.2 Requirements. Except as further clarified in Section 5.1.2.1, Operator shall provide FlyAway Buses in accordance with Exhibit A and FlyAway Buses shall:

- a. Be registered, licensed and equipped so as to be safe for operation on public roads and streets;
- b. Be 2010 or later model year and equipped with engines certified to the year 2010 Environmental Protection Agency's emission standards;
- c. Be equipped with a public address system and a heating and air conditioning system sufficient to maintain an interior temperature of not more than 72°F with a 92°F outside ambient temperature.
- d. Be painted or wrapped in FlyAway Bus Trade Dress pursuant to 5.1.3. herein, inclusive of the FlyAway Trademark pursuant to Section 5.1.3, specifications of which are attached as Exhibit L, throughout the term of the Agreement in accordance with color and other specifications provided by Executive Director;
- e. Display a sign displaying the applicable FlyAway Bus Service Location either as part of the FlyAway bus wrap or paint Trade Dress or temporarily affixed to the exterior of the bus adjacent to the door, if a bus is used temporarily in accordance, with sign specifications as provided in Exhibit L, subject to prior written approval of Executive Director;
- f. Display a changeable sign reading the name of the applicable FlyAway Bus Service Location and "L.A. Airport" or "LAX" in the overhead destination window and the side destination window;
- g. Have a "No Smoking" sign posted and positioned so that it faces the passenger section of the FlyAway bus;
- h. Comply with applicable laws, rules and regulations as set forth in Section 16 and 31, including but not limited to ADA accessibility specifications for transportation vehicles, operated by a public entity.

5.1.2.1 Notwithstanding anything to the contrary in this Agreement and subject to prior approval by the Executive Director, during the initial one hundred and eighty (180) days of the Term of the Agreement, unless otherwise extended by the Executive Director in his or her sole discretion, Operator may deploy temporary buses ("Temporary FlyAway Buses") that do not meet specifications described in Sections 5.1.1 and 5.1.2; provided however, Temporary FlyAway buses shall comply with all applicable laws, rules and regulations as set forth in Section 16 and 31, including but not limited to ADA accessibility specifications for transportation vehicles, operated by a public entity.

5.1.3 FlyAway Trademark Use. City is the owner of the FlyAway Trademark(s) along with the Trade Dress associated with the FlyAway

Trademark(s) (hereinafter referred to as "Trademarks and Trade Dress") and the goodwill relating to the FlyAway Buses upon which the Trademarks and Trade Dress are to be used. Operator agrees that the Trademarks and Trade Dress shall only be used during the performance of the contract services Operator provides pursuant to the Agreement. This Agreement does not transfer any rights, title or interest in the Trademarks or Trade Dress to the Operator.

5.1.4 Maintenance and Servicing of FlyAway Buses. Maintenance and servicing of FlyAway Buses shall be the exclusive responsibility of Operator in accordance with the Fleet Plan as described Exhibit A. Operator is solely responsible for the safe operation and maintenance of the FlyAway Buses.

5.1.5 Maintenance Records. Operator will retain maintenance records and upon two (2) business days' notice by the Executive Director, provide City copies of such maintenance records. Such notification period may be extended by Executive Director, upon request by Operator, subject to substantiation, in writing, of the need for an extension of time.

5.1.6 Fueling. Operator shall provide fuel for all FlyAway Buses and provide all labor associated with fueling such FlyAway buses.

5.1.7 Cleaning of Buses. Operator shall provide all labor, materials, and supplies required to clean the FlyAway buses in accordance with Exhibit A. Operator will retain records of bus cleaning and upon request by the Executive Director, provide City copies of such records within two (2) business days.

5.1.8 Inspection of Equipment.

5.1.8.1 LAWA Inspection. City, upon one (1) business day notice, may inspect Operator's equipment, using its own personnel to ensure compliance with all maintenance and cleaning requirements specified in this Agreement and/or to determine if there is any defect that would present a hazard to the public health or safety. Any FlyAway Bus determined by Executive Director to have the following defects shall be immediately removed by Operator and replaced:

- (a) Inoperable or malfunctioning air conditioning system;
- (b) Broken or inoperable luggage compartment door;
- (c) Defective communication equipment;
- (d) Inoperable wheelchair lift;
- (e) Inoperable emergency exits;
- (f) Inoperable head/brake lights, horns, and signals;
- (g) Cracked or broken windows;
- (h) Defective brakes;
- (i) Damaged bumpers (any major damage to exterior including but not limited to a large gash, cracks, dents, wear and tear excepted);

- (j) Broken overhead luggage compartments;
- (k) Damaged upholstery, including but not limited to tears, rips, stains, large punctures of six inches in length or more, wear and tear excepted;
- (l) Cabin leakage;
- (m) External/Internal graffiti; and/or
- (n) Worn and/or defective tires with 2/32 inch of remaining tread depth or less.

5.1.8.2 California Highway Patrol Inspection. Operator shall be responsible for complying with all requirements of the California Highway Patrol (hereinafter referred to as "CHP") and shall provide copies of all CHP terminal and vehicle inspection reports to the Executive Director within three (3) business days of receipt. Operator shall immediately notify LAWA staff when a CHP inspection is scheduled. Unscheduled CHP inspections shall be immediately reported to the Executive Director. Operator is responsible for the costs of repairs incurred, including labor and materials, due to failure of individual buses to pass CHP inspection.

5.1.9 Transit Access Pass (hereinafter referred to as "TAP") Readers. If the Metro supplies City with TAP Readers for the FlyAway Buses to be used for acceptance of fares electronically, then Operator shall cooperate with City and/or Metro to allow installation of the TAP Readers on FlyAway buses for acceptance of electronic fare media. City will provide not less than thirty (30) days written notice to Operator prior to installation of TAP readers on FlyAway Buses. Operator shall not be responsible for installing, maintaining or programming TAP readers. Operator acknowledges Operator holds no right, title or interest to the TAP readers and City will remove the TAP Readers from FlyAway Buses, at the expiration or earlier termination of the Agreement or other date determined by Executive Director in his or her sole discretion. Operator shall provide City and/or Metro reasonable access to FlyAway Buses for installation, maintenance, programming and removal of TAP Readers.

5.1.9.1 Additional Equipment. City may require Operator to purchase TAP related equipment such as modular timing equipment described in Exhibit N, subject written notice from Executive Director. City shall reimburse Operator actual costs to purchase TAP-related equipment pursuant to Section 8.4 herein. City may also require Operator to purchase and install Global Positioning System (GPS) or similar equipment on FlyAway Buses. City shall reimburse Operator actual costs to purchase and install GPS equipment pursuant to Section 8.4 herein. Operator acknowledges Operator holds no right, title or interest to TAP or GPS equipment and City will remove such TAP and GPS equipment from FlyAway Buses, at City's cost, at the expiration or earlier termination of

the Agreement or other date determined by Executive Director in his or her sole discretion.

Section 6. Sales, Revenue Control, and Audit Plan.

6.1 Sales and Revenue Collection. Operator shall charge and collect from those persons utilizing the FlyAway Bus Service only such fares or charges as established by the Board. Operator shall not add additional fees above the amounts approved by the Board. The Board has the exclusive authority and discretion to determine all fares and charges. All fares and charges are subject to change from time to time at the sole discretion of Board.

6.1.1 Operator's Sale of Tickets. Except as clarified in this Section, Operator's ticketing system and ticket stock controls shall be in accordance with Exhibit A. Operator's ticketing system shall also provide web based applications to passengers for passengers to purchase tickets. Operator and City may mutually agree on an alternative ticketing system and/or ticket stock controls.

6.1.1.1 Ticket Vending Machines. If Operator installs ticket vending machines or other ticketing equipment at Van Nuys Bus Terminal, then all costs for installation and maintenance of Operator's ticket vending machines or other ticketing equipment shall be borne by Operator. Upon prior written request from Executive Director, Operator shall remove preexisting furnishings, fixtures or equipment not owned by Operator and City will reimburse Operator for costs associated with Operator's removal of such preexisting furnishings, fixtures and equipment subject to Section 8.4 herein. Operator acknowledges installation of equipment at Union Station Bus Terminal is prohibited, subject to Section 3.2.

6.1.2 Acceptable method of payment for fares. Operator is authorized to accept the use of Visa, Master Card, and American Express credit cards and Explore, Interlink and Star debit cards for payment of FlyAway Bus Service fares. Additional bank cards (e.g. credit and/or debit cards) may be authorized by the Executive Director. The Executive Director may restrict or prohibit any or all bank cards as a method of payment upon prior written notice to Operator. Online bank card FlyAway Bus Service fare sales may be conducted upon authorization of Executive Director.

6.1.2.1 Other forms of Payment. Operator shall accept all forms of fare media required by the Executive Director, including but not limited to FlyAway Monthly Passes, Metro-issued EZ passes, Metro link-issued monthly passes, City-authorized employee and/or passes, and promise to pay vouchers which Operator shall provide to City with monthly invoices as set forth in Section 8.7. Notwithstanding the foregoing, Operator shall have no liability

for outstanding and uncollected amounts owed under promise to pay vouchers.

6.1.2.2 Bank Card Processing. Operator shall serve as the merchant of record for all bank card (e.g. credit and debit cards) processing and be responsible for achieving and maintaining Payment Card Industry compliance. Operator shall supply and maintain all bank card processing equipment. All credit card transactions must be processed using Operator's credit card merchant processor, and deposited weekly to City's designated bank account. Operator's bank card processing clearinghouses utilized must be compliant with all local, state and federal regulations.

6.1.3 Payment Card Industry (PCI) Data Security Standard

6.1.3.1 The provisions set forth in this subsection apply to an Operator who is a "Service Provider" that either itself, or through a processor, its agent, or subcontractor, stores, processes, handles or transmits cardholder data in any manner in connection with this Agreement. For purposes of this subsection, the term "Cardholder Data" means personally identifiable data about the cardholder (i.e. the plastic card number, card expiration date in combination with the plastic card number, cardholder name in combination with the plastic card number track data/magnetic stripe, verification numbers CVV2, CVC2, CID, and PIN Block). This term also accounts for other personal insights gathered about the cardholder (i.e., addresses, telephone numbers, and so on), assigned by the card issuer that identifies the cardholder's account or other cardholder personal information. For purposes of this section, a "Service Provider" means any person or entity that maintains, processes, transmits or otherwise is permitted access to Cardholder Data, including through its provision of services to City. Customer Information shall include cardholder data and such other customer information as may be defined elsewhere in this Agreement.

6.1.3.2 Service Provider represents and warrants that it shall implement and maintain PCI Data Security Standard Requirements for Cardholder Data, as they may be amended from time to time. The current PCI Data Security Standard Requirements are available on the following internet site; <https://www.pcisecuritystandards.org/>. As evidence of compliance, Service Provider shall provide, when requested, current evidence of compliance with the then current PCI Data Security Standard Council Rules as required for Service Provider under PCI Data Security Council Rules, including required documentation by a certified third party authority recognized by the payment card industry council for that purpose.

6.1.3.3 Service Provider shall maintain and protect in accordance with all applicable federal, state, local laws, rules and regulations the security

of all Cardholder Data when performing the Services on behalf of City. Service Provider will use reasonable precautions, including but not limited to, physical, software and network security measures, employee screening, training, and supervision and appropriate agreements with employees, to prevent anyone from monitoring, using, gaining access to or learning the import of the Cardholder Data; and, protect appropriate copies of Cardholder Data from loss, corruption or unauthorized alteration.

6.1.3.4 Service Provider shall indemnify, defend, protect and hold City harmless from and against any and all claims, losses, damages, notices and expenses, including without limitation, any fines which City may be required to pay, which result from Service Provider's breach of the provisions of this Section. Without limiting the generality of the foregoing, it is expressly agreed that if City pays any fine in connection with a breach by Service Provider of the provisions of this Section, the foregoing indemnity obligation shall require Service Provider to reimburse City the full amount of such fine within thirty (30) days of City delivering written notice to Service Provider of City's payment of such fine. Service Provider, at its sole cost and expense, shall fully cooperate with any investigation of any data loss or other breach of Service Provider's obligations under this Section.

6.1.3.5 The use of Cardholder Data is specifically restricted to only those applications directly pertaining to payments, including transaction authentication, or as required by applicable law.

6.1.3.6 If there is a breach or intrusion of, or otherwise unauthorized access to Cardholder Data stored at or for Service Provider, Service Provider shall immediately notify City, in the manner required by the PCI Data Security Standard Requirements, and provide City and the acquiring financial institution and their respective designees access to Service Provider's facilities and all pertinent records to conduct an audit of Service Provider's compliance with the PCI Data Security Standard Requirements. Service Provider shall fully cooperate with any audits of their facilities and records provided for in this paragraph.

6.1.3.7 Any costs incurred as a result of the breach or audit shall be the responsibility of Service Provider.

6.1.3.8 Service Provider shall maintain appropriate business continuity procedures and systems to ensure availability and security of Cardholder Data in the event of a disruption, disaster or failure of Service Provider's primary data systems.

6.1.3.9 Service Provider's and its successors' and assigns', compliance with the PCI Data Security Standard Requirements expressly survives termination or expiration of this Agreement.

6.1.3.10 Destruction of Cardholder Data must be completed in accordance with section 9 of the PCI- DSS.

6.2 Sales and Revenue Return. Operator shall deposit all fare monies collected from the sale of tickets and monthly passes, less any authorized refunds, into City's designated bank account on a weekly basis.

6.2.1 Reconciliation. Operator shall reconcile monthly in writing, in a form acceptable to Executive Director, tickets sold and the respective fares received. The results of such reconciliation shall be transmitted to the City by the tenth (10th) day of each month and a duly authorized Officer shall certify in writing in a form acceptable to the Executive Director that Operator has remitted to City all fares for all tickets sold during the preceding month. City and Operator acknowledge that Operator may have a five (5) day grace period from the date when such reconciliations are due. If the amount of fare monies remitted to City is less than the value of the tickets sold for the month being reconciled, Operator shall remit the full amount of such shortfall within fifteen (15) days of Operator's reconciliation.

6.2.2 Failure to Deposit Revenue to City. Failure of Operator to deposit such revenue to City as set forth in Section 6 within seven (7) calendar days of the date such payments are due ("grace period") shall be subject to a daily service charge assessed as simple interest at the rate of one-thirtieth (1/30) of two percent (2%). Operator acknowledges it knows its payments to City are due daily and that the seven (7) calendar' day grace period commences from the due date.

6.3 Audit.

6.3.1 City, or its duly authorized representatives, shall, at all reasonable times, have the right of access to and the right to examine and audit all records of Operator pertaining to the operation of its business under this Agreement for the purpose of ascertaining the correctness of said accounting. Operator hereby authorizes its officers, agents and employees to disclose to City any and all information pertaining to its operations under the license rights herein granted, including all account books, ledgers, journals, accounts, records, profit and loss statement, and things done or performed by Operator in connection therewith during the term of this Agreement. Such books, ledgers, journals, accounts, and records necessary to conduct the audit must be made available to City in the greater Los Angeles metropolitan area at Operator's expense, within two (2) business days of notice by City.

6.3.2 It is agreed that examinations of the books, ledgers, journals and accounts of Operator will be conducted in accordance with generally accepted auditing standards applicable to the circumstances and that as such, said examinations do not require a detailed audit of all transactions. Testing and sampling methods may be used in verifying reports submitted by Operator and any sample period shall be determined in the reasonable discretion of the Executive Director. Unless otherwise proven by Operator that results of such testing and sampling methods do not apply to the entire period of reporting under examination ("Period"), deficiencies ascertained by the use of such testing and sampling methods by applying the percentages of error obtained from such testing and sampling to the Period will be binding upon Operator. In the event there is any net deficiency in the amount of five percent (5%) or greater of the compensation payable to City hereunder, Operator agrees to pay City for the cost of the audit as well as any other deficiencies, payments and liquidated damages due under this or any other provision of this Agreement.

6.3.3 City's right to access such records and information shall survive three (3) years beyond the Expiration Date or early termination of this Agreement; provided that upon termination of this Agreement, Operator shall produce such records in the Los Angeles metropolitan area or be shipped to the address listed in the Notice section, at Operator's sole cost and expense. Operator shall retain all records and other information necessary to perform an audit as described above for a minimum of seven (7) years

Section 7. Customer Service Plan.

7.1 Customer Service Requirements. Except as further clarified below in Section 7.2 -7.5, Operator shall comply with the Staffing Plan and Customer Service Plan more particularly described in Exhibit A.

7.2 Customer Complaint Handling-Response and Resolution. Operator shall be required to respond to and resolve all written and oral complaints received from the public or City as specified in no more than five (5) calendar days of receipt of said complaint. Operator shall notify complainant and copy LAWA with the resolution and action taken. All telephone complaints will be recorded on a form acceptable to the City and a copy of each complaint form will be provided to City upon request by the Executive Director.

7.3 Operator Phone Number/Email Information. Operator shall provide a phone number and email address to handle customer complaints, inquiries and other problems in a timely manner in accordance with Sections 7.2 and 7.3, and Exhibit A. The phone number and email shall be answered either by Operator's personnel or an answering service's personnel twenty-four (24) hours a day. Voicemail and answering machines are not acceptable. Notwithstanding the foregoing in this Section 7.3, City shall provide and maintain an automated general information phone number for FlyAway Bus Service, which is currently 1-866-iFLYLAX (City FlyAway Phone Line). Operator

acknowledges the City FlyAway Phone Line will forward calls to Operator's phone number.

7.4 Baggage Guidelines. Operator shall comply with City's baggage Guidelines attached as Exhibit M (hereinafter referred to as "Baggage Guidelines"). The Baggage Guidelines may be amended from time to time in the sole discretion of the Executive Director. Operator may recommend changes to the Baggage Guidelines in Operator's Business and Operations Plan, subject to Section 4.3 herein.

Section 8. Operator's Compensation.

8.1 Compensation. As the entire compensation for the provision of the services and the performance of Operator's obligations under this Agreement, City shall pay to Operator the following: (1) the Monthly Management Fee as provided in Section 8.2 below; (2) Trip Fees as provided in Section 8.3 below; and (3) approved pass-thru costs subject as provided in Section 8.4 below.

8.2 Monthly Management Fee. During the Term of this Agreement, City shall pay to Operator a fixed monthly management fee in the amount of **Four Hundred Seventy-four Thousand, Seven hundred forty-nine Dollars (\$474,749.00)** per month (hereinafter referred to as the "Monthly Management Fee"); provided, however, that Management Fee shall be subject to increase in accordance with Section 8.5. Operator acknowledges that the amount payable as the Monthly Management Fee is, among other things, inclusive of and constitutes the full and sole compensation that Operator is entitled to receive under this Agreement for the following:

- (a) procuring and maintaining vehicles required for provision of the FlyAway Bus Service including FlyAway Buses, any Temporary FlyAway Buses, and support vehicles.
- (b) any insurance required to be maintained by Operator;
- (c) licenses, permits, and security instruments;
- (d) materials and supplies required for operation of FlyAway Bus Service including, but not limited to, ticketing equipment and infrastructure, FlyAway Bus Service ticket stock, receipt paper and employee FlyAway Bus Service pass cards;
- (e) Administration and overhead (including but not limited to, corporate management, local management (e.g., general manager, assistant manager, operations manager), accounting, audit and clerical support); and
- (g) profit

8.3 Trip Fees. Trip Fees shall mean an amount equal to the Trip Rate (as defined in this section) multiplied by the number of Trips (as defined in Section 4.2) completed during such month, provided, however, that the number of Trips for such month shall not exceed the number of Trips authorized in Section 4.2 or otherwise authorized in writing by the Executive Director (it being understood that no

compensation shall be paid to Operator for the performance of Trips in excess of such authorized number of Trips). The FlyAway Operator's Trip Rates shall be set by service location as follows: (1) Union Station Trip Rate is **Forty-six Dollars and forty-five cents (\$46.45)** and shall apply to each completed one-way trip in each direction, between Union Station Bus Terminal and Airport; and; (2) Combined Van Nuys/Orange Line Trip Rate is Forty-seven Dollars and Twenty-three cents (\$47.23) and shall apply to each completed one-way trip in each direction, between Van Nuys Bus Terminal and Airport, including along en route service to the Metro Orange Line Woodley Station, in accordance with Exhibit B and subject to Section 2.1.1.

8.3.1. City shall compensate the Operator for completed Repositioning Trips, defined in Section 8.3.2, provided however, Repositioning Trips shall not exceed five percent (5%) of the annual scheduled Trips authorized in Section 4.2 and specified in Exhibit B.

8.3.2. Operator acknowledges Repositioning Trips are defined as deadhead trips (those trips which contain no customer passengers) between Airport and either Union Station Bus Terminal or Van Nuys FlyAway Bus Terminal which are required to meet the service operation schedule published to the traveling public, and as determined in the sole discretion of the Executive Director.

8.3.3 If the Executive Director discontinues Metro Orange Line FlyAway Bus Service, then the Combined Van Nuys/Orange Line Trip Rate shall decrease by one half of one percent (.5%) commencing on the date in which such service is discontinued and for the remainder of the term of the Agreement

8.3.4 Subject to Section 2.2, as compensation for Operator's provision of buses, fuel, personnel and facilities to operate FlyAway Bus Service between Airport and Additional Locations, City shall pay Operator on a monthly basis an hourly rate of Seventy-nine Dollars and sixty-five cents (\$79.65) for each hour of scheduled bus operation for each bus in operation. Each hour of scheduled bus operation for each bus in operation shall only include those hours of actual in-service bus operation between the Additional Locations and Airport. It shall not include deadhead operations for maintenance or cleaning of buses, transportation time to or from Operator's office(s), maintenance or bus storage area(s), or other not in service travel.

8.4 Approved Pass-Thru Costs. Subject to prior written approval by the Executive Director, Operator may invoice City for reimbursement of certain eligible pass-thru costs and expenses, including but not limited to credit card merchant processing fees assessed by Operator's merchant processor, third party credit card processing fees, costs for internet payment for gateway services for online sales assessed by internet gateway service provider, Global Positioning System (or similar equipment as approved by the Executive Director), and TAP supporting equipment. Such costs are reimbursable

without mark-up. Operator's invoice to City for approved pass-thru costs and expenses shall be accompanied by appropriate evidence and documentation of all costs incurred (including, but not limited to, copies of invoices) and proof of payment (including, but not limited to, lien releases) of such actual costs incurred by Operator in connection with this Section 8.4.

8.5 Compensation Adjustments. The Monthly Management Fee shall be subject to increase commencing on July 1, 2016 and every July 1 thereafter by an amount equal to two percent (2%) of the respective Monthly Management Fee in effect for the prior year. The Trip Rate shall be subject to increase commencing on July 1, 2016 and every July 1 thereafter by an amount equal to three percent (3%) of the respective Trip Rate in effect for the prior year.

8.6 Records of Trips. Operator shall maintain accurate records of the Trips made by each of its buses operated under this Agreement. These records shall be submitted as supporting documents with each payment invoice. The form of these records shall be subject to the approval of the Executive Director.

8.7 Invoicing. Operator shall submit to City on the tenth (10th) day of each calendar month, during the term hereof, monthly payment requests covering Trips, performed by Operator during the preceding month, fees for service between Airport and Additional Locations (if any), and reimbursement of eligible pass-thru costs and expenses authorized herein. All said requests for payment shall be specifically itemized and shall be in a form and content satisfactory to the Executive Director. The payment by City of any invoice shall not bind City as to the correctness of such invoice should City later determine that such invoice was incorrect.

Each such invoice shall be signed by the Operator and shall include the following certification:

"I certify under penalty of perjury that the above bill is just and correct according to the terms of Agreement No. ____ and that payment has not been received."

City reserves the right to require additional substantiation of any such payment request submitted. City shall, following approval of each payment request, remit to Operator, at the address specified in the "Notices" section herein, the appropriate amount.

8.8 Performance Penalties.

8.8.1 Missed Trips. City shall not pay Operator for Missed Trips. Additionally, City shall deduct a monetary amount of One Hundred Dollars (\$100) from Operator's invoice for each instance Operator fails to provide a scheduled departure from either Bus Terminals or Airport specified in Section 4.2. Missed Trips resulting from traffic, or equipment failure, or traffic accidents

which are attributable to Operator's negligence, or failure of a driver to report for duty, shall be no excuse for such missed schedule.

8.8.2 Late Trips. City shall deduct from Operator's invoice a monetary amount of fifty dollars (\$50) for each instance that a FlyAway Bus departs from either the Bus Terminals or Airport more than fourteen (14) minutes after the scheduled departure time specified in Section 4.2. Late Trips resulting from traffic, or equipment failure, or traffic accidents which are attributable to Operator's negligence, or failure of a driver to report for duty, shall be no excuse for such late trip.

8.8.3 Unresolved Complaints. City shall deduct from Operator's invoice a monetary amount of fifty dollars (\$50) per day each day complaints are not resolved in accordance with Section 7.2.

8.8.4 Submission of Reports. City shall deduct from Operator's invoice a monetary amount of a fifty dollars (\$50) per day each day that reports required pursuant to the terms of the Agreement are overdue.

8.8.5 Driver Unsafe Operations. If a driver is reported by a passenger in writing or by LAWA staff either verbally or in writing, for unsafe operation of the FlyAway Bus, City shall deduct from Operator's invoice a monetary amount of two hundred dollars (\$200) per incident.

8.8.6 On-time Performance. City shall deduct from Operator's invoice a monetary amount of five hundred dollars (\$500) for each instance Operator's monthly on-time performance is less than ninety-five percent (95%) for Route 1 and Route 2, respectively. For purposes of this Section 8.8.6, on-time performance is defined as Operator's adherence to the scheduled departure time(s) specified in Section 4.2, subject to a fourteen (14) minute grace period.

8.8.7 Fleet Requirements. City shall deduct from Operator's invoice a monetary amount of Fifty Dollars (\$50) for each instance Operator fails to comply with section 5.1.2 of this Agreement.

8.8.8 Assessment of Penalties. All performance penalties assessed against the Operator will be deducted from Operator's monthly invoice. Unless stated otherwise in this Section 8, circumstances beyond the control of the Operator, causing the Operator to fail to comply with the stated performance requirement, will be considered as just cause on the part of the Executive Director not to assess performance penalties again the Operator.

8.8.9 Operator's Right to Dispute Penalties. Operator shall have the right to dispute penalties imposed under this section; provided however, such dispute must be substantiated in form acceptable to the Executive Director and submitted within ten (10) business days of LAWA's notification of a performance

penalty charge. Executive Director shall review the materials submitted by Operator in connection with the dispute and will determine if the penalty is warranted, in his or her reasonable discretion. The Executive Director may delay assessment of a penalty until completion of review of dispute and determination as to whether it is warranted.

8.9 Equitable Adjustment for Unforeseeable Change in Circumstances. In the event that due to an unforeseeable change in circumstances relating to the operation of the FlyAway Bus Service that is not within the control of Operator, which causes Operator to incur materially adverse economic consequences in their performance of Operator's obligations under this Agreement, then the Executive Director will consider (in the Executive Director's sole and absolute discretion) whether to recommend to the Board an amendment to this Agreement providing for an equitable adjustment to the financial terms of this Agreement. Operator acknowledges that the Executive Director is not required to recommend any such amendment to the Board (or to take any other action), and that any such amendment shall require the approval of the Board acting in the Board's sole and absolute discretion. As a condition to the Executive Director's consideration of such an amendment, Operator shall have demonstrated to the sole satisfaction of the Executive Director that; (i) such change in circumstances was unforeseeable and not within the control of Operator, (ii) such change in circumstances has or will result in unavoidable and material adverse economic consequences to Operator, and (iii) an adjustment to the financial terms of this Agreement is equitable under the circumstances.

8.10 Competitive Bidding/Proposals for Pass-thru Costs. The provisions of this Section 8.10 shall apply to approved pass-thru costs pursuant to Section 8.4. The provisions of this Section 8.10 are intended to promote pricing and responsive and responsible proposals in a fair and reasonable manner from Operator suppliers and subcontractors. As such, Operator's selection of subcontractors and suppliers for certain goods and services subject to Section 8.4 shall be based upon competitive bids or proposals as follows:

8.10.1 Operator shall use reasonable efforts to secure bids or proposals on certain goods and services, subject to Section 8.4, from a minimum of three (3) unrelated bidders or proposers.

8.10.2 In the event that Operator obtains fewer than three (3) bids or proposals, it shall provide City with a written description of its efforts to obtain competitive bids or proposals. Additionally, if Operator believes that Operator should proceed to award the bid or proposal with fewer than three (3) bidders or proposers, Operator shall explain its justification for such determination including why Operator believes the cost of the bid or proposal it would like to award is reasonable.

8.10.3 In the event that the Operator elects not to proceed to award the bid or proposal solely on the basis of price, it shall provide City with a written

justification of the reasons therefor.

8.10.4 Notwithstanding the foregoing in this Section 8.10, to ensure the City is receiving favorable credit card merchant processing fees, Operator shall perform this competitive evaluation process on a recurring basis of at least once per year during the term of this Agreement.

Section 9. Notices.

9.1. Notice to City. Written notices to City hereunder, shall be sent to the Executive Director of LAWA with a copy to the City Attorney of the City of Los Angeles and must be given by registered or certified mail, postage prepaid, and addressed to:

Executive Director
Los Angeles World Airports
c/o Landside Business Management
1 World Way
Post Office Box 92216
Los Angeles, 90009-2216

City Attorney
Los Angeles World Airports
1 World Way
Post Office Box 92216
Los Angeles, CA 90009-2216

or to such other address as City may designate by written notice to Operator.

9.2. Notice to Operator. Written notices to Operator hereunder shall be given by registered or certified mail, postage prepaid, and addressed to:

Pacific Coast Sightseeing Tours & Charters, Inc.
2001 South Manchester Avenue
Anaheim, CA 92802
Attention: Kristen Martinez, President

or to such other address as Operator may designate by written notice to City.

9.2.1 The execution of any such notice by the Executive Director shall be as effective as to Operator as if it were executed by the Board, or by resolution or order of said Board, and Operator shall not question the authority of Executive Director to execute any such notice.

9.2.2 All such notices, except as otherwise provided herein, may either be delivered personally to Executive Director with a copy to the Office of the City Attorney, Airport Division, in the one case, or to Operator in the other case, or may be deposited in the United States mail, properly addressed as aforesaid with postage fully prepaid by certified or registered mail, return receipt requested, and shall be effective five (5) days after deposit in the mail. Such notice may also be delivered by a nationally recognized overnight commercial

courier service that requires the recipient's signature for delivery, and shall be effective one (1) business day after delivery by such courier.

Section 10. Termination by City.

10.1 Termination With Cause. Unless a different cure period is noted in this Section, City shall provide ten (10) days to Operator to cure any defect or default. In addition to any other legal or equitable rights available to City hereunder, City shall have the right to terminate this Agreement in its entirety and all rights ensuing therefrom upon a ten (10) day written notice to Operator if any one or more of the events in Section 10, et seq. occur. The termination notice to Operator shall identify that Operator is in default of the Agreement ("Termination Notice"). If feasible, City and Operator will meet in advance of any default or termination action.

10.1.1 Breach by Operator of any of the nondiscrimination covenants contained herein or Operator's failure to provide service on a fair, equal and not unjustly discriminatory basis to all users thereof; provided, however, that at the election of City or the United States, either or both of said governments shall have the right to judicially enforce the above provisions.

10.1.2 The suspension or revocation of the rights, powers, licenses, permits and authorities necessary for the conduct and operation of the transportation service as herein authorized.

10.1.3 Except as approved in writing by the Board or Executive Director, the transfer of the interest of Operator under this Agreement by operation of law, or otherwise, to any other person, firm or corporation.

10.1.4 Any substantial change in the ownership or proprietorship of Operator not approved in writing by the Board or Executive Director, which, in the opinion of Board, is not in the best interest of City or the public.

10.1.5 Operator fails to keep, perform and observe each and every promise, covenant, condition or agreement set forth in this Agreement on its part to be kept, performed or observed within five (5) days after receipt of written notice of default hereunder from City, except where fulfillment of Operator's obligation requires activity over a period of time and Operator has commenced to perform whatever may be required for fulfillment within five (5) days after receipt of such notice and continues such performance without interruption except for causes beyond its control.

10.1.6 The levy of any attachment or execution, or the appointment of any receiver, or the execution of any other process of any court of competent jurisdiction which does or as a direct consequence of such process will interfere with Operator's operation under this Agreement, and which attachment, execution, receivership or other process of such court is not vacated, dismissed or

set aside within a period of thirty (30) days.

10.1.7 Operator becomes insolvent, or takes the benefit of any present or future insolvency statute, or makes a general assignment for the benefit of creditors, or files a voluntary petition in bankruptcy, or a petition or answer seeking an arrangement for its reorganization, or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States, or of any state law, or consents to the appointment of a receiver, trustee or liquidator of all or substantially all of its property.

10.1.8 By order or decree of a court, Operator is adjudged bankrupt, or an order is made approving a petition filed by any of the creditors, or by any of the stockholders of Operator, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws, or under any law or statute of the United States, or any state thereof.

10.1.9 A petition under any part of the federal bankruptcy laws, or any action under any present or future solvency law or statute if filed against Operator and is not dismissed within thirty (30) days after the filing thereof.

10.1.10 By or pursuant to, or under authority of, any legislative act, resolution or rule or any order or decree of any court, governmental board, agency or officer having jurisdiction, a receiver, trustee or liquidator takes possession or control of all or substantially all of the property of Operator and such possession or control continues in effect for a period of thirty (30) days.

10.1.11 Failure of the Operator to maintain a preventative maintenance program that is consistent with the terms, covenants, and conditions contained in the Agreement and which, adversely affects the safety of the Flyway Bus.

10.1.12 Any lien filed against Operator's equipment applicable to this Agreement or Premises because of any act or omission of Operator and is not removed within thirty (30) days.

10.1.13 Operator voluntarily abandons, deserts, vacates or discontinues its operation of the service herein authorized for a period of ten (10) hours unless abandonment, desertion, vacation, or discontinuation occurs under circumstances where performance would be excused pursuant to Section 41.9 and 41.12 or for labor disruption.

10.2 Termination for In-operation. Notwithstanding any of the foregoing provisions herein, City shall have the absolute right to terminate this Agreement and take over the operation of the FlyAway Bus Service either itself or through another operator of its choice in the event said transportation service becomes inoperative for a period of more than twenty-four (24) hours by reason of Operator being unable for any reason whatsoever to keep such service available for public patronage unless the Operator's

inability is caused by circumstances where non-performance would be excused pursuant to, Section 40.9 and 40.12.

10.3 Termination for Poor Performance. At City's option, this Agreement may be terminated for poor performance based on the following criteria: (1) failure to operate at least ninety percent (90%) of the scheduled Trips per month; (2) receipt of a number of documented and verified complaints per month which is greater than ten percent (10%) of the number of scheduled Trips per month concerning service deficiencies that are caused by Operator or Operator's employees; or (3) Operator fails two consecutive CHP inspections.

10.4 Termination for Convenience. In the event Executive Director determines that it is in the best interest of the City to terminate this Agreement, City shall have the absolute right to terminate ("Termination for Convenience") upon not less than sixty (60) days' prior written notice to Operator ("Convenience Termination Notice"). The Convenience Termination Notice shall set forth the effective date of such termination ("Convenience Termination Date"). In the event of a Termination for Convenience, City shall pay to Operator an amount equal to the Convenience Termination Payment (as defined in Section 10.4.2 below) within forty-five (45) days following the Convenience Termination Compliance Date (as defined in Section 10.4.3 below). Operator specifically acknowledges that this Termination for Convenience provision is a material inducement to City to allow Operator to enter into this Agreement.

10.4.1 In the event that a Termination for Convenience is determined by City, Operator shall receive from City a payment in respect of such termination as set forth in Section 10.4.2 below. Operator's right to any such termination payment shall be conditioned upon Operator's execution and delivery to City of a general waiver and release of claims by Operator, which release shall be in a form satisfactory to City (the "Termination Release").

10.4.2 Termination Payment. The term "Convenience Termination Payment" shall mean a payment to Operator from City should City terminate the Agreement herein without cause prior to the fifth (5th) year anniversary of the Commencement Date of the Agreement herein. The payment amount shall be the sum of i) an amount equal to six (6) months of annual depreciation of the Qualified Investment that shall be depreciated over a seven (7) year period on a straight line basis; and ii) Operator's shut-down expenses pursuant to Section 10.6 herein. A sample calculation is provided in Exhibit D. No extension of the term of this Agreement shall operate to extend any such depreciation period.

10.4.3 "Convenience Termination Compliance Date" shall mean the date that all of the following have occurred: (i) Operator has ceased operation of FlyAway Bus Service and vacated Bus Terminals in accordance with the termination provisions under this Agreement; (ii) City has received the Termination Release signed by Operator; (iii) the Convenience Termination Date

has occurred; and (iv) Operator has performed all of Operator's obligations under this Agreement to be performed on or before the Convenience Termination Date.

10.5 Qualified Investments Defined. Subject to the limitations and conditions set forth in Section 10.5.1 and 10.5.2 below, the term "Qualified Investments" shall mean an amount equal to the actual costs incurred by Operator for the purchase of FlyAway Buses for the FlyAway service as approved in writing by the Executive Director. With respect to any expenditure described in Section 10.5, such expenditure must satisfy the following additional requirements and conditions in order to be classified as a Qualified Investment:

10.5.1 Submittal to the Executive Director. Within thirty (30) days of leasing or purchasing the FlyAway Buses, Operator shall provide Executive Director for verification a copy of the bill of sale for the FlyAway Buses showing the amount of actual expenditure which Operator desires to be classified as a Qualified Investment.

10.5.2 Required Information; Approval of Qualified Investment. The Executive Director, in his/her sole and absolute discretion which shall not be unreasonable, will decide if such amount may then be included as part of the Qualified Investment amount. With respect to the depreciation of Qualified Investments, such Qualified Investments shall be fully depreciated over the applicable depreciation period, with no residual value. All depreciation calculations shall be subject to the review and approval of the Executive Director. City shall have the right to audit the books and records of Operator in accordance with the provisions of Section 6.3 above.

10.6 Required Information; Approval of Shut-down expenses. Within thirty (30) days of Executive Director's Termination Notice, Operator shall provide Executive Director copies of receipts showing the amount of actual shut-down expenditures Operator desires to be reimbursed by City. Shut-down expense reimbursement i) shall be made on a pro rata basis from the date Operator incurred the expenses to the Convenience Termination Date and ii) is limited to the following costs specific to Operator's provision of services rendered under this Agreement: unrecovered start-up costs, early termination of property or equipment lease(s); equipment transfer and disposal costs; pre-paid fees for vehicle licenses and registration; and pre-paid insurance (both vehicle and employee) and iii) shall not exceed an amount equaling compensation payable to Operator for a one month period calculated as the average of monthly compensation payments made to Operator pursuant to Section 8.2 and Section 8.3 herein for the preceding twelve (12) month period. Executive Director shall approve shut-down costs eligible for reimbursement, in his or her sole discretion.

10.7 No Other Compensation. Operator acknowledges and agrees that, except for the Convenience Termination Payment in connection with a Termination for Convenience, Operator has absolutely no right to any payment, claim, damage, offset or other compensation in connection with the termination of this Agreement. Without

limiting the generality of the foregoing, (i) no payment or other compensation shall be payable to Operator in connection with the expiration of the Term of this Agreement and (ii) no payment or other compensation shall be payable to Operator in connection with the termination of this Agreement as a result of Operator's default in the performance of its duties and obligations hereunder.

10.8 Credit Card Chargeback Liability. Subject to Section 6.1.2.2, Operator shall use its own credit card terminals in connection with this Agreement. In the event a transaction processed through Operator's credit card terminals is disputed ("Chargeback") by the cardholder or issuing bank ("Chargeback Claimant"), upon notification of such Chargeback, Operator shall promptly use its best efforts to investigate the dispute, and respond to Operator's credit card processor ("Processor") by the deadline set by and manner required by the Processor.

10.8.1 Unless the Processor determines in writing that the Chargeback Claimant is entitled to a reimbursement occasioned by the fraud or willful misconduct of Operator or Processor, Operator shall not be liable or financially responsible for such reimbursement ("No Fault Chargeback"). In such an event of a No Fault Chargeback, Operator shall reimburse Chargeback Claimant the Chargeback amount as required by Processor and invoice City the actual cost of such reimbursement in accordance with Section 8.7. Written verification from the Processor in a form acceptable to City must accompany such invoice to City. Operator shall not invoice City for a No Fault Chargeback until Processor has provided in writing, final resolution of the Chargeback, in a form acceptable to City.

10.8.2 If the Chargeback is the result of negligence, fraud, or willful misconduct caused by Processor and/or Operator (including Operator's employees and contractors), Operator shall be liable for any and all costs associated with such Chargeback.

10.9 Cross Default. A material default or breach of the terms of any other lease, license, permit, or contract held by Operator with City shall constitute a material breach of the terms of this Agreement and shall give City the right to terminate this Agreement for cause in accordance with the procedures set forth herein.

Section 11 Operator's Books and Records and Reports to City.

11.1 Records. Operator shall maintain, its permanent books, ledgers, journals, accounts and records wherein are kept all entries reflecting its operations under this Agreement. All of such books, ledgers, journals, accounts and records shall be available and open for inspection and examination by Executive Director upon two (2) business days' notice at all reasonable business hours.

11.2 Request by Executive Director. Operator shall, upon request, also furnish such other financial or statistical reports as Executive Director may, from time to time,

require.

11.3 Reporting to City. Operator shall be required to attend meetings with City staff on an as-needed basis. Furthermore, Operator is required to prepare and furnish such other reports as requested by the Executive Director. Operator acknowledges its responsibility to provide reports in the following intervals: Monthly reports are due on the tenth (10th) day following the close of the preceding month and shall report the previous month's data. Quarterly reports are due on the fifteenth (15th) day following the close of a quarter and report the previous quarter's data and activity. Annual reports are due on the thirtieth (30th) day following each anniversary of the Commencement Date and shall report the data and activity for the previous twelve month periods. Operator shall have a five (5) day grace period from the date reports are due.

11.4. Report Information. Reports shall be prepared and transmitted in accordance with Exhibit A, and also contain the following information: on a monthly basis, passenger counts by Trip, day, month, departure times and travel times, revenue by source (i.e. credit, debit, promise to pay, online, employee passes, Metro passes, etc.). On an annual basis, fleet information including vehicle identification numbers, equipment used, engine type, and fuel used.

11.5. Distribution of Surveys. Operator agrees to distribute and collect surveys from the passengers so that City may assess FlyAway Bus Service.

Section 12. Right of Ingress and Egress. For the purpose of performing this Agreement, City grants full and free right of ingress to and egress from Airport and the Bus Terminals to Operator, its employees; agents; passengers; guests; invitees; suppliers of materials and furnishers of service, without charge.

Section 13 Terminal Loading Area. Operator shall have the right to pick up and unload passengers, along the curb of the roadways in the Central Terminal Area of Airport at convenient locations, as determined by the Executive Director. Operator acknowledges however, that the space to be allocated to Operator for such purpose shall be subject at all times to the prior approval of Executive Director and may be subject to change. Operator shall not park its motor vehicles on any of the roads in said Central Terminal Area except for such period of time as may be necessary in connection with the convenient loading and unloading of passengers and their baggage. Operator agrees to abide by all applicable City parking rules, regulations, and ordinances in effect at the execution of this Agreement or which may be adopted hereafter.

Section 14 Signs and Advertisements. Operator shall not erect, construct, or place any sign or advertisements pertaining to the operation of its business pursuant to this Agreement upon any portion of Airport or the Bus Terminals without the prior, written approval of the Executive Director.

Section 15 Confidentiality. The parties acknowledge that, in connection with this Agreement and their relationship with each other, they may obtain information

relating to the other party or its affiliates, suppliers, or customers which is of a confidential and proprietary nature ("Confidential Information"). Such Confidential Information includes, but is not limited to customer lists, data, financial information, inventions, marketing plans, processes, programs, sales plans, schematics, software, source documents, techniques, trade secrets, and any other information which the receiving party knows or has reason to know is confidential, proprietary, or the trade secret information of the disclosing party, its affiliates, suppliers, or customers. Upon the expiration or termination of this Agreement for any reason, each receiving party shall immediately return to the disclosing party all documents containing Confidential Information (including copies thereof) in the receiving party's control, custody, or possession. The obligations of confidentiality contained herein shall not apply to any information which (1) has entered the public domain (except where such entry is the result of breach of this Agreement or other applicable confidentiality agreement); (2) was obtained by receiving party from a third party prior to disclosure; (3) is obtained subsequent to disclosure by receiving party on a non-confidential basis from a third party who has the right to disclose such information; or (4) is required to be disclosed pursuant to a court order, government authority, or any United States, state, city or local codes, ordinances, or laws whereupon the receiving party, at its earliest opportunity, shall provide written notice to the disclosing party and shall cooperate with disclosing party in all efforts to secure a protective order and/or resist compelled disclosure.

Section 16. Disabled Access.

16.1. Operator shall be solely responsible for fully complying with any and all applicable present and/or future rules, regulations, restrictions, ordinances, statutes, laws and/or orders of any federal, state, and/or local governmental entity and/or court regarding disabled access to any services, programs, or activities provided either by Operator or by Operator's subcontractors; these laws include but are not limited to the Air Carrier Access Act; 2010 ADA Standards For Accessible Design; 28 Code of Federal Regulation Part 35; 28 Code of Federal Regulation Part 36; Sections 504 and 508 of the Rehabilitation Act of 1973 as amended; and the State of California Code of Regulations Title 24. Operator shall be solely responsible for any and all damages caused by, and/or penalties levied as the result of or by Operator's or Operator's subcontractor's noncompliance. Further, Operator agrees to cooperate fully with City in its efforts to comply with the Americans With Disability Act of 1990, any amendments thereto or successor statutes and all of the aforementioned laws.

16.2 Should Operator fail to comply with Subsection 16.1, then City shall have the right, but not the obligation, to perform, or have performed, whatever work is necessary to achieve equal access compliance. Operator will then be required to reimburse City for the actual cost of achieving compliance, plus a fifteen percent (15%) administrative charge.

Section 17. Limitations on Use of Airport.

17.1 Operator shall not use the Airport, nor any portion thereof, for any purpose other than as specifically set forth in this Agreement, without first having had and obtained the written consent of the Executive Director, which consent may be withheld in the Executive Director's sole discretion, and which written consent is approved as to form by the City Attorney.

17.2 There is hereby reserved to City, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Airport. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through said airspace or landing at, taking off from, or operating on Airport. Operator agrees not to make any claim or institute legal action against City under any theory of recovery for any interference with Operator's use and enjoyment of the Airport which may result from noise emanating from the operation of aircraft to, from, or upon Airport except for claims or actions brought by third parties against Operator arising from City's operation of Airport [USE GUIDE, paragraph 5]¹.

17.3 Operator, by accepting this Agreement, agrees for itself and its successors and assigns that it will not make use of the Airport in any manner which might interfere with the landing and taking off of aircraft from Airport or otherwise constitute a hazard to such operations. In the event the aforesaid covenant is breached, City reserves the right to take all action it deems necessary to cause the abatement of such interference at the expense of Operator [USE GUIDE, paragraph 8].

17.4 Operator shall conduct its, and cause its sub-operators to conduct their, operations on the Airport in such manner as to reduce as much as is reasonably practicable, considering the nature and extent of said operations, any and all activities which interfere unreasonably with the use of other premises at Airport, including, but not limited to, the emanation from the Airport of noise, vibration, movements of air, fumes, and odors.

17.5 Operator is prohibited from installing or using any wireless workstations, access control equipment, wireless internet servers, application or system software such as transceivers, modems, or other interface units that access frequencies from 2.0 Gigahertz to 6.0 Gigahertz, inclusive, without first obtaining approval from the Executive Director.

17.6 Operator has no rights under this Agreement to install or use any antennae or telecommunications equipment on the roof or exterior of any building or structure on

¹ The paragraph references are to mandatory requirements contained in a document entitled, "LEASE AND USE AGREEMENT GUIDE", dated June 6, 1984, revised May 2001, published by the Federal Aviation Administration.

the Airport, unless such installation or use is directly related to the conduct of Operator's business and in full compliance with City's permit process and telecommunications policies as they may be modified from time to time at the sole discretion of the Executive Director. Operator may not license or sublicense to others the right to install or use antennae or other telecommunications equipment on the Airport.

Section 18 Insurance.

18.1 Operator shall procure at its expense, and keep in effect at all times during the term of this Agreement, the types and amounts of insurance specified on Exhibit C, attached hereto and incorporated by reference herein. The specified insurance shall also, either by provisions in the policies, by City's own endorsement form or by other endorsement attached to such policies, include and insure City, LAWA, its Board and all of City's officers, employees, and agents, their successors and assigns, as additional insured, against the areas of risk described on Exhibit C, hereof with respect to Operator's acts or omissions in its operations, use, and occupancy of the Airport or other related functions performed by or on behalf of Operator in, on or about Airport.

18.2 Each specified insurance policy (other than workers' compensation and employers' liability and fire and extended coverage shall contain a severability of interest (cross liability) clause which states, "It is agreed that the insurance afforded by this policy shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability," and a contractual endorsement which shall state, "Such insurance as is afforded by this policy shall also apply to liability assumed by the insured under this Agreement with the City of Los Angeles."

18.3 All such insurance shall be primary and noncontributing with any other insurance held by LAWA where liability arises out of or results from the acts or omissions of Operator, its agents, employees, officers, assigns, or any person or entity acting for or on behalf of Operator. Such policies may provide for reasonable deductibles and/or retentions acceptable to the Executive Director based upon the nature of Operator's operations and the type of insurance involved.

18.4 City shall have no liability for any premiums charged for such coverage(s). The inclusion of City, LAWA, Board and all of City's officers, employees, and agents, their successors and assigns, as insured is not intended to, and shall not, make them, or any of them, a partner or joint venture with Operator in Operator's operations at Airport. In the event Operator fails to furnish City evidence of insurance and maintain the insurance as required, City, upon ten (10) days prior written notice to comply, may (but shall not be required to) procure such insurance at the cost and expense of Operator, and Operator agrees to promptly reimburse City for the cost thereof plus fifteen percent (15%) for administrative overhead. Payment shall be made within thirty (30) days of invoice date.

18.5 At least ten (10) days prior to the expiration date of the above policies, documentation showing that the insurance coverage has been renewed or extended shall be filed with City. If such coverage is canceled or reduced, Operator shall, within fifteen (15) days of such cancellation of coverage, file with City evidence that the required insurance has been reinstated or provided through another insurance company or companies.

18.6 Operator shall provide proof of all specified insurance and related requirements to City either by production of the actual insurance policy(ies), by use of City's own endorsement form(s), by broker's letter acceptable to the Executive Director in both form and content in the case of foreign insurance syndicates, or by other written evidence of insurance acceptable to the Executive Director. The documents evidencing all specified coverage(s) shall be filed with City in duplicate and shall be procured and approved in strict accordance with the provisions in Sections 11.47 through 11.56 of City's Administrative Code prior to Operator's use of Airport. The documents shall contain the applicable policy number, the inclusive dates of policy coverage, and the insurance carrier's name, shall bear an original signature of an authorized representative of said carrier, and shall provide that such insurance shall not be subject to cancellation, reduction in coverage, or nonrenewal except after written notice by certified mail, return receipt requested, to the City Attorney of the City of Los Angeles at least thirty (30) days prior to the effective date thereof. City reserves the right to have submitted to it, upon request, all pertinent information about the agent and carrier providing such insurance.

18.7 City and Operator agree that the insurance policy limits specified herein shall be reviewed for adequacy annually throughout the term of this Agreement by the Executive Director who may, thereafter, require Operator, on thirty (30) days prior, written notice, to adjust the amounts of insurance coverage to whatever reasonable amount said Executive Director deems to be adequate.

18.8 Submission of insurance from a non-California admitted carrier is subject to the provisions of California Insurance Code Sections 1760 through 1780, and any other regulations and/or directives from the State Department of Insurance or other regulatory board or agency. Operator agrees, except where exempted, to provide City proof of said insurance by and through a surplus lines broker licensed by the State of California.

Section 19 City Held Harmless. In addition to the Insurance provisions herein, Operator shall indemnify, defend, keep, and hold City, including Board, and City's officers, agents, servants, and employees, harmless from any and all costs, liability, damage, or expense (including costs of suit and fees and reasonable expenses of legal services) claimed by anyone by reason of injury to or death of persons, including Operator, damage to or destruction of property, including property of Operator, sustained in, on, or about the Airport or arising out of Operator's use or occupancy of Airport or arising out of the acts or omissions of Operator, its agents, servants, or employees acting within the scope of their agency or employment, provided except for the sole negligence of LAWA.

Section 20 Attorney's Fees. If City shall, without any fault, be made a party to any litigation commenced by or against Operator arising out of Operator's use of the Airport, then Operator shall pay all costs, expenses, and reasonable attorney's fees incurred by or imposed upon City in connection with such litigation. Each party shall give prompt notice to the other of any claim or suit instituted against it that may affect the other party.

Section 21 Independent Contractor.

21.1 It is the express intention of the parties that Operator is an independent contractor and not an employee, agent, joint venture or partner of City. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between Operator and City, or between Operator and any official, agent, or employee of City. Both parties acknowledge that Operator is not an employee of City.

21.2 Operator shall retain the right to perform services for others during the term of this Agreement, unless specified to the contrary herein or prohibited by conflict of interest or ethics laws, regulations, or professional rules of conduct.

Section 22 Hazardous and Other Regulated Substances.

22.1 Definition of "hazardous substances(s)". For the purposes of this Agreement, "hazardous substances" means:

22.1.1 Any substance the presence of which requires the investigation or remediation under any federal, state or local statute, regulation, rule, ordinance, order, action, policy or common law; or

22.1.2 Any substance which is or becomes defined as a hazardous waste, extremely hazardous waste, hazardous material, hazardous substance, hazardous chemical, toxic chemical, toxic substance, cancer causing substance, substance that causes reproductive harm, pollutant or contaminant under any federal, state or local statute, regulation, rule or ordinance or amendments thereto, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.) and/or the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq.); or

22.1.3 Any substance which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, council, board, or instrumentality of the United States, the State of California, the City of Los Angeles, or any political subdivision of any of them; or

22.1.4 Any substance the presence of which on the Airport causes or threatens to cause a nuisance upon the Airport or to adjacent properties or poses

or threatens to pose a hazard to the health or safety of persons on or about the Airport; or

22.1.5 Any substance the presence of which on adjacent properties could constitute a trespass by Operator; or

22.1.6 Any substance, without limitation, which contains gasoline, aviation fuel, jet fuel, diesel fuel or other petroleum hydrocarbons, lubricating oils, solvents, polychlorinated biphenols (PCBs) asbestos, urea formaldehyde or radon gases.

22.2 Environmental Indemnity. Except for conditions existing prior to the use of the Airport by Operator, Operator agrees to accept sole responsibility for full compliance with any and all applicable present and future rules, regulations, restrictions, ordinances, statutes, laws, and/or other orders of any governmental entity regarding the use, storage, handling, distribution, processing, and/or disposal of hazardous substances, regardless of whether the obligation for such compliance or responsibility is placed on the owner of the land, on the owner of any improvements on the Airport, on the user of the land, or on the user of the improvements. Operator agrees that any claims, damages, penalties, or fines asserted against or levied on City and/or the Operator as a result of noncompliance with any of the provisions in this Section shall be the sole responsibility of the Operator and that Operator shall indemnify and hold City harmless from all such claims, damages, penalties, or fines. Further, City may, at its option, pay such claims, damages, penalties, or fines resulting from Operator's non-compliance with any of the terms of this Section, and Operator shall indemnify and reimburse City for any such payments.

22.3 In the case of any hazardous substance spill, leak, discharge, release or contamination by Operator or its employees, servants, agents, contractors, or subcontractors on Airport or as may be discharged or released in, on or under adjacent property which affects other property of City or its tenants, Operator agrees to make or cause to be made any necessary corrective actions to clean up and remove any such spill, leakage, discharge, release or contamination. If Operator fails to repair, clean up, properly dispose of, or take any other corrective actions as required herein, City may (but shall not be required to) take all steps it deems necessary to properly repair, clean up, or otherwise correct the conditions resulting from the spill, leak, discharge, release or contamination. Any such repair, cleanup, or corrective actions taken by City shall be at Operator's sole cost and expense and Operator shall indemnify and pay for and/or reimburse City for any and all costs (including any administrative costs) City incurs as a result of any repair, cleanup, or corrective action it takes.

22.4 If Operator installs or uses already installed underground storage tanks, above-ground storage tanks, pipelines, or other improvements on the Airport for the storage, distribution, use, treatment, or disposal of any hazardous substances, Operator agrees, upon the expiration and/or termination of this Agreement, to remove and/or clean up, at the sole option of the Executive Director, the above-referred-to improvements. Said

removal and/or cleanup shall be at the Operator's sole cost and expense and shall be undertaken and completed in full compliance with all federal, state, and local laws and regulations, as well as with the reasonable directions of the Executive Director.

22.5 Operator's Provision to City of Environmental Documents. Operator shall promptly supply City with complete and legible copies of all notices, reports, correspondence, and other documents sent by Operator to or received by Operator from any governmental entity regarding any hazardous substance. Such written materials include, without limitation, all documents relating to any threatened or actual hazardous substance spill, leak, or discharge, or to any investigations into or clean-up of any actual or threatened hazardous substance spill, leak, or discharge including all test results.

22.6 Survival of Obligations. This Section and the obligations herein shall survive the expiration or earlier termination of this Agreement.

Section 23 Assignments and Encumbrances.

23.1 Operator shall not, in any manner assign, transfer or encumber this Agreement, or any portion thereof or any interest therein, nor shall Operator license or otherwise authorize the use of, in whole or in part, the rights granted by this Agreement, without the prior written consent of the Board. Any attempts to assign, transfer or encumber this Agreement, or any licensing or authorizing the use of, in whole or in part, the rights granted by this Agreement, shall be void and shall confer no right, title or interest in or to this Agreement, upon any such assignee, transferee, or encumbrance. Consent to one assignment, transfer, or encumbrance shall not be deemed to be a consent to any subsequent assignment, transfer or encumbrance. This Agreement shall not, nor shall any interest therein, be assignable as to the interest of Operator by operation of law without the prior written consent of Board.

23.2 When proper consent has been given by the Board, the provisions of this Agreement shall be binding upon, and shall inure to the benefit of, the heir(s), successor(s), executor(s), administrator(s) and assign(s) of the parties hereto.

Section 24 Nondiscrimination and Equal Employment Practices/ Affirmative Action Program.

24.1 Federal Non-Discrimination Provisions.

24.1.1 Operator for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that in the event facilities are constructed, maintained, or otherwise operated on said property described in this Agreement, for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, Operator shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in

Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended. [USE GUIDE, Paragraph 1].

24.1.2 Operator for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant that: (1) no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that Operator shall use the Airport in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended. [USE GUIDE, Paragraph 1].

24.1.3 Operator assures that it will comply with pertinent statutes, Executive Orders, and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from federal assistance. This provision obligates the Operator or its transferee for the period during which federal assistance is extended to the airport program, except where federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases, the provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the sponsor or any transferee for a purpose for which federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property. [USE GUIDE, paragraph 1]

24.1.4 Operator shall furnish its services on a reasonable and not unjustly discriminatory basis to all users, and charge reasonable and not unjustly discriminatory prices for each unit or service, provided that Operator may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers. [USE GUIDE, paragraph 11]

24.1.5 Operator agrees that it shall insert the provisions found in Subsections 24.1.3 and 24.1.4 above in any assignment, license, transfer or sublicense by which said Operator grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public on the Airport.

24.2 Municipal Non-Discrimination Provisions.

24.2.1 Non-Discrimination In Use Of Airport. There shall be no discrimination against or segregation of any person, or group of persons, on account of race, religion, national origin, ancestry, sex, sexual orientation, age, gender identity, gender expression, physical handicap, marital status, domestic partner status, or medical condition in the Agreement, transfer, use, occupancy, tenure, or enjoyment of the Airport or any operations or activities conducted on the Airport. Nor shall Operator or any person claiming under or through Operator establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, subtenants, or vendees of the Airport. Any assignment or transfer which may be permitted under this Agreement shall also be subject to all non-discrimination clauses contained in Section 24.2.

24.2.2 Non-Discrimination In Employment. During the term of this Agreement, Operator agrees and obligates itself in the performance of this Agreement not to discriminate against any employee or applicant for employment because of the employees or applicant's race, religion, national origin, ancestry, sex, sexual orientation, gender identity, gender expression, age, physical handicap, marital status, domestic partner status, or medical condition. Operator shall take affirmative action to insure that applicants for employment are treated, during the term of this Agreement, without regard to the aforementioned factors and shall comply with the affirmative action requirements of the Los Angeles Administrative Code, Sections 10.8, et seq., or any successor ordinances or law concerned with discrimination.

24.2.3 Equal Employment Practices. If the total payments made to City under this Agreement are One Thousand Dollars (\$1,000) or more, this provision shall apply. During the performance of this Agreement, Operator agrees to comply with Section 10.8.3 of the Los Angeles Administrative Code ("**Equal Employment Practices**"), which is incorporated herein by this reference. A copy of Section 10.8.3 has been attached to this Agreement for the convenience of the parties as Exhibit E. By way of specification but not limitation, pursuant to Sections 10.8.3.E and 10.8.3.F of the Los Angeles Administrative Code, the failure of Operator to comply with the Equal Employment Practices provisions of this Agreement may be deemed to be a material breach of this Agreement, no such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to Operator. Upon a finding duly made that Operator has failed to comply with the Equal Employment Practices provisions of this Agreement, this Agreement may be forthwith terminated, cancelled or suspended.

24.2.4 Affirmative Action Program. If the total payments to City under this Agreement are One Hundred Thousand Dollars (\$100,000) or more, this provision shall apply. During the performance of this Agreement, Operator agrees to comply with Section 10.8.4 of the Los Angeles Administrative Code ("**Affirmative Action Program**"), which is incorporated herein by this reference.

A copy of Section 10.8.4 has been attached to this Agreement for the convenience of the parties as Exhibit F. By way of specification but not limitation, pursuant to Sections 10.8.4.E and 10.8.4.F of the Los Angeles Administrative Code, the failure of Operator to comply with the Affirmative Action Program provisions of this Agreement may be deemed to be a material breach of this Agreement. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to Operator. Upon a finding duly made that Operator has failed to comply with the Affirmative Action Program provisions of this Agreement, this Agreement may be forthwith terminated, cancelled or suspended.

Section 25. Small Business Enterprises.

25.1 Operator hereby agrees and obligates itself to utilize the services of the Small Business Enterprise (hereinafter referred to as "SBE") firms designated in its proposal on the level designated in its proposal (specifically, specifically, an Eighteen point zero six Percent (18.06%) SBE Subcontractor/Sub-consultant level of participation for the required Project/Program designated Work/Services).

25.2 Operator hereby further agrees and obligates itself to strictly comply with all of the Rules and Regulations (hereinafter referred to as "Rules") of LAWA's Small Business Enterprise Pilot Program (hereinafter referred to as "Program").

25.3 Failure to comply with any of the Program's requirements shall subject the Operator to the "Penalties" set forth in the Program's Rules.

25.4 Operator shall submit, on a monthly basis, together with its invoice for payment the SBE Utilization Form listing the SBE Subcontractors/Sub-consultants utilized during the reporting period. Operator shall cooperate with LAWA personnel in providing such information as shall be requested by LAWA in order to ensure compliance with the provisions of this section. LAWA will not process or pay Operator's subsequent invoices if the SBE Utilization Forms are not timely submitted or if the Operator fails to cooperate with LAWA personnel by promptly providing any and all information related to SBE participation requested by LAWA.

25.5 Failure to comply with any of the terms of this Section (or terms of this Agreement) shall constitute a material breach of contract and may result in the Operator being deemed "Non-Responsible." (Section 10.40 et seq. of the Los Angeles Administrative Code).

Section 26 Living Wage and Service Contract Worker Retention Requirements.

26.1 Living Wage Ordinance

26.1.1 General Provisions: Living Wage Policy. This Agreement is subject to the Living Wage Ordinance (hereinafter referred to as "LWO") (Section 10.37, et seq., of the Los Angeles Administrative Code, a copy which is attached as Exhibit G and is incorporated herein by this reference. The LWO requires that, unless specific exemptions apply, any employees of service contractors who render services that involve an expenditure in excess of twenty-five thousand dollars (\$25,000) and a contract term of at least three months are covered by the LWO if any of the following applies: (1) at least some of the services are rendered by employees whose work site is on property owned by the City, (2) the services could feasibly be performed by City of Los Angeles employees if the awarding authority had the requisite financial and staffing resources, or (3) the designated administrative agency of the City of Los Angeles has determined in writing that coverage would further the proprietary interests of the City of Los Angeles. Employees covered by the LWO are required to be paid not less than a minimum initial wage rate, as adjusted each year. The LWO also requires that employees be provided with at least twelve (12) compensated days off per year for sick leave, vacation, or personal necessity at the employee's request, and at least ten (10) additional days per year of uncompensated time pursuant to Section 10.37.2(b). The LWO requires employers to inform employees making less than twelve dollars (\$12.00) per hour of their possible right to the federal Earned Income Tax Credit (hereinafter referred to as "EITC") and to make available the forms required to secure advance EITC payments from the employer pursuant to Section 10.37.4. Operator shall permit access to work sites for authorized City representatives to review the operation, payroll, and related documents, and to provide certified copies of the relevant records upon request by the City. Whether or not subject to the LWO, Operator shall not retaliate against any employee claiming non-compliance with the provisions of the LWO, and, in addition, pursuant to Section 10.37.6(c), Operator agrees to comply with federal law prohibiting retaliation for union organizing.

26.1.2 Living Wage Coverage Determination. An initial determination has been made that this is a service contract under the LWO, and that it is not exempt from coverage by the LWO. Determinations as to whether this Agreement is a service contract covered by the LWO, or whether an employer or employee are exempt from coverage under the LWO are not final, but are subject to review and revision as additional facts are examined and/or other interpretations of the law are considered. In some circumstances, applications for exemption must be reviewed periodically. City shall notify Operator in writing about any redetermination by City of coverage or exemption status. To the extent Operator claims non-coverage or exemption from the provisions of the LWO, the burden shall be on Operator to prove such non-coverage or exemption.

26.1.3 Compliance; Termination Provisions And Other Remedies: Living Wage Policy. If Operator is not initially exempt from the LWO, Operator shall comply with all of the provisions of the LWO, including payment to employees at the minimum wage rates, effective on the Execution Date of this Agreement, and shall execute the Declaration of Compliance Form attached to this Agreement as

Exhibit G, contemporaneously with the execution of this Agreement. If Operator is initially exempt from the LWO, but later no longer qualifies for any exemption, Contractor shall, at such time as Operator is no longer exempt, comply with the provisions of the LWO and execute the then currently used Declaration of Compliance Form, or such form as the LWO requires. Under the provisions of Section 10.37.6(c) of the Los Angeles Administrative Code, violation of the LWO shall constitute a material breach of this Agreement and City shall be entitled to terminate this Agreement and otherwise pursue legal remedies that may be available, including those set forth in the LWO, if City determines that Operator violated the provisions of the LWO. The procedures and time periods provided in the LWO are in lieu of the procedures and time periods provided elsewhere in this Agreement. Nothing in this Agreement shall be construed to extend the time periods or limit the remedies provided in the LWO.

26.1.4 Subcontractor Compliance. Operator agrees to include in every subcontract involving this Agreement entered into between Operator and any subcontractor, a provision pursuant to which such subcontractor (A) agrees to comply with the LWO and the Service Contractor Worker Retention Ordinance with respect to this Agreement; (B) agrees not to retaliate against any employee lawfully asserting noncompliance on the part of the subcontractor with the provisions of either the LWO or the Service Contractor Worker Retention Ordinance; and (C) agrees and acknowledges that City, as the intended third-party beneficiary of this provision may (i) enforce the LWO and Service Contractor Worker Retention Ordinance directly against the subcontractor with respect to this Agreement, and (ii) invoke, directly against the subcontractor with respect to this Agreement, all the rights and remedies available to City under Section 10.37.5 of the LWO and Section 10.36.3 of the Service Contractor Worker Retention Ordinance, as same may be amended from time to time.

26.2 Service Contract Worker Retention Ordinance. This Agreement may be subject to the Service Contract Worker Retention Ordinance (hereinafter referred to as "SCWRO") (Section 10.36, et seq, of the Los Angeles Administrative Code), which is incorporated herein by this reference. A copy of Section 10.36 has been attached hereto for the convenience of the parties as Exhibit H. If applicable, Operator must also comply with the SCWRO which requires that, unless specific exemptions apply, all employers under contracts that are primarily for the furnishing of services to or for the City of Los Angeles and that involve an expenditure or receipt in excess of \$25,000 and a contract term of at least three (3) months shall provide retention by a successor contractor for a ninety-day (90-day) transition period of the employees who have been employed for the preceding twelve (12) months or more by the terminated contractor or subcontractor, if any, as provided for in the SCWRO. Under the provisions of Section 10.36.3(c) of the Los Angeles Administrative Code, City has the authority, under appropriate circumstances, to terminate this Agreement and otherwise pursue legal remedies that may be available if City determines that the subject contractor violated the provisions of the SCWRO.

Section 27 Equal Benefits Ordinance.

27.1 Unless otherwise exempt in accordance with the provisions of the Equal Benefits Ordinance (hereinafter referred to as "**EBO**"), Operator certifies and represents that Operator will comply with the applicable provisions of EBO Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time. Operator shall not, in any of its operations within the City of Los Angeles or in other locations owned by the City of Los Angeles, including the Airport, discriminate in the provision of Non-ERISA Benefits (as defined below) 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. As used above, the term "Non-ERISA Benefits" shall mean any and all benefits payable through benefit arrangements generally available to Operator's employees which are neither "employee welfare benefit plans" nor "employee pension plans", as those terms are defined in Sections 3(1) and 3(2) of ERISA. Non-ERISA Benefits shall include, but not be limited to, all benefits offered currently or in the future, by Operator to its employees, the spouses of its employees or the domestic partners of its employees, that are not defined as "employee welfare benefit plans" or "employee pension benefit plans", and, which include any bereavement leave, family and medical leave, and travel discounts provided by Operator to its employees, their spouses and the domestic partners of employees.

27.2 Operator agrees to post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

"During the term of an operating agreement with the City of Los Angeles, the Operator will provide equal benefits to employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles' Equal Benefits Ordinance may be obtained from the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance at (213) 847-6480."

27.3 The failure of Operator to comply with the EBO will be deemed to be a material breach of the Agreement by City. If Operator fails to comply with the EBO, the City may cancel or terminate the Agreement, in whole or in part, and all monies due or to become due under the Agreement may be retained by the City. The City may also pursue any and all other remedies at law or in equity for any breach. Failure to comply with the EBO may be used as evidence against Operator in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40, *et seq.*, Contractor Responsibility Ordinance. If City determines that Operator has set up or used its contracting entity for the purpose of evading the intent of the EBO, the City may terminate the Agreement.

Section 28 First Source Hiring Program For Airport Employers Operator shall comply with the provisions of the First Source Hiring Program adopted by the Board. The rules, regulations, requirements, and penalties of the First Source Hiring

Program are attached as Exhibit I and made a material term of this Agreement. Operator shall be an "Airport Employer" under the First Source Hiring Program.

Section 29 Contractor Responsibility Program. Operator shall comply with the provisions of the Contractor Responsibility Program adopted by the Board. The Executive Directives setting forth the rules, regulations, requirements and penalties of the Contractor Responsibility Program and the Pledge of Compliance Form are attached hereto as Exhibit J and incorporated herein by reference.

Section 30 Faithful Performance Guarantee.

30.1. Operator shall furnish to City and maintain throughout the term of this Agreement a Faithful Performance Guarantee to secure the faithful performance by Operator of all the terms, provisions, and covenants contained herein including, but not limited to any other specified compensation. Such Guarantee shall be separate from any other Faithful Performance Guarantee(s) required by City. The initial amount of said Faithful Performance Guarantee shall be three (3) times the highest monthly payment prescribed in Section 8 herein.

30.2 If Operator has previously provided such Faithful Performance Guarantee to City and if, for any reason, Operator's monthly monetary obligation to City is thereafter increased in excess of ten percent (10%), then the amount of Operator's Faithful Performance Guarantee shall, within thirty (30) days after receiving written notice from City, correspondingly be increased to a sum three (3) times the new amount.

30.3. If Operator has previously provided such Faithful Performance Guarantee to City and if, for any reason, Operator's monthly monetary obligation to City is thereafter decreased in excess of ten percent (10%), then the amount of Operator's Guarantee may be correspondingly decreased to a sum three (3) times the new amount thirty (30) days following written notice to City by Operator.

30.4. Faithful Performance Guarantees of Five Thousand Dollars (\$5,000) or less shall be in the form of a Cashier's Check, Company Check, Money Order, Certificate of Deposit or Irrevocable Letter of Credit. Faithful Performance Guarantees in excess of Five Thousand Dollars (\$5,000) shall be in the form of an Irrevocable Letter of Credit. Letters of Credit shall be self-renewing from year-to-year and subject to termination upon sixty (60) days written notice. All Faithful Performance Guarantees must be approved as to form by the City Attorney.

30.5. Operator shall furnish such Faithful Performance Guarantee in duplicate prior to Agreement commencement or within thirty (30) days following notice of adjustment of payment. If, for any reason, said Faithful Performance Guarantee is not provided by Operator and/or is not thereafter maintained in sufficient amount throughout the term hereof, City, subject to the notice requirements of Section 10.1, may terminate this Agreement at any time upon giving Operator a thirty (30) day advance, written notice. Upon the expiration or earlier termination of this Agreement, and if Operator has

satisfied all of its obligations to City hereunder, City shall relinquish to Operator said Faithful Performance Guarantee following such expiration or earlier termination and satisfaction of all obligations to City. The Faithful Performance Guarantee shall be submitted to:

**Los Angeles World Airports
Attn: Accounting Revenue FPG Administrator
PO Box 92216
Los Angeles CA 90009-2216**

Section 31 Laws, Rules and Regulations.

31.1 Operator shall be solely responsible for fully complying with any and all applicable present and/or future rules, regulations, restrictions, ordinances, statutes, laws, and/or orders of any federal, state and/or local government authority.

31.2 Operator shall be solely responsible for fully complying with any and all applicable present and/or future orders, directives, or conditions issued, given or imposed by the Executive Director which are now in force or which may be hereafter adopted by the Board and/or the Executive Director with respect to the operation of Airport, including, but not limited to, the Los Angeles International Airport Rules and Regulations.

31.3 Notwithstanding requirements of this Agreement, Operator shall be responsible for ensuring that all operators of motor vehicles operated on Operator's behalf possess current, valid, and appropriate driver's licenses.

31.4 Operator shall be responsible for requesting in writing City-issued identification (hereinafter referred to as "ID") badges for all employees who will have access to the Security Identification Display Areas on the Airport, as designated in the Airport's security program. Each such employee must complete the Transportation Security Administration (hereinafter referred to as "TSA") mandated training program before an ID badge is issued. As part of the badging process, City will conduct background investigations, including fingerprinting of Operator's employee badge applicants. Operator shall assist City as necessary to facilitate the badging process. Operator shall be responsible for the immediate reporting of all lost or stolen ID badges and the immediate return of the ID badges of all personnel transferred from Airport assignments or terminated from the employ of the Operator or upon termination of this Agreement. In addition, Operator shall pay, or cause to be paid, to City such charges, as may be established from time to time, for the acquisition of ID badges, for lost or stolen ID badges, and for those badges not returned to City in accordance with this Section. City shall also have the right to audit Operator's compliance with security and ID badge rules and regulations.

31.5 Operator shall be solely responsible for any and all civil and/or criminal penalties assessed as a result of its failure to comply with any of these rules, regulations, restrictions, ordinances, statutes, laws, orders, directives and/or conditions.

Section 32 Business Tax Registration. Operator represents that it has registered its business with the Office of Finance of the City of Los Angeles and has obtained and presently holds from that office a Business Tax Registration Certificate, or a Business Tax Exemption Number, required by City's Business Tax Ordinance (Article 1, Chapter 2, Sections 21.00 and following, of City's Municipal Code). Operator shall maintain, or obtain as necessary, all such certificates required of it under said ordinance and shall not allow any such certificate to be revoked or suspended during the term hereof.

Section 33 Alternative Fuel Vehicle Requirement Program (LAX Only) Operator shall comply with the provisions of the Alternative Fuel Vehicle Requirement Program. The rules, regulations, and requirements of the Alternative Fuel Vehicle Requirement Program are attached hereto as Exhibit P and made a material term hereof.

Section 34 Taxes, Agreement Fees and Licenses.

34.1 Operator shall pay all taxes of whatever character that may be levied or charged upon Operator's operations at the Airport, or upon Operator's improvements, fixtures, equipment, or other property on the Airport, or upon Operator's use thereof.

34.2 Operator shall also pay for, and cause to be maintained in full force and effect during the term of this Agreement, all licenses or permits necessary or required by law or regulation for the conduct and operation of Operator's business authorized herein, or for use of Airport. Such licenses and permits shall cover not only Operator, but also all of Operator's employees and agents required to be licensed to transact Operator's business at the Airport.

34.3 If a claim is made against City for any of the above charges, City shall notify Operator in writing and Operator shall promptly pay said charges; provided, however, that failure by City to give such notice shall not constitute a waiver of Operator's obligation to pay such taxes, license and/or license fees.

34.4 The obligations of Operator under this Section, however, shall not prevent Operator from contesting the validity and/or applicability of any of the above charges and, during the period of any such lawful contest, Operator may refrain from making, or direct the withholding of, any such payment without being in breach of the above provisions. Upon a final determination in which Operator is held responsible for such taxes and/or fees, Operator shall promptly pay the required amount, plus all legally imposed interest, penalties and surcharges. If all or any part of such taxes and/or fees, penalties, or surcharges are refunded to City, City shall remit to Operator such sums to which Operator is legally entitled.

Section 35 Disabled Access.

35.1 Operator shall be solely responsible for fully complying with any and all applicable present and/future rules, regulations, restrictions, ordinances, statutes, laws, and/or orders of any federal, state, and/or local governmental entity and/or court regarding disabled access, including any services, programs, improvements or activities provided by Operator. Operator shall be solely responsible for any and all damages caused by, and/or penalties levied as the result of, Operator's noncompliance. Further, Operator agrees to cooperate fully with City in its efforts to comply with the Americans with Disabilities Act of 1990 and any amendments thereto, or successor statutes.

35.2 Should Operator fail to comply with Subsection 19.1, then City shall have the right, but not the obligation, to perform, or have performed, whatever work is necessary to achieve equal access compliance. Operator will then be required to reimburse City for the actual cost of achieving compliance, plus a fifteen percent (15%) administrative charge.

Section 36 Child Support Orders. This Agreement is subject to Section 10.10, Article I, Chapter 1, Division 10 of the Los Angeles Administrative Code related to Child Support Assignment Orders, which is incorporated herein by this reference. A copy of section 10.10 has been attached hereto for the convenience of the parties as Exhibit K. Pursuant to this Section, Operator (and any subcontractor of Operator providing services to City under this Agreement) shall (1) fully comply with all State and federal employment reporting requirements for Operator's or Operator's subcontractor's employees applicable to Child Support Assignments Orders; (2) certify that the principal owner(s) of Operator and applicable subcontractors are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (3) fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with California Family Code Section 5230, et seq.; and (4) maintain such compliance throughout the term of this Agreement. Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, failure of Operator or an applicable subcontractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notices of Assignment or the failure of any principal owner(s) of Operator or applicable subcontractors to comply with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally shall constitute a default of this Agreement subjecting this Agreement to termination where such failure shall continue for more than ninety (90) days after notice of such failure to Operator by City (in lieu of any time for cure provided elsewhere in this Agreement).

Section 37 Waiver. The waiver by either party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of any other term, covenant, or condition, or of any subsequent breach of the same term, covenant, or condition. The subsequent acceptance of compensation hereunder by City shall not be deemed to be a waiver of any preceding breach by Operator of any term, covenant, or

condition of this Agreement other than the failure of Operator to pay the particular compensation so accepted, regardless of City's knowledge of such preceding breach at the time of acceptance of such compensation.

Section 38 City's Right to Contract With Others Regarding Agreement Rights. The rights granted hereunder by this Agreement are not exclusive in nature, and City specifically reserves the right to enter into similar additional agreements at Airport, at any time.

Section 39 Compliance with Los Angeles City Charter Section 470(c)(12)

39.1 The Contractor, Subcontractors and their Principals are obligated to fully comply with City of Los Angeles Charter Section 470(c)(12) and related ordinances, regarding limitations on campaign contributions and fundraising for certain elected City officials or candidates for elected City office if the contract is valued at \$100,000 or more and requires approval of a City elected official. Additionally, Contractor is required to provide and update certain information to the City as specified by law. Any Contractor subject to Charter Section 470(c)(12) shall include the following notice in any contract with a subcontractor expected to receive at least \$100,000 for performance under this contract:

"Notice Regarding Los Angeles Campaign Contribution and Fundraising Restrictions

As provided in Charter Section 470(c)(12) and related ordinances, you are subcontractor on City of Los Angeles contract # _____. Pursuant to City Charter Section 470(c)(12), subcontractor and its principals are prohibited from making campaign contributions and fundraising for certain elected City officials or candidates for elected City office for 12 months after the City contract is signed. Subcontractor is required to provide to contractor names and addresses of the subcontractor's principals and contact information and shall update that information if it changes during the twelve (12) month time period. Subcontractor's information included must be provided to contractor within five (5) business days. Failure to comply may result in termination of contract or any other available legal remedies including fines. Information about the restrictions may be found at the City Ethics Commission's website at <http://ethics.lacity.org/> or by calling 213-978-1960."

39.2 Contractor, subcontractor and their Principals shall comply with these requirements and limitations. Violation of this provision shall entitle the City to terminate this Agreement and pursue any and all legal remedies that may be available.

Section 40 Miscellaneous Provisions.

40.1 Fair Meaning. The language of this Agreement shall be construed according to its fair meaning, and not strictly for or against either City or Operator.

40.2 Section Headings. The section headings appearing herein are for the convenience of City and Operator, and shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of this Agreement.

40.3 Void Provisions. If any provision of this Agreement is determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of this Agreement, and all such other provisions shall remain in full force and effect.

40.4 Two Constructions. It is the intention of the parties hereto that if any provision of this Agreement is capable of two (2) constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

40.5 Laws of California. This Agreement shall be construed and enforced in accordance with the laws of the State of California and venue shall lie at Airport.

40.6 Gender. The use of any gender herein shall include all genders, and the use of any number shall be construed as the singular or the plural, all as the context may require.

40.7 Exclusivity. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act [49 U.S.C. 40103(e) and 47107(a)(4) (Public Law 103-272; 108 STAT. 1102)]. [USE GUIDE, paragraph 9]

40.8 Rights of United States Government. This Agreement shall be subordinate to the provisions and requirements of any existing or future agreement between City and the United States relative to the development, operation, or maintenance of Airport. [USE GUIDE, paragraph 4]

40.9 War or National Emergency. This Agreement and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire affecting the control, operation, regulation, and taking over of Airport or the exclusive or nonexclusive use of Airport by the United States during the time of war or national emergency. [USE GUIDE, paragraph 10]

40.10 Time. Time shall be of the essence in complying with the terms, conditions, and provisions of this Agreement.

40.11 Integration Clause. It is understood that no alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto, and that no oral understanding or agreement, not incorporated herein in writing, shall be binding on any of the parties hereto.

40.12 Force Majeure. Except as otherwise provided in this Agreement, whenever

a day is established in this Agreement on which, or a period of time, including a reasonable period of time, is designated within which, either party hereto is required to do or complete any act, matter or thing, the time for the doing or completion thereof shall be extended by a period of time equal to the number of days on or during which such party is prevented from, or is unreasonably interfered with, the doing or completion of such act, matter or thing because of strikes, lockouts, embargoes, unavailability of services, labor or materials, disruption of service or brownouts from utilities not due to action or inaction of City, wars, insurrections, rebellions, civil disorder, declaration of national emergencies, acts of God, or other causes beyond such party's reasonable control (financial inability excepted); provided, however, that nothing contained in this Subsection shall excuse Operator from the prompt payment of any compensation, fees or other monetary charge required of Operator hereunder.

40.13 Approvals. Any approvals required by City under this Agreement shall be approvals of the LAWA acting in its capacity as a Department of the City of Los Angeles and shall not relate to, constitute a waiver of, supersede or otherwise limit or affect the governmental approvals or rights of the City as a governmental agency, including the approval of any permits required for construction or maintenance on the Airport and the passage of any laws including those relating to zoning, land use, building and safety.

40.14 Conflicts. If there are any direct conflicts between the provisions of this Agreement and exhibits submitted by Operator, the provisions of Agreement shall be controlling.

40.15 Ordinance and Los Angeles Administrative Code (hereinafter referred to as "Code") Language Governs. Ordinance and code exhibits are provided as a convenience to the parties only. In the event of a discrepancy between the exhibits and the applicable ordinance and/or code language, or amendments thereto, the language of the ordinance and/or code shall govern.

40.16 Amendments to Ordinances and Codes. The obligation to comply with any ordinances and codes which have been incorporated into this Agreement by reference shall extend to any amendments which may be made to those ordinances and codes during the term of this Agreement.

40.17 Days and Years. Unless otherwise specified, "days" shall mean calendar days and "year(s)" shall mean contract year.

40.18 Deprivation of Operator's Rights. City shall not be liable to Operator for any diminution or deprivation of Operator's rights under this Agreement which may result from Operator's obligation to comply with any and all applicable laws, rules, regulations, restrictions, ordinances, statutes, and/or orders of any federal, state and/or local government authority and/or court hereunder on account of the exercise of any such authority as is provided in this Subsection, nor shall Operator be entitled to terminate the whole or any portion of the Agreement by reason thereof.

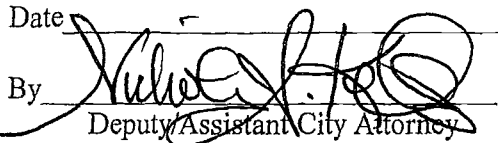
40.19 City's Consent. In each instance herein where City's, Board's or the Executive Director's approval or consent is required before Operator may act, such approval or consent shall not be unreasonably withheld, unless otherwise provided. Following the execution and delivery of this Agreement, whenever this Agreement calls for a matter to be approved or disapproved by or on behalf of City, then the written approval, disapproval, or consent of the Executive Director within the legal authority of the Executive Director, subject to the approval of the Office of the City Attorney as to form, shall constitute the approval, disapproval, or consent of City; provided, however, if the approval or consent by City is in excess of the Executive Director's legal authority, then such matter shall be approved by the Board. Except as otherwise expressly set forth in this Agreement, with respect to any matter that is subject to the approval or consent of the Executive Director or the Board, such approval or consent may be given or withheld in the Executive Director's or the Board's sole and absolute discretion. Any approvals or consents required from or given by City under this Agreement shall be approvals of the City of Los Angeles Department of Airports acting as the owner and operator of the Airport, and shall not relate to, constitute a waiver of, supersede or otherwise limit or affect the rights or prerogatives of the City of Los Angeles as a government, including the right to grant or deny any permits required for construction or maintenance of the Premises and the right to enact, amend or repeal laws and ordinances, including, without limitation, those relating to zoning, land use, and building and safety. No approval or consent on behalf of City will be deemed binding upon City unless approved in writing as to form by the City Attorney.

[signature page follows]

IN WITNESS WHEREOF, City has caused this Agreement to be executed by the Executive Director and Operator has caused the same to be executed by its duly authorized officers, all as of the day and year first hereinabove written.

APPROVED AS TO FORM:
Michael N. Feuer, City Attorney

CITY OF LOS ANGELES

Date _____
By 
Deputy Assistant City Attorney

By _____
Executive Director
Department of Airports

By _____
Wei Chi
Deputy Executive Director
Comptroller

ATTEST:

**Pacific Coast Sightseeing Tours and
Charters, Inc.**

By 
Signature

By 
Signature

Daniel Eisentrager
Print Name

Kristin Martinez
Print Name

Vice President
Print Title

President / General Manager
Print Title

Exhibits

Exhibit A – Business and Operations Plan

Exhibit A-1 – Commencement Date Memorandum

Exhibit A-2 – Van Nuys Bus Terminal Map

Exhibit A-3 - Van Nuys Bus Terminal Map

Exhibit A-4 – Annual License Fees

Exhibit B – Service Operation Schedule

Exhibit C- Insurance

Exhibit D – Termination Payment

Exhibit E - Equal Employment Practices

Exhibit F - Affirmative Action Program

Exhibit G - Living Wage Policy

Exhibit H - Service Contract Worker Retention Ordinance

Exhibit I - First Source Hiring Program For Airport Employers

Exhibit J - Contractor Responsibility Program

Exhibit K - Child Support Orders

Exhibit L – FlyAway Trade Dress

Exhibit M – Baggage Guidelines

Exhibit N – TAP Equipment

Exhibit O – ROE with Metro

Exhibit P - Alternative Fuel Program

EXHIBIT A

Pacific Coast Sightseeing Tours and Charters, Inc.

6. QUALIFICATIONS AND EXPERIENCE

Describe bus operations history and experience including but not limited to the number of years operating fare-based, scheduled bus service similar to the FlyAway:

Pacific Coast Sightseeing Tours and Charters, Inc. has been providing ground transportation services within the Los Angeles area and throughout California for many years, and has a thorough knowledge of the operating area. We are very familiar with all aspects of the local operating environment including traffic patterns, workforce availability and vendor resources. As one of the largest motor coach operators in the area, we provide similar transportation services to a number of Los Angeles area entities including Disneyland Resort Airport Service, Southern California Gray Line, Megabus West, and Amtrak.

Disneyland Resort Airport Service

Pacific Coast Sightseeing Tours and Charters, Inc. has operated its own scheduled airport service, Disneyland Resort Airport Service, from the Anaheim Resort area to Los Angeles World Airports and John Wayne Airport daily since 2005, under CPUC authority PSC 29151. This published service is sold directly to the public through authorized travel agents and our Southern California Gray Line operation. We support over (40) forty hotels with (8) eight pick-up locations in the Anaheim area on a pre-published schedule. Management of this program encompasses all aspects of service delivery beginning with the creation of initial schedules, marketing to the public, handling multiple sales avenues, reconciling revenue and data recording, and ultimately providing excellent customer service. We carry the Disney image in this program and thus nothing less than excellence is required.

Schedule shown below:

Important Notice: Please read the following information carefully before you book your trip. This information is provided for your information only. Please confirm with your hotel concierge, travel agent or front desk for your trip details. Please arrive at the airport at least 2 hours prior to a domestic flight and 3 hours prior to an international flight. All information is subject to change without notice. Please call us at (714) 992-1111 for more information. Please be at your hotel at least 1 hour prior to departure time indicated.

LAX		ANAHEIM TO LOS ANGELES AIRPORT TIME SCHEDULE	
DATE	TIME	DATE	TIME
1/1/2020	7:00	1/1/2020	7:00
1/2/2020	7:00	1/2/2020	7:00
1/3/2020	7:00	1/3/2020	7:00
1/4/2020	7:00	1/4/2020	7:00
1/5/2020	7:00	1/5/2020	7:00
1/6/2020	7:00	1/6/2020	7:00
1/7/2020	7:00	1/7/2020	7:00
1/8/2020	7:00	1/8/2020	7:00
1/9/2020	7:00	1/9/2020	7:00
1/10/2020	7:00	1/10/2020	7:00
1/11/2020	7:00	1/11/2020	7:00
1/12/2020	7:00	1/12/2020	7:00
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1/21/2020	7:00	1/21/2020	7:00
1/22/2020	7:00	1/22/2020	7:00
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1/24/2020	7:00	1/24/2020	7:00
1/25/2020	7:00	1/25/2020	7:00
1/26/2020	7:00	1/26/2020	7:00
1/27/2020	7:00	1/27/2020	7:00
1/28/2020	7:00	1/28/2020	7:00
1/29/2020	7:00	1/29/2020	7:00
1/30/2020	7:00	1/30/2020	7:00
1/31/2020	7:00	1/31/2020	7:00

Los Angeles Airport to Anaheim Resort

After leaving the airport, please call us at (714) 992-1111 for more information. Please be at your hotel at least 1 hour prior to departure time indicated.

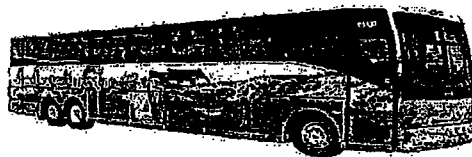
LAX		ONEWAY		ROUND TRIP	
DATE	TIME	DATE	TIME	DATE	TIME
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1/3/2020	7:00	1/3/2020	7:00	1/3/2020	7:00
1/4/2020	7:00	1/4/2020	7:00	1/4/2020	7:00
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1/30/2020	7:00	1/30/2020	7:00	1/30/2020	7:00
1/31/2020	7:00	1/31/2020	7:00	1/31/2020	7:00

Pacific Coast Sightseeing Tours and Charters, Inc.

Southern California Gray Line

This business segment provides sightseeing tours throughout the area. We provide transportation to these passengers as well as admission to the theme parks and various attractions. Selling the attraction ticket requires strong control measures for accountability to those partnerships. These individual passengers are ticketed through our Tour Center in Anaheim and transferred to the appropriate tour coach. Various means of purchase are offered to our guests:

- Website sales
- Point of sale at our Tour Center
- Third party sales by the travel industry: Local In-market Hotels, Walt Disney Travel Company, Domestic Travel Agents, and Wholesale International Agents

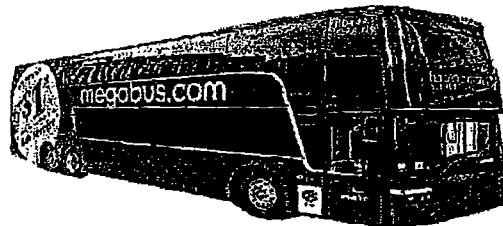


Payment for these services are made through either the collection of agent vouchers, which are then billed according to the appropriate agent contract or through on-line/phone-in credit card sales through the Southern California Gray Line website.

Megabus West

As subsidiaries of Coach USA, Pacific Coast Sightseeing Tours and Charters, Inc., in conjunction with its sister company in Sacramento, All West Coachlines, Inc., operate Megabus West. This intercity bus service offers discount travel within California and into Nevada utilizing (17) seventeen double decker coaches equipped with Wi-Fi, 110v power outlets and luxury reserved seats. Sales for this service are available on-line through Megabus.com or "on the curb" up to (20) minutes prior to departure. Departures are from Patsaouras Plaza at Union Station and service the following areas:

- San Francisco
- San Jose
- Oakland
- Las Vegas
- Sacramento
- Reno



Our sister company in Sacramento, All West Coachlines, Inc, operates the San Francisco to Sacramento to Reno legs of service. In addition, during peak periods and extra section requests, Sacramento is able to provide the additional resources needed to cover departures when we have exhausted our fleet.



Pacific Coast Sightseeing Tours and Charters, Inc.

Amtrak

In November 2013, Pacific Coast Sightseeing Tour and Charters, Inc. acquired the Amtrak contract from Horizon Coachlines, Inc. In addition to routes in Northern California, we operate 48 Amtrak scheduled routes using (23) twenty-three full-size Van Hool motor coaches and (2) two spares to connect passengers to their designated trains between various Amtrak stations – centered at Union Station Los Angeles. The service operates seven days a week between cities such as Las Vegas, Oceanside, Tehachapi, Victorville, San Bernardino, Hemet, Ontario, Riverside, Moreno Valley, Perris, Indio, Sylmar, Oxnard and Bakersfield.

Connections are timed for convenient, dedicated, and guaranteed-reliable transfers between the two services. In addition to providing connecting service to un-served areas, additional motor coaches are deployed as connectors when normal service encounters disruptions. Pacific Coast Sightseeing Tours and Charters, Inc. serves over 300,000 customers per year in this service, again, specializing in full size coaches.

In addition to the local services referenced above, Coach USA has a network of locations who offer similar airport transportation services. Newark Airport Express operates every 15 minutes during peak periods with 30 minute departures during non-peak times. Chicago Airport Express provides service from the outlying suburban areas into Chicago O'Hare, Chicago Midway, South Bend, and Milwaukee airports.



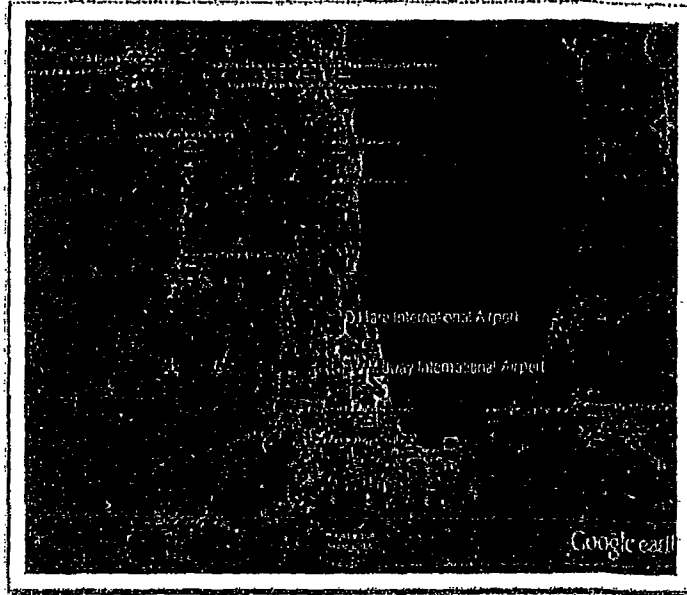
Pacific Coast Sightseeing Tours and Charters, Inc.

Coach USA Chicago Airport Express

This service provided by our three sister companies, Van Galder Bus Company, Tri State Coach Line, Wisconsin Coach Lines, operates daily service between Wisconsin, Illinois, Indiana and Chicago's O'Hare International Airport and Midway International Airport.

Annual Operating Statistics

Passenger Trips	891,797
Miles	8,456,685
One Way Live trips	50,770

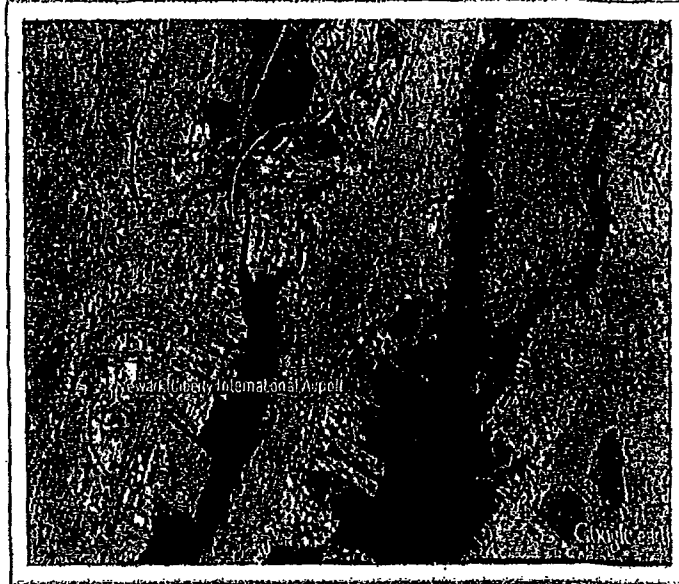


Coach USA Newark Airport Express

This service is provided by our sister company, Olympia Trails, operates daily service between three stops in Manhattan, NY and Newark Liberty International Airport.

Annual Operating Statistics

Passenger Trips	555,046
Miles	816,912
One Way Live trips	43,188



Pacific Coast Sightseeing Tours and Charters, Inc.

List up to five services the Proposer operates and provide the following information in table form:

- ***Name and location of operations managed, including the exact legal name of the company that provided the services at each location***
- ***Period of time during which services were provided***
- ***Type of operation, size of fleet and vehicle types***
- ***Activities and responsibilities of local management and support systems including number of employees Proposer has at each location***

Name	Location	Term of Service	Fleet Size	Vehicle Type	#Employees	Type of Operation
MEGABUS West LLC	Anaheim	12/2012 to Present	14	Double Deck Van Hools	45	Scheduled/ Intercity
MEGABUS West LLC	Sacramento	12/2012 to Present	3	Double Deck Van Hools	12	Scheduled/ Intercity
Southern California Gray Line	Anaheim	2005 to Present	12	Van Hool 55 pax	20	Per Capita Sightseeing
Southern California Gray Line	Anaheim	2005 to Present	3	Double Deck Van Hools	6	Per Capita Sightseeing
Disneyland Resort Airport Service	Anaheim	2005 to Present	9	Van Hool/ MCI 55 pax	18	Airport Schedule Service LAX/SNA
Amtrak	Anaheim/ Bakersfield	11/2013 to Present	23	MCI/Van Hool 55 pax	45	Scheduled Routes

In all services, the locations local management is responsible to oversee staffing, equipment, employees and daily work performance. Individual supervisors are accountable to the local agency/business or contract manager for all compliance related items and overall performance of the business segment. All data, payroll and employee relations occur at the local level and subsequently are coordinated with the upper management team.

Although not defined as fare-based, scheduled bus service as in the above, Pacific Coast Sightseeing Tours and Charters, Inc. has always been very active in the charter services market for Los Angeles and Orange Counties. In that role, we have served many convention and event clients. Of them, we have shared a mutual client with the airport, International POW WOW. During that convention, we were active in all elements of the transportation program, including participation of one staff member serving as co-chair of the transportation committee. In addition, our charter service has serviced a number of schools, local organizations, the United States Military and many sports organizations.

Provide a statement indicating any pending, active or previous legal action that could reasonably prevent the Proposer or members of Proposer Team from fulfilling their obligations under the Agreement:

There is nothing pending, active or prior that would preclude Pacific Coast Sightseeing Tours and Charters, Inc. from fulfilling all obligations.

Evidence of a successful track record in the area of customer service:

Pacific Coast Sightseeing Tours and Charters, Inc. serve 1,750,000 guests annually with the sale of our transportation products in a competitive marketplace from the Disneyland Resort Airport Service, Southern California Gray Line, Megabus West and Amtrak. We provide local management staff to oversee and work with the employees to ensure customers service and



Pacific Coast Sightseeing Tours and Charters, Inc.

safety are the backbone of all practices. Customer complaints and compliments are handled in a timely manner by supervisors/managers within each department.

We recognize that our guests and clients have a choice. Providing excellence in customer service is paramount to our customers choosing Pacific Coast Sightseeing Tours and Charters, Inc. We believe our references will confirm our commitment to quality service.

How much experience Proposer has selling bus tickets to customers, handling cash and or credit cards and providing audit control of funds collected on behalf of clients:

Pacific Coast Sightseeing Tours and Charters, Inc. has first-hand experience in selling tickets to customers:

- Disneyland Resort Airport Service sales are handled via on-line mobile app, phone-in reservations, at the pick-up points using handheld POS units, and via direct voucher billing to our domestic and international travel agents.
- Megabus West sales are managed via an on-line booking systems, mobile app or at the departure point via a handheld POS unit.
- Southern California Gray Line sales are conducted at our Tour Center using a POS system, via on-line and phone-in reservations, and through direct voucher billing to our domestic and international travel agents.

We accept all major credit/debit cards. Although cash payment is not our preferred method, we will accept cash on-site at our Tour Center. Coach USA is compliant with all Payment Card Industry (PCI) and Payment Application Data Security (PA-DSS) standards. The current requirement is PCI V2. When this requirement updates to PCI V3, Coach USA will be ready.

In addition to the revenue generated from tickets sales at our location, Coach USA operates numerous contracts and services that require ticket sales to patrons across the nation. As a result, local financial statements are reviewed monthly by our Corporate Finance Team. Annually, Stagecoach's financial statements are audited by PricewaterhouseCoopers, an independent international CPA firm, and internal controls are also audited by an independent international CPA firm.

Should Pacific Coast Sightseeing Tours and Charters, Inc. be the successful bidder, we will implement the Gateway Galaxy Ticketing Point of Sale system. This comprehensive system provides turnkey ticketing and admission control solutions to the transportation and entertainment industries. The kiosks offer reliable and easy to use self-service ticketing. The system also offers a customizable online desktop and mobile web store ticketing solution.



Pacific Coast Sightseeing Tours and Charters, Inc.

In Response to Addendum Number 8:

Demonstrate Proposer's ability to operate FlyAway bus service between LAX and additional locations, upon 30-days prior notice from LAWA (i.e. in addition to the FlyAway service locations listed in Section 1.A – The Opportunity). Include a description of 1) the Proposer's fleet deployment capabilities, and 2) the Proposer's ability to quickly staff the operation and institute a revenue control plan. Provide Proposer's hourly rate for providing this potential additional FlyAway service and include an explanation of how this hourly rate is consistent with the Trip Rates submitted under Attachment 1 – Proposed Cost of Services. Proposer's hourly rate for providing this potential additional FlyAway bus service should be included in Section 6 – Qualifications and Experience of the proposal.

Proposers should assume service to these additional locations would 1) only be conducted using on-street curbside bus stops for passenger pick up and drop off, 2) be comprised of 35 one way daily trips, and 3) require vehicles with a seating capacity for not less than 25 passengers.

Note: LAWA expects FlyAway bus service between LAX and potential additional locations would operate not less infrequent than hourly and between the hours of 6a.m. and 11p.m. daily. The number of potential additional locations is unknown at this time, but is not expected to exceed four additional locations. FlyAway Operator's operation of FlyAway bus service between LAX and additional locations is subject to the terms of the Agreement:

Coach USA will support the Pacific Coast Sightseeing operation for additional service should that become an opportunity to expand our service for the FlyAway program.

1) We have the ability to draw from the Coach USA Cascade fleet to meet the added needs of our clients or the ability to purchase equipment for an extended contract term. In order to have vehicles equipped with the amenities and requirements, thirty day notice would be necessary. Should thirty days notice not be possible, additional lead time would be needed to finish preparation of the buses with FlyAway livery and all required amenities. In this case, interim transitional fleet would be used in the service.

2) To staff the program would require an immediate growth in the driver force and the addition of dispatch staff. The general management would be accommodated by the Contract Manager and his staff with perhaps the addition of one or two support personnel. Ticket agents and porters would not be needed for implementation as that would be a driver delegated task until we determine the load factors and the timing of the trips. Modification would be made as the locations develop load and time patterns that are operationally predictable. As we are part of a larger organization, we could request assistance from sister companies to help us through the start-up/training period.

PROPOSED HOURLY RATE FOR ADDITIONAL SERVICE: \$ 79.65

The CFO Statement and our Confidential Financials are located in tab 14.



7. MANAGEMENT AND OPERATIONS PLAN

Provide a service schedule for Union Station FlyAway and also provide a schedule for Van Nuys FlyAway which incorporates service to the Orange Line FlyAway site only between the hours of 4:00am and 11:00pm, in hourly intervals per Section 3.D of this RFP. Include a description of how the bus routes, run cuts and schedules for the service are designed to optimize overall operational efficiency for the three FlyAway sites combined:

Included in this section are schedule pages that demonstrate the schedule for each location as to runs, drivers required, miles, times, and switch cars to accommodate the driver changes. These are the working daily dispatch schedules we believe are needed to service all scheduled departures from LAWA, Van Nuys/Orange Line and Union Station. See Schedule Attachment A

Describe the corporate structure accountable for service management, including an organizational chart, description of management staffing levels, and identification of where management staff will be located:

The management team at Pacific Coast Sightseeing Tours and Charters, Inc. led by General Manager, Kristin Martinez, will be accountable for all performance, activities and compliance with the requirements of the FlyAway Contract. The following pages include an organizational chart and brief resumes of our proposed key staff.

Management staff will be primarily located at the following office:

Pacific Coast Sightseeing Tours and Charters, Inc.
2001 South Manchester Avenue
Anaheim, CA 92802

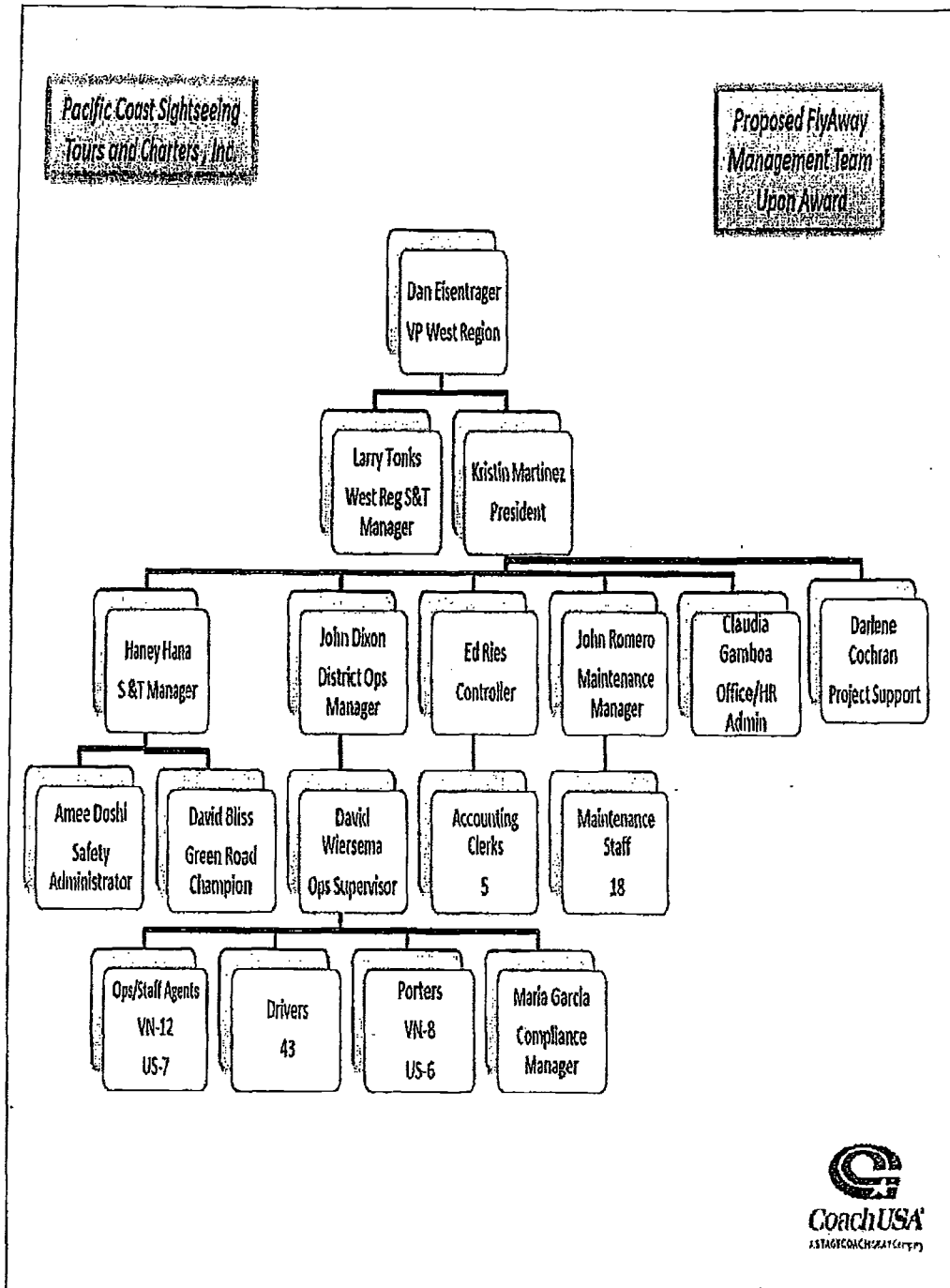
In addition, we plan to occupy the office space made available to proposer at the Van Nuys Terminal. This space will be shared 100% by the Compliance Manager and at least 50% by the Contract Manager. Dispatch personnel will report to both our Anaheim facility and the Van Nuys Terminal. Ticket agents and porters will service both the Union Station and Van Nuys locations. Drivers will handle luggage at the airport and Orange Line, as well as ticketing of the passengers are the Orange Line location.

Provide a plan for 24/7 supervision of the operation, including staffing levels, position descriptions and minimum qualifications for supervisory personnel:

We currently operate a 24/7 Dispatch office to react to our existing contract customers' needs. Our Central Dispatch is the primary supervisory team available during times when the Operations Management team is not on-site. The Contract and Compliance Managers will have a minimum of 5 years of experience. All management staff, including our Safety Manager, is on-call in the event of an emergency. Should we be awarded the contract, we will staff both the Union Station and Van Nuys facilities on a 24/7 basis.



Pacific Coast Sightseeing Tours and Charters, Inc.



Proposed Key Staff

David Wiersema

Contract Manager

With 26 years of experience in this industry from driver to operations management, David brings knowledge and dedication to the service. Since 2004, David has served in various management roles including contract and charter operations. As the previous contract manager for FlyAway, his duties included participation in LAWA's Management and ADA Compliance meetings. He played an integral part in the transition of Amtrak and start-up of Megabus West. His day to day responsibilities include management of the dispatch staff, driver force, data compliance and customer service. Our proposed run schedules were developed by David in order to meet the departures and timetables set by LAWA for all points. As a current employee, should we be the successful proposer, David's current duties would be replaced with an internal promotion.

Maria Garcia

Compliance Manager

With 40 years of transportation experience starting as a scheduler, dispatcher and customer service agent, Maria relocated to the Los Angeles area in 2006 via an intercompany transfer from Florida. In her prior support role of the FlyAway contract manager, Maria's duties included data collection/reporting, customer complaints/luggage issue resolution and attendance at monthly client meetings. In addition, she was responsible for oversight of the daily dispatch and operations of a remote bus terminal. In her current role, she is a statistics manager handling client reporting and assisting with daily operations management. Should we receive the award, we would replace many of her duties with an internal staff promotion and dedicate at a minimum 50% of her time to the data collection, client reporting and customer service management. She would report to the Contract Manager.

John Dixon

Area Operations Manager

With 30 plus years in the transportation industry, John has perspective from the front line to senior management. His prior FlyAway experience includes participation in the start-up of Union Station and Westwood. In addition, he spent many years involved in the Van Nuys contract and working with the LAWA staff. In his current role as our Area Operations Manager, he has overall responsibility for our team of Contract Managers, assisting them in the completion of their duties. John is looking forward to the opportunity to again be involved with the FlyAway service for LAWA.

Kristin Martinez

President/General Manager

Kristin has served as a General Manager for nine years within three motor coach locations. Her management expertise has served well for the contract services of Amtrak, Megabus and Arizona State University; as well as, our Disneyland Resort Airport Service airport service and Southern California Gray Line business. This University of Rhode Island graduate brings intellect, personnel management and operational insight to the desk every day. She is the key to the professional daily operations achieved by her team of: managers, supervisors, drivers and staff. We can provide a full resume for your review upon request.

Pacific Coast Sightseeing Tours and Charters, Inc.

Larry Tonks

Regional Safety and Training Manager

Oversees Company Safety Culture; manages all state and federal regulatory compliance; works directly with the location trainers; and facilitates safety corporate initiatives.

Ed Ries

Controller

With 30 years of accounting background, Ed manages an accounting staff of six. He works closely with regional and corporate finance management. He is responsible for coordination among all departments for fiscal compliance. He will be responsible for all billing, credit card compliance, and accounting audits.

Steve Cameron

IT Manager, Coach USA Corporate

Within his scope of responsibilities, Steve has the oversight for all of our ticketing/sales solutions, WIFI capabilities, GPS solutions, communications hardware/software. As such he has been the individual responsible for outfitting our fleet with these and many other operational amenities. He will be directly involved with the procurement process of the Gateway Galaxy Ticketing Point of Sale system, should we be awarded the service.

Darlene Cochran

Project Support

Darlene works as a project support manager in support of our various operations. She will be involved as the start-up coordinator should we have the opportunity to operate the FlyAway contract. Darlene has many years in the industry and was actively involved with FlyAway from 1993 to 2010. She will assist with all phases of the program but more specifically with the transition period and process. She will assist with the individual training and interdepartmental processes.

Drivers

The drivers are key to the operation and its success. It is our intent to offer employment in accordance with the employee retention requirements of the RFP. However, we currently employ a number of drivers who, have in the past, participated in the FlyAway service. We would draw on them to support the transition period. This would supplement the driver pool and assure adequate coverage for all daily service. Additional drivers would be hired and trained as needed. If needed, we can also tap into our sister companies driving staffs to assist in the start-up. Our plan should not require the use of those resources, but it is available, if needed.



Pacific Coast Sightseeing Tours and Charters, Inc.

Identify any non-driver additional staff dedicated to the service, such as ticket agents, porters, customer service personnel and/or ambassadors, including description of responsibilities and training processes for such staff:

The non-driver personnel dedicated to the FlyAway program includes the following: Porters, Ticket Agents, Accounting Staff, Customer Service Shoppers and Maintenance Department Employees.

Porters

Their primary role will be to greet and assist patrons of the FlyAway service. Included is proper tagging of luggage for carriage to the correct terminal based on passengers' airline information, careful loading/unloading of luggage, and coordination with the ticket agents and drivers of necessary information for safe transport of the passengers to the airport.

Ticket Agents

Their primary roles will be to sell tickets to the patrons of the FlyAway service, communicate information regarding departure/arrival times, and monitor boarding of the coaches to ensure on-time departures. These individuals will have comprehensive knowledge of the operation allowing them to effectively answer questions about the service. They will be responsible to gather data and provide information to management.

Accounting Staff

Under the direction of the company controller, these individuals will be responsible for all billing, reconciling and reporting associated with the contract.

Customer Service Shopper

These individuals will periodically ride the FlyAway service to evaluate our performance in the areas of safety, on-time departure, and customer service. The customer service shopper will complete a survey form which asks appropriate questions regarding all elements of the performance criteria. Training for these individuals will mirror our current program used in our similar business segments, Southern California Gray Line, Megabus, and Disneyland Resort Airport Service.

Describe the driver training program and refresher program (for existing drivers), particularly in regard to ADA requirements (such as wheelchair-lift operations) and safe and secure operations, and identify services where the Proposer's proposed driver training program is already in use:

Training

Coach USA has an extensive screening and training program to insure that we are providing well qualified safe drivers. Our training program is broken down into two main components; classroom and behind the wheel. Throughout the training there are periodic assessments and tests which must be passed before continuing. Once a driver completes the course and successfully passes each assessment there is a final behind the wheel test utilizing our Vigil System.



Pacific Coast Sightseeing Tours and Charters, Inc.

Classroom Training:

Welcome to Coach USA
Welcome Letter
Mission Statement
Classroom Guidelines
Name Tent
Parking Pass
CDL Driver Sign-off Sheet
Non CDL Driver Sign-off Sheet

1st Day Introduction

Coach Commitment
Operation Secure Transport
General Safety
CSA 2010
Customer Services

2nd Day Company Rules and Regulations

Harassment Policy
Drug & alcohol
Entry Level Driver Training
Flat Tire Procedures
Accident/Incident Report

3rd Day Hours of Service

Hours of Service
Recapping Nap Zapper (night driving aid)

4th Day Preparing to Drive

Driver Vehicle Inspection Report
Pickle Customer Service
Trip Inspection (video) Video (Space Management)
Staying in Control
Bus Clearance Awareness
Bloodborne Pathogens
Driver Fatigue
Breakdown/Evacuation Procedures
GPS Review
Seatbelts
Road Observation & Evaluation

5th Day A.D.A. Training

A.D.A. Policies
Lift Operation Procedure



Pacific Coast Sightseeing Tours and Charters, Inc.

6th Day Review of Classroom Training

Lifting Techniques
Space Management
Passing & Lane Changing
Backing Intersections
Pedestrian Awareness
Motor coach Comprehensive Exam

7th Day Hours of Service & Distracted Driving

Hours of Service Refresher
Cellphone Policy
Distracted Driving Training
Coach USA Policy
Coach USA Welcome Aboard Video

Behind the Wheel Training

Bus Orientation:

- > Bus orientation – All models, panel and button familiarization
- > Bus wash and site orientation
- > Maintenance lift bus inspection
- > Pre-trip/post-trip training
- > Skills course training
- > City driving
- > DVIR, work ticket, accident reporting, incident report, pay claims
- > Inclement weather training
- > Wheel chair lifts and ADA training

Behind the wheel training:

- > Behind the wheel time
- > Pre-trip review
- > Skills review
- > Final drive

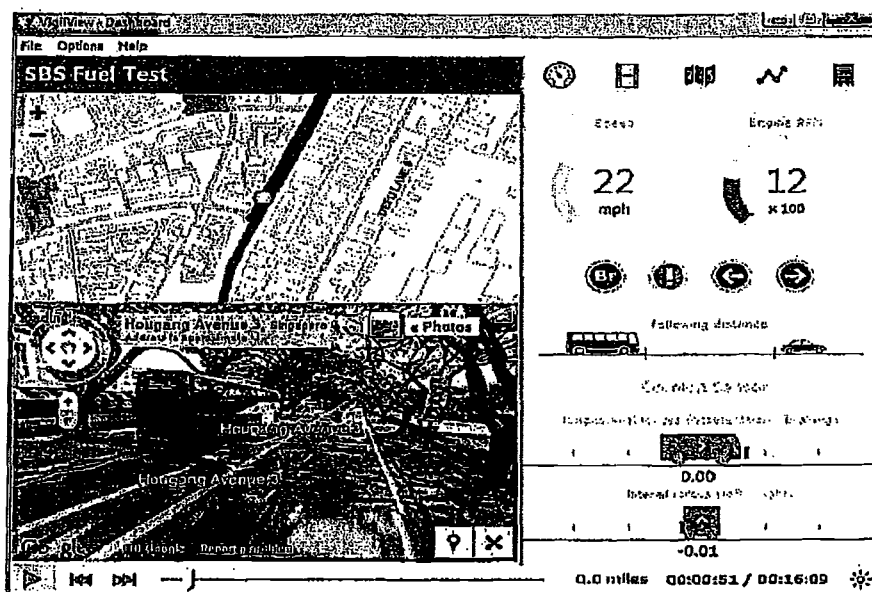
Vigil Bus Training System

Vigil Systems is a global driver performance management company that improves driving behavior, manages risk, reduces costs and saves lives. For almost a decade, leading commercial and government transportation fleets around the world have used Vigil Systems to train, evaluate and risk manage thousands of professional vehicle drivers, reducing accident rates by 30 to 75 percent.

Using in-vehicle technology combined with advanced training and risk management solutions, Vigil Systems helps fleets to identify and correct unsafe driving, reducing claims, personal injuries and vehicle damage costs while lowering operating expenses and fuel consumption as shown in the following illustration.

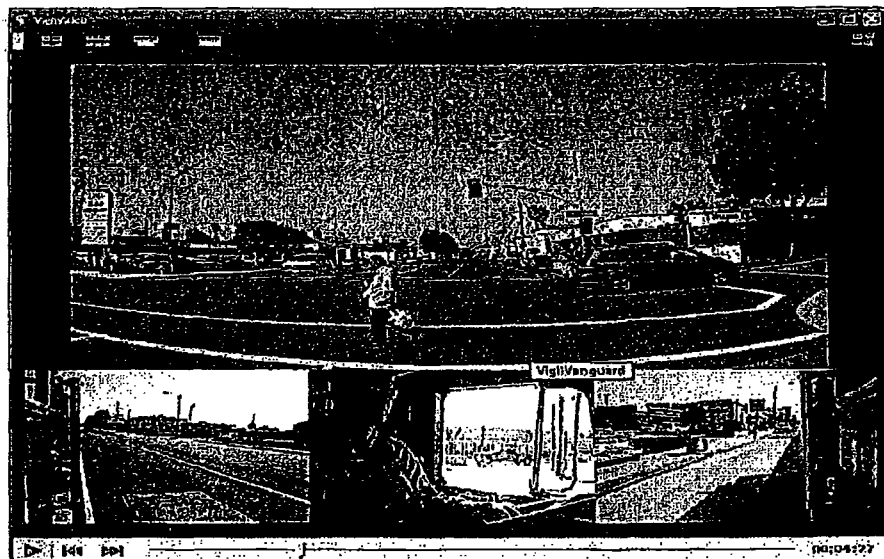


Pacific Coast Sightseeing Tours and Charters, Inc.



Vigil Vanguard Advantages:

- > Turns any of our buses into a simulator
- > Significantly improves the quality and consistency of training and evaluations
- > Provides immediate unbiased feedback on driver skills and behavior
- > Instantly produces detailed, actionable driver performance reports
- > Increase driver confidence and improve learning and retention
- > Establish performance measurements and impartial benchmarking of drivers
- > Allows training to be performed on actual roads we will operate
- > Proven accident and liability reduction
- > Provides high degree of learning transfer
- > Enhances training productivity
- > Experience real vehicle dynamics



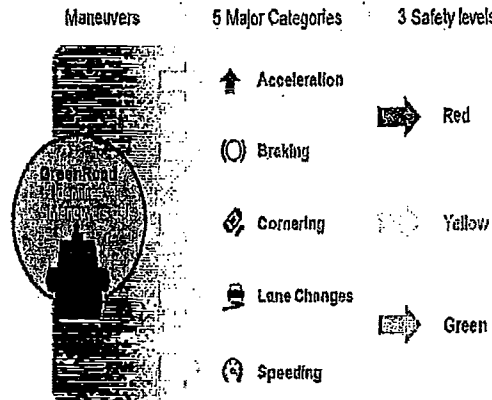
Pacific Coast Sightseeing Tours and Charters, Inc.

In addition to our initial driver training program, we conduct an Annual Safety Week that provides refresher training for all employees. At a minimum included in this annual training is the following: Safe Driving Practices; CAT-EYE refresher (Homeland Security program); Emergency Action Response; Videos related to our industry; and Customer Service along with our ADA review. GreenRoad is another tool used in our training department to enhance safety by positive driver modification feedback.

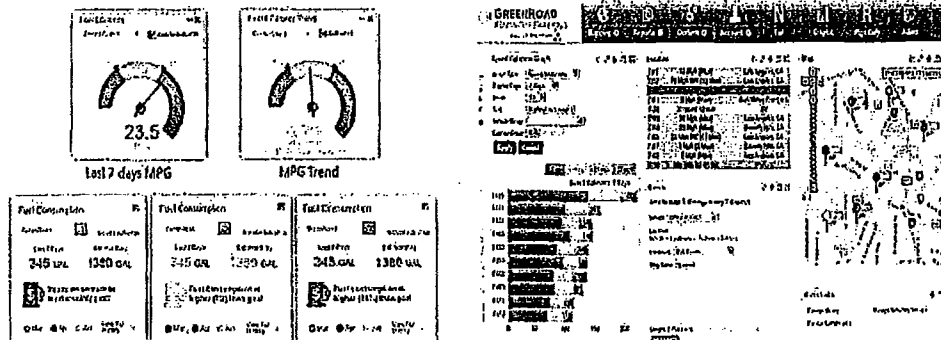
GreenRoad is a system that will be implemented across our entire North American footprint.

The program modifies driver behavior by providing immediate feedback to the driver in the vehicle based on sensors on the bus. Using GreenRoad's patented algorithms and the small in-cab device, GreenRoad analyzes maneuvers that impact risk and fuel consumption. Risky events get translated into a single, simple metric – the GreenRoad safety score. This information is communicated to the driver by lighted and audible indicators that indicate 3 levels of alert encouraging instantaneous behavior modification for sustainably safer and more Eco friendly driving habits.

Our drivers will be incentivized as part of this implementation to ensure we achieve a successful collaborative approach.



GreenRoad addresses the root cause of poor safety and costly driving habits. GreenRoad monitors aggressive driving maneuvers (speeding, braking, lane-handling, cornering and acceleration) and provides real-time, in-vehicle feedback. Drivers self-correct while they drive – not after the fact in a training room. Additionally, the information is available to the management team via online portal where each driver receives scores based on their maneuvering. This objective feedback transforms driving behavior to increase safety and reduce fuel consumption.



As the data and history grows, repeat offenders can be identified and coached to correct behavior. Additionally geographic locations with regular risky alerts can be identified so all drivers that travel through that location can be cautioned to take extra care. This locations specific data will be particularly helpful training new drivers of any specific hazards on a given mine route.



Pacific Coast Sightseeing Tours and Charters, Inc.

Describe what portion, if any, of the facilities at Union Station and/or Van Nuys FlyAway Bus Terminal the proposer seeks to use for supervision or operation of the service, such as employee break areas, office etc:

In accordance with the amendments issued, we would plan to use the following: At Union Station we plan to utilize the existing kiosk at Patsaouras Transit Plaza. At the Van Nuys facility we plan to use the ticketing kiosk, lobby space for the ticketing vending machines, business office, and shared break room.

Describe the Proposer's plan for providing equipment needed for the collection of cash, including estimated costs, if Proposer expects to offer such payment option:

We do not plan to collect cash at any location, due to the inherent risks associated with cash collection. Our experience indicates that travelers utilize credit cards when traveling.

If proposed, identify the days, times and service locations the Proposer expects to deploy smaller vehicles and how Proposer determined the vehicle capacity of the smaller vehicles is adequate to meet passenger capacity demands for those periods and locations:

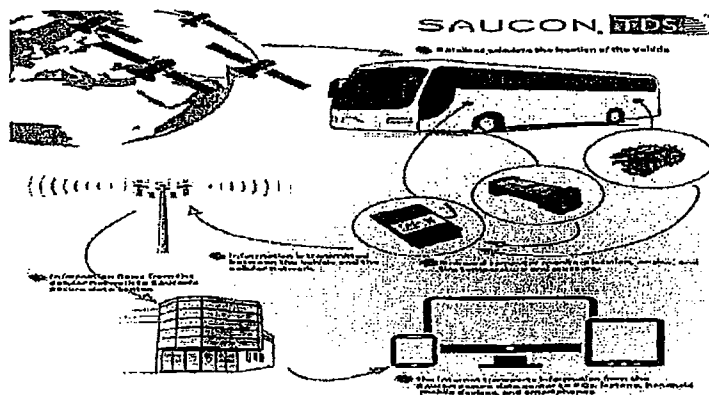
We are not proposing smaller units. We prefer to manage the schedule with the full-size motorcoaches to maximize efficiency and customer service. Based upon our experience the best solution for the passenger volumes and the unpredictable nature of passenger volume demand, including luggage capacity, is a full size motorcoach. We believe that a full size motorcoach provides LAWA the most cost effective solution for this service.

How the Proposer will track and report operational statistics, (e.g. passenger ridership data, number of buses deployed, schedule conformance, accidents, etc.). Sample reports will be in an appendix:

Our Compliance Manager will utilize our existing software programs to gather data for reporting; Saucon and Distinctive. From these systems, reports will be prepared in a format acceptable to LAWA staff on a bi-monthly or monthly basis. Reports for items such as accidents or customer issues will be reported immediately by email and phone contact.

Saucon GPS

Coach USA installed Saucon GPS System in all of our vehicles. This system enables the operations staff to track and monitor all vehicles for location, speed, and time. In some instances, Saucon GPS can be used for safety items like tire pressure monitoring, emergency shut down, etc.



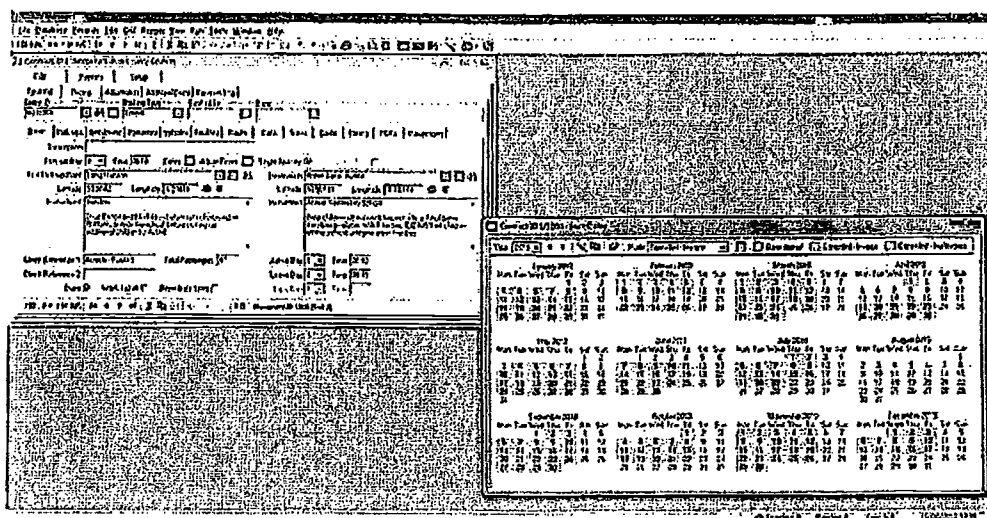
Pacific Coast Sightseeing Tours and Charters, Inc.

Distinctive System

Pacific Coast Sightseeing Tours and Charters, Inc. utilizes is Distinctive system software to manage contract bookings, scheduling, route data, allocation of vehicles and drivers, and driver work tickets.

Contracts

The contract side of the software offers a degree of flexibility, but adds a facility that allows the dates on which a contract operates to be entered on a year view calendar. The system can cope with any pattern or frequency and dates can be added or removed simply by clicking on the calendar. A wizard tool can be used to quickly schedule a contract for any number of future months or years. The times on which a contract operates can be easily edited for any given individual day.



Scheduling

Distinctive's powerful graphical scheduling system shows bookings which have already been allocated to a vehicle or driver alongside those that haven't. As each unallocated booking is selected, the required time slot is highlighted on the graphical display facilitating the choice of an available vehicle or driver. Bookings are then allocated simply by clicking on the chosen vehicle or driver. Bookings can be moved from one vehicle or driver to another using drag and drop.

How the Proposer will deal with any transition issues at service commencement, including a description of other services where transitions have been managed:

The vital component of the transition plan is preparation. The fundamentals must to be in place. Beyond those fundamentals, it is imperative to have extra drivers, vehicles and staff in position to react quickly should something interrupt the basic plan. Here are some additional key items:

- Close coordination with the current contractor.
- Agreement on the transition service times.
 - All runs starting prior to midnight are completed by the current contractor and billed accordingly.
 - All runs starting after midnight (00:01) will be operated, billed and liable to the new contractor.

Pacific Coast Sightseeing Tours and Charters, Inc.

- Organization of employee meetings, written communications and one-on-one discussions to broadcast the message and get all employees on board.

Our method for transition has proven to be effective. In November 2013, we assumed a 25 bus Amtrak contract from another provider. By following the above plan and overstaffing the first week, we were able to react to unforeseen issues and maintain the integrity of the schedule. We will use our existing stand-by and extra board drivers to make this successful.

What performance metrics will be used to monitor service performance, including the form and frequency results would be reported to LAWA along with a description of how results from performance monitoring effort will be reported to LAWA:

Just as we will use our Distinctive Dispatch/Operations Software program and the Saucon GPS software for the statistical reports, we will gather from these the detail regarding on time performance and coverage. We have within both of these programs the ability to set parameters that will assist us in preparing accurate reports in a format acceptable to the LAWA staff.

What Emergency Response Plan will be used by the Proposer in the event of emergencies and potential security threats:

Emergency Response planning is part of our total employee training program. It is a component of our annual refresher training conducting during our Safety Week in July. In our tool box there are several items that assist with emergency response:

- Direct connect communication with our buses via Nextel radio.
- Saucon GPS tracking of the vehicle to include location, speed, tire/engine/brake condition.
- Small screen displays that allow for a short message should radio connect note be available.
- In cab alert system for notification from the driver of an emergency.
- Ability to shut down with coordination with law enforcement.

In past years we have worked with FEMA in the Hurricane Evacuation in Texas and have assisted LAPD carrying SWAT teams at special events.

What operational procedures and other initiatives the Proposer will employ to minimize the passenger wait times, increase service levels, and maximize the efficient passenger transportation:

Operationally to achieve these points requires a run schedule that allows sufficient time between locations and understanding the traffic patterns and flow. Scheduling the buses is the primary solution; however prompt attention and ticketing to move the buses from the Van Nuys and Union Station locations in an ON TIME manner will be crucial as well. If a bus does not depart on time, it is unlikely that it will make the schedule the rest of the day. The trickle-down effect of five minutes increases throughout the day. With two standby buses and drivers for each station, we should be able to intercept issues with the schedule and keep an on time performance scenario. From another perspective it would be, if allowed, advantageous to have some method to communicate to passengers the importance of arriving prior to the departure time, not at it, in order to keep the schedule on time. Adequate staffing at the locations, strong communication with the drivers on traffic alerts and recognition of the employees for doing the task well are extremely important to the success of the program. Additionally, dispatch training

Pacific Coast Sightseeing Tours and Charters, Inc.

on effective bus movements within the schedule in order to avoid interference with the operation due to the unusual events of the freeway/holidays/area activities is essential.

PACIFIC COAST SIGHTSEEING TOURS AND CHARTERS, INC. OPERATIONS OVERVIEW: FLYAWAY VAN NUYS, ORANGE LINE AND UNION STATION

This brief summary will give you an overview of our planning that assisted us in developing our bid costing, operations plan and to review all of the steps that would be key to understanding the task. This is not meant to replace any other documentation, rather to summarize important elements within our methods.

Pacific Coast Sightseeing Tours and Charters, Inc. have developed an operations plan for the FlyAway program based on the following:

- Review of the scheduled departure times from each location and LAWA
- Observation of the current service and times
- Driven the routes to verify mileage and travel time
- Awareness of the requirements of the RFP
- Drawn on prior operational experience in the operation of the Van Nuys, Union Station and Westwood service by members of our OPS team as well as the current work schedule we operate.

Primary task was to develop the run cuts in order to determine the vehicle and driver counts needed to operate the service. As we reviewed the runs and the service captured within the time window we identified the required planning to allow for traffic within that time frame; lunch and rest periods for the driver and expected load factor for peak service boarding times. In order to accomplish this we ran "dry runs" to confirm the timeliness of our runs. Once this was completed we were able to define the driver and vehicle needs. This then enabled us to develop the location staff schedules for both Van Nuys and Union Station. This is part of developing the ON TIME performance with the following:

- Critical component in the ON TIME departures from Van Nuys and Union Station is dependent on adequate staffing to insure a promptly loaded/unloaded bus which requires prompt handling of ticketing and luggage
- With the departure from Van Nuys of the Ambassador staffing this adds responsibilities to the staff assigned which requires close attention to the activity level particularly for peak and holiday service. This along with courteous passenger management is key to the timely service of boarding and departures

With the runs and the determination of the staffing and equipment levels we then proceeded to develop the daily dispatch schedule:

- With the above information we will now develop a "Driver Bid" scenario to establish the drivers on routes.
- In order to do the "BID" we will establish a seniority board for the drivers who come from the current contractor and honor their seniority date for that operator. Any hires that come in after that specific group of drivers will use their hire date as the working seniority date.



Pacific Coast Sightseeing Tours and Charters, Inc.

Next on the Agenda: (should we be fortunate and receive the award)

- Prepare hire packets for needed employees
- Complete final order for equipment: Buses, Computers, POS hardware
- Set up equipment for Livery/FlyAway Dress
- Set up equipment for install on the multiple IT disciplines
- Schedule Hire- in interviews and training time for potential employees in conjunction with their days off in order to not interrupt current service also measure for driver and staff uniforms
- Set up Operations/Dispatch procedures and acquire any hardware needed
- Prepare shop inventory, tools and staffing to manage added fleet

It works and we have handled this in the recent past with the November, 2013 transition of the Amtrak 25 bus contract, which is a 24/7 operation.

Daily Operations:

- We will have the FlyAway service set up in our "Distinctive"; Saucon and Greenroads software as well as our vehicles in the "Fleet anywhere" programs.
- The employees will report either to our main yard with the 24/7 fully operational Dispatch center or to our Van Nuys area location.
- Van Nuys will have a Dispatch staff along with maintenance support and a fully equipped shop service truck.
- We will utilize the office at the Van Nuys Station to manage the Data compliance, onsite departures and staffing in the Lobby. In addition our Porter Service Contract will be managed by our Compliance Manager, who will be based in Van Nuys.
- All accounting functions will be handled by our fully staffed accounting department at our Anaheim location.
- Training of ALL of our operations staff regardless of the location will be completed in order that every Operations Dispatcher/Supervisor will be knowledgeable and able to respond to any need as it is presented.
- Essential to the daily service is an understanding of the runs and how they can support the continuation of service in a timely manner in the event of freeway interruptions, unexpected delays that may occur for reasons unknown and without notice. Our Dispatch/Ops team will use the Cal-Trans web site to monitor freeway conditions and then update our drivers so we can be proactive in our route management.
- Key to all of this is the well trained driver who does his/her job in a safe and professional manner. We will have all employees go through our training program and then be sure they stay current with our ongoing training and class room certifications. This is where our Green Road program is strongly influential in safe daily performance of these employees.
- All staff at all positions will be treated with respect and courtesy and we will anticipate that they will do the same with regard to the FlyAway riders.
- We use a secret shopper program and road observation and supervision to keep us in the right service mode.



Pacific Coast Sightseeing Tours & Charters, Inc. Background & Screening Program

Performed by Pacific Coast Sightseeing Tours & Charters, Inc.:

- ***Completed application outlining 10 year work history***
- ***Submission of clean DMV H6, 10 year driving record***
- ***Interview with Safety and Operations Managers***
- ***Successful completion of STRADA, computer based driver screening program***

Performed by E-verifile:

- ***Criminal Background Check (Database and County)***
- ***Previous Employment Verifications including:***
 - ***Employment Verification***
 - ***DOT Employment Verification (drug & alcohol)***
 - ***OFAC – DPL***

Performed through an approved Medical Review/Examiners' Office:

- ***Pre-employment drug screen***
- ***Fit for duty physical examination***

ATTACHMENT

Operations Plan -- Work Grid Legend

As you read this Operations Grid from left to right the following information will assist you in reviewing the documents which include both weekend and weekday for Union Station and Van Nuys/Orange Line

Column 1. This indicates deadhead miles by bus and car at the start of shift

Column 2. Identifying assigned run number

Column 3. Scheduled departure times from Van Nuys/LAX/Orange Line/ Union Station (see header)

Column 4. Bus switch locations and times

Column 5. In-service miles for run start to end

Column 6. Number of trip to LAX bus holding lot

Column 7. End of shift dead head miles in bus or car

Column 8. Bus Number

Column 9. Location

Column 10. Shift Time

Column 11. Hours

Column 12. Notes for operations

Across the bottom of the page you will find notes and totals for the development of our bid process.

This is the working document to establish runs, driver need, bus need, miles operated in service, miles deadhead along with auto/car usage. This information was gathered from observation, dry runs and the concept of driver shifts that are in compliance with employee labor regulations.

We are happy to provide additional explanation upon request.

FLYAWAY VAN NUYS / ORANGE LINE WOODLEY

Weekend

Start of shift		Run # (Hwy)	LAX	VNY	LAX	VNY	LAX	VNY	LAX	VNY	has vehicle reporting	service miles start to end	number of trips to LAX busline lot	End of shift		BUS#	Location	Shift time	Hours	NOTES:					
OH miles in car	bus													car	bus						car	bus			
5	0	car 1	1 VNY		0215		0345		D.H.		0730		0845	LAX / 0545 w/ US Rte 1	198	5	0	25	1	Van Nuys	0800-1100	11	Operator takes car to VNY to take over bus from operator on 10/17 previous day		
	0	5	2 VNY		0100		0245		0415		0430		0515		148	0	25	0	car 1	2-A	Van Nuys	0100-0115	10.25		
	0	5	3 VNY		0200		0445		0530		0700	OL	0830	0330-OL	1215	174	2	0	0	car 1	3-A	Van Nuys	0200-0200	11	operator switches in car with VNY route 4 operator from VNY to yard
	0	5	4 VNY		0400-OL		0500		0630		0830		1145	1100-OL	1215	132	2	5	0	car 1	4-A	Van Nuys	0300-0300	9.75	
	0	5	5 VNY		0500-OL		0600		0715		0930		1100	1030		173	2	0	0	car 1	5-A	Van Nuys	0400-0400	11.25	operator switches in car with VNY route 6 operator from VNY to yard
	0	5	6 VNY		0600-OL		0700		0830		0930		1130	1300-OL	1400	169	1	0	0	car 1	6-A	Van Nuys	0500-0500	11.25	This bus assigns to VNY Rte 3 next day.
	0	5	7 VNY		0700		0830		0945		1130		1400	1300-OL	1400	169	1	0	0	car 1	7	Van Nuys	0600-0600	13	This bus assigns to VNY Rte 5 next day.
	0	25	8 VNY		0830		0945		1030		1130		1400	1300-OL	1400	148	1	5	0	car 1	8-A	Van Nuys	0700-0700	11.25	
	0	5	9 VNY		0830		0945		1030		1130		1400	1300-OL	1400	174	2	5	0	car 1	9-A	Van Nuys	0800-0800	12	
25	0	car 1	10 VNY		1115		1315		1545		1815		2315		144	0	0	0	car 1	10-A	Van Nuys	0900-0900	12.25	This bus assigns to VNY Rte 4 next day.	
0	0	car 1	11 VNY		1330		1530		1830		2115		2315		172	2	0	0	car 1	11-A	Van Nuys	1000-1000	12.25	Operator switches in car with VNY route 11 operator to VNY. This bus assigns to VNY Rte 8 next day.	
0	25	12 VNY		1530		1830		2030		2200		2315		144	0	0	0	car 1	12	Van Nuys	1100-1100	11	This bus assigns to VNY Rte 3 next day.		
0	0	car 1	13 VNY		1830		2030		2130		2330		0015		177	3	0	0	car 1	13-A	Van Nuys	1200-1200	12.75	Operator switches in car with VNY route 13 operator to VNY. This bus assigns to VNY Rte 13 next day.	
5	20	car 1	14 VNY		1930		2130		2230		2330		0015		153	2	0	0	car 1	14-A	Van Nuys	1300-1300	12	Operator switches in car with VNY route 14 operator to VNY. This bus assigns to VNY Rte 14 next day.	
0	25	15 VNY		2030		2230		2330		0015		0200		153	2	0	0	car 1	15	Van Nuys	1400-1400	12.25	This bus assigns to VNY Rte 15 next day.		
5	0	car 1	16 VNY		2130		2330		0015		0200		0300		153	3	0	0	car 1	16-A	Van Nuys	1500-1500	10.25	This bus assigns to VNY Rte 7 next day.	
0	25	17 VNY		2230		0000		0015		0200		0300		153	2	5	0	car 1	17	Van Nuys	1600-1600	11.75	This bus assigns to VNY Rte 1 next day.		
5	20	car 1	18 VNY		2330		0000		0015		0200		0300		153	3	0	0	car 1	18-A	Van Nuys	1700-1700	12	Operator switches in car with VNY route 18 operator to VNY. This bus assigns to VNY Rte 4 next day.	
45	178		Total operations required to operate VNY services: 25		Total operations reporting to ADA for work duty: 0		Total operations reporting to yard in VNY for work duty: 18						2682	34	45	75		total bus: 11	total OH miles to start and end shift:	car 10 bus 250	207.25	15			

The schedule above has the following extra departures from LAX: 1115, 1145, 1215, 1245, 1315, 1345, 1415, 1515, 1545, 1615, 1645, 1715, 1745, 1815, 1845, 1915, 1945, 2015, 2045, 2115, 2145, 2215, 2245.

Weekday

The schedule above has the following extra departures from LAX: 1115, 1145, 1215, 1245, 1315, 1345, 1415, 1515, 1545, 1615, 1645, 1615, 2015, 2115, 2215, 2315

FLYAWAY UNION STATION

Weekday

Start of shift			Run # (Miles)											In service to end	In service to end	In service to end	End of shift			Assigned driver	Shift time	hours	NOTES:		
car	bus	car		LAX	U.S.	LAX	U.S.	LAX	U.S.	LAX	U.S.	LAX	U.S.				car	bus	car					BUS#	
0	28		1 US (1037)		0300		0500		D.H.		0830		1000	LAX / 1045 of VNY Run 4	197	3	0	35		12	Anaheim	0815-1200	11.75		
0	28		2 US (1038)		0200		0400		0600		0750		0750	1000	LAX / 1045 of VNY Run 1	177	3	28	0	car 3	13-A	Anaheim	0915-1200	10.75	
0	28		3 US (1040)		0300		0500		D.H.		0830		1100	1350	LAX / 1045 of VNY Run 5	173	2	28	0	car 3	14-A	Anaheim	0945-1215	11.5	
0	35		4 US (1041)		0330		D.H.		0930		1200		1330			179	2	35	0	car 2	15-A	Anaheim	0945-1200	12.25	
0	28		5 US (1042)		0500		0700		0900		1130		1400			185	2	35	0	car 3	16-A	Anaheim	0945-1200	13.5	
0	28		6 US (1043)		0500		0700		0900		1100		1300		LAX / 1045 of VNY Run 7	174	2	28	0	car 2	17-A	Anaheim	0945-1215	12	
28	0	car 3	7 US (1044)		0710		0910		1100		1220		1400			183	2	0	35		12-B	Anaheim	1010-2130	11.5	This bus assigned to US Run 1 next day (Mon-Fri)
28	0	car 3	8 US (1045)		1130		1330		1500		1620		1800			177	3	0	28		15-B	Anaheim	1300-2130	13	This bus assigned to US Run 2 next day (Mon-Fri)
0	35		9 US (1046)		1430		1630		1800		1900		2100		LAX / 1700 of VNY Run 10	183	2	0	28		12	Anaheim	1320-2030	12.5	This bus assigned to US Run 3 next day (Mon-Fri)
35	0	car 2	10 US (1047)		1530		1730		1800		1900		2100		LAX / 1900 of VNY Run 11	174	2	0	35		15-B	Anaheim	1330-2230	13	This bus assigned to US Run 4 next day (Mon-Fri)
28	0	car 2	11 US (1048)		1700		1900		2000		2100		2300			177	3	0	28		17-B	Anaheim	1400-2400	12	This bus assigned to US Run 5 next day (Mon-Fri)
35	0	car 3	12 US (1049)		1700		1900		2000		2100		2300		LAX / 1900 of VNY Run 12	153	2	0	28		18-B	Anaheim	1515-2400	11.75	This bus assigned to US Run 6 next day (Mon-Fri)
154	210			Total operators required to operate US service: 17			Total operators reporting to ANA for work duty: 11			Total operators reporting to US for work duty: 0				2076	21	184	217		Total DIT miles to start and end shift:	car 308 bus 427	145.5 H				

Weekend

Start of shift			Run # (Month)	CAR	LAX												LAX switch location time	to new as miles start to shift	End of shift		assigned driver	shift time	hours	NOTES:	
OH miles in...	car	bus			U.S.	U.S.	U.S.	U.S.	U.S.	U.S.	U.S.	U.S.	U.S.	U.S.	OH miles in...	car			bus						
0	28		1 US (1037)			0300		0500		0700		0900		LAX/1037 w/ VNY Run 1	177	0	28	0	car 3	Anaheim	0015-1000	11.75			
0	28		2 US (1039)			0300		0400		0600		0800		LAX/1139 w/ VNY Run 6	158	3	0	28		car 3	Anaheim	0115-1030	11.25		
0	28		3 US (1040)			0500		0630		0800		0900		1200		158	3	35	0	car 2	Anaheim	0248-1116	11.6		
0	35		4 US (1041)			0530		0800		0900		1100		1330	LAX/1130 w/ VNY Run 8	158	3	28	0	car 3	Anaheim	0343-1115	11.5		
0	28		5 US (1042)					0830		0930		1130		1400		158	3	35	0	car 3	Anaheim	0515-1130	12.1		
0	35		6 US (1043)			0700		1030		1000		1500		1530	LAX/1130 w/ VNY Run 7	153	2	25	0	car 2	Anaheim	0548-1720	11.75		
28	0	car 3	7 US (1044)					1230		1200		1500		1600		156	2	0	35		car 3	Anaheim	0646-2220	11.3	This bus assigned to US Run 1 next day (Sat. Run)
28	0	car 3	8 US (1045)					1630		1400		1830		1920		177	3	0	28		car 3	Anaheim	0720-0930	13	This bus assigned to US Run 3 next day (Sat. Run)
0	35		9 US (1046)					1630		1730		2030		2300	LAX/1700 w/ VNY Run 10	163	2	0	28		car 3	Anaheim	1220-0100	12.6	This bus assigned to US Run 4 next day (Sat. Run)
35	0	car 2	10 US (1047)					1830		1630		2100		2330	LAX/1500 w/ VNY Run 11	174	2	0	35		car 2	Anaheim	1230-0220	13	This bus assigned to US Run 4 next day (Sat. Run)
28	0	car 2	11 US (1048)					1700		1830		2000		0200		177	3	0	28		car 2	Anaheim	1305-0400	12	This bus assigned to US Run 5 next day (Sat. Run)
35	0	car 3	12 US (1049)					1700		1730		2000		0100	LAX/1000 w/ VNY Run 12	153	2	0	28		car 3	Anaheim	1315-0330	11.75	This bus assigned to US Run 6 next day (Sat. Run)
				Total operations assigned to operate US services: 17				Total operations reporting to ANA for week day by 12				Total operations reporting to US for week day by 0													
154	217														1664	31	156	210	Total hours: 6		car 308 bus 427	144 H			

Pacific Coast Sightseeing Tours and Charters, Inc.

8. FLEET PLAN

Specifically identify vehicles dedicated to the bus fleet, including information regarding specific vehicle types, number and age and condition of vehicles to be used in this service:

See next page.



Pacific Coast Sightseeing Tours and Charters, Inc.

Option 2

The second option available to the airport is the use of 2015 Van Hool CX model coaches with CARB compliant engines, ADA equipped, seat belts and amenities as listed below.



Optional equipment shown in red.

GENERAL

Overall Length	45'
Overall Height	11' 8"
Overall Width	102"
Wheelbase	25' 4.5"
Underfloor Storage Capacity (without lift)	440.4 cu ft
Underfloor Storage Capacity (with lift)	410.4 cu ft
Parcel Rack Storage Capacity (without lift)	87.5 cu ft
Parcel Rack Storage Capacity (with lift)	84.0 cu ft
Front Overhang	6' 2.4"
Rear Overhang	8' 2.2"
Turning Radius (outside of tire)	40' 4.25"
Fuel Tank Capacity (usable)	218 gals
Interior Height	75.75"
GVRW	60,700 lbs

POWERTRAIN

- Engines:
 - Detroit Diesel DD13 (450 HP) EPA 2013
 - Cummins ISX 12.0 (426 HP) EPA 2013
- Integrated Engine Brake
- Alison B500 Six-Speed Automatic (Gen5)
- Heavy Duty Two-Speed Fan Clutch

RIDE & HANDLING

- Six Wheel Disc Brakes
- Unifized Wheel Hubs
- ZF Variable Ratio Steering
- Independent Front & Top Axle Suspension

BODY CONSTRUCTION

- Stainless Steel Chassis, Windshield & Side Window Frames
- One Piece Galvanized Steel Side Walls
- One Piece Aircraft-Quality Aluminum Roof
- Aluminum Panograph Baggage Bay Doors
- Energy Absorbing Bumpers

CHASSIS

- Dana/Spicer Drive Axle
- 3.42:1 with Allison B500 Transmission
- 3.07:1 with ZF AS790-6 Transmission
- T1H & Telescopic Steering Wheel
- Rapid Rear Raise System
- Front Kneeling with Quick Recovery System
- Full Coach Raise & Lowering
- Teg Axle Unloading System

ELECTRICAL & LIGHTING

- Projector Beam Headlights
- Easily Accessible Headlight Housing
- LED Daytime Running Lights
- LED Side Marker Lamps with Integrated Turn Signal Function
- Full Multiplex System
- One Rear High Mount LED Brake Light
- LED Interior Ceiling Aisle Lights
- Front Side Cornering Lights
- LED Tail & Reverse Lights
- Dual Presettable Alternators
- Dash Mounted 12/24 Volt Cut-Off Switch
- Vanier Battery Equalizer
- Easily Serviceable Tail Lights
- LED Information Multi-Function Display for Driver

ELECTRICAL & LIGHTING (cont'd)

- Automatic Entrance Lighting
- Keyless Ignition Switch
- Curb Side Lighting
- Battery Charger
- Road Side Lighting

TIRES & WHEELS

- Hub Pilot Steel Wheels (R)
- S15/80R-22.5 Goodyear Marathon LHS II + HL
- Alcoa Dura Bright Aluminum Wheels (R)
- Stainless Steel Wheel Inserts
- Customer Supplied Tires

INTERIOR

- Seating
 - 66 Passenger Van Hool Body Line 210 Seats with Footrest & 3-Point Seat Belts
 - 66 Passenger Amara Torino G & A2TEN Reclining Seats with Footrest & 3-Point Seat Belts
 - ISRI 6800/348 Adjustable Drivers Seat (Pneumatic) with 3-Point Seat Belt (3rd Point Fixed on B-Post)
 - ISRI 6832-870 Drivers Seat with Integrated 3-Point Seat Belt
- Enhanced Curved Entry Stairwell
- Driver's Right Hand Console with Grab Rail
- Two Left Hand Driver Cup Holders
- Double Pane Seamless Side Glass
- Map Light
- Passenger Individual Reading Lights with Directional Adjustment
- Electric Windshield Sun Visors
- Keyed Alike Baggage & Service Doors
- Central Air Locking System Baggage Doors
- Ramped Entry Aisle (in Lieu of Step)
- Flush Type, Clean Rinse Monogram Toilet
- Supplemental Restroom Holding Tank
- Passenger Side Window Shades
- Enclosed Parcel Racks
- Enclosed Enclosed Parcel Racks with 23" Monitors
- Driver's Shield
- Magazine Nets
- Cup Holders
- Card Tables
- Rear Window

CLIMATE CONTROL

- Integrated HVAC System
- Bilzer 6 Cylinder Compressor
- 134a Refrigerant
- Variable Speed Brushless Evaporator Motors
- Two Speed Condenser Motors
- Modulating Heating Control Valves
- Auxiliary Heater 102,000 BTU
- Timer for Espar Auxiliary Heater

OTHER EQUIPMENT

- Remote-Control & Heated Black Mirrors
- Audio System with PA & Two Microphones
- Touchscreen Radio with DVD Player & Back-Up Camera Display

OTHER EQUIPMENT (cont'd)

- Enhanced Sound System
- Cordless Microphones
- Individual Multi-Channel Audio System
- Custom Paint
- Custom Vinyl Graphics Installation
- Destination Sign
- Global Positioning System
- In Motion Entertaining TV System
- Road Viewing Monitor System
- Side View Cameras
- 110V Jumper-Assistant AC Receptacles
- WiFi

WHEELCHAIR LIFT

- Rear Position Wheelchair Lift Ready with Two Tie-Down Positions
- Passenger Chime Buttons for ADA Seats
- Rear Position Wheelchair LIFT Ready
- Braun M-501
- Alcoa Bay Lift



These specifications are based on up to date product information available at the time of printing, January 2014. Specifications can change without prior notice. Contact ABC Companies Account Manager for details. Visit our website at www.abc-companies.com for more information.



Exclusive US Van Hool Distributor

www.abc-companies.com

Northeast 800.222.2873
Southeast 800.222.2871
Southwest 800.222.2877
West 800.322.2877
Canada 800.345.1287
Midwest 800.222.2875

****ITEMS HIGHLIGHTED ARE NOT INCLUDED****

We are proposing a fleet of 17 units for daily requirements along with 4 spare buses for a total FlyAway fleet of 21 buses. We will be supporting these with three cars for driver switch as a method of reducing deadhead miles for the buses.



Pacific Coast Sightseeing Tours and Charters, Inc.

Provide evidence of commitments or contracts for securing the bus fleet included in the Proposal if such buses are not currently under the control of the Proposer:

We have a pending purchase quotation that would become a purchase order immediately upon award. The second option vehicles are within our control and are fleet from other regions in our company.

Identify how the proposed fleet will comply with the Americans with Disabilities Act (ADA):

These vehicles will all be lift equipped in both options. All vehicles will have a public address system to make the safety and information announcements. Most importantly is the training for the driver in the operation of the lift and the customer courtesy for our passengers that need extra time or assistance.

State whether the Proposer plans to use vehicles that are on order or require lead time in order to serve as some part or all of the dedicated fleet and, if so, what vehicles would be used to bridge the order-to-delivery period:

Both fleet plan options available to LAWA anticipate delivery of the vehicles prior to start of service. There would be no need for usage of bridge fleet.

Describe how the size of the proposer's dedicated fleet is sufficient to meet operating schedule requirements. Include calculations to derive the number of buses needed to cover periods of scheduled maintenance, unanticipated mechanical problems or accidents, and peak load requirements:

With the route schedules we have developed, which take into account drivers breaks, lunches, traffic and turn time as well as loading and unloading at both locations we have determined the daily requirement to service the program is 17 buses. We have allowed the 17 buses and have added 4 spare units which is a 23% spare factor to cover the service and unexpected events. In addition we have put three autos in our operating plan to move the drivers for switch times and to keep the buses in live service with reduced deadhead miles. Should there be a greater need then we would use buses from our charter fleet to supplement the service. An example of this might be the Thanksgiving or holiday seasonal events when additional buses are needed beyond the schedule.

Describe the Proposer's maintenance plan for the fleet. Describe the vehicle maintenance plan for both scheduled and unscheduled maintenance, including identifying where maintenance is to be performed and what parties will perform maintenance:

Maintenance is the heart of any company when it comes to safety, performance, and the ability to meet the expectations of our clients. ALL of our vehicles are on a 21 day preventive maintenance program for all scheduled maintenance and services. This is managed through our Fleet Anywhere software program, this program issues daily the work scheduled for all vehicles with standard and special inspection protocol. This system and its compliance requirements are reviewed not only by local management, but as well by our Corporate Director of Maintenance through an automatic reporting process. This preventive approach reduces unexpected breakdowns and assists in keeping our fleet ready. In addition our driver is required to complete a DVIR(daily vehicle inspection report) which identifies anything that needs immediate correction or action by the shop prior to the vehicle being placed into service.

Pacific Coast Sightseeing Tours and Charters, Inc.

Pre-Trip & Post-Trip Program

Each driver must perform a pre and post trip inspection report. This process ensures that vehicles are in safe and good operating condition. It also ensures that vehicle defects are documented and repaired.

Each vehicle will have a Vehicle Inspection Book assigned to it.

The drivers will obtain the Vehicle Inspection Book at the start of their shift. They will document any defects in the Vehicle Inspection Book and show that to the dispatcher. Dispatch immediately documents the vehicle defect on a Vehicle Repair Log. This then is given to the Maintenance Manager for repair of the defect. If the vehicle defect requires a vehicle replacement the dispatcher will assign another vehicle.



Pacific Coast Tours & Charters
2001 S. MANCHESTER • ANAHEIM, CA 92802 • (714) 978-8855

PRINT DRIVERS NAME _____

DATE: ____/____/____ BUS NUMBER: _____

ENGINE OFF: Check the following:	OK	NR	BRAKE CHECK: Record the Following
1. Oil Level			38. Out-Out Pressure (Max 130 P.S.I.)
2. Radiator Water Level			39. Out-In Pressure (Min 85 P.S.I.)
START ENGINE: Check the following:			40. Static Air Loss W Brake On (Max 2 PSI/Minute)
3. Transmission Fluid Level			41. Static Air Loss W Brake Off (Max 2 PSI/Minute)
4. Power Steering Fluid			42. Applied Air Loss W Brake Off (Max 3 PSI/Minute)
5. Belts			43. PSI That Activates Warning Devices (Min 60)
6. Tires			44. Emergency Stopping System
7. Tire Inflation			Vehicles with ADA Lifts <input checked="" type="checkbox"/> the following: <input checked="" type="checkbox"/>
8. Wheels & Lug Nuts			ADA Door latch secure and properly functioning?
9. Suspension Studs & Bolts			Power cord and remote control box in good condition?
10. Mirrors			Power to lift working properly?
11. Coach Exterior			Ramp components in good working condition?
12. Head Lights			Checked lift proper operation?
13. Tail Lights			Manual jack handle in place?
14. Stop Lights			Two full sets of straps (incl. lap & shoulder bolts)?
15. Clearance Lights			Straps in good condition and not twisted?
16. Turn Indicators			Latch points on floor of bus clear of dirt & trash?
17. Interior Lights			Notify your Supervisor immediately if there are any problems With operating the ADA lift or securing a wheelchair.
18. Fire Extinguisher			
19. First Aid Kit			
20. Reflectors			
21. Emergency Exit Secure			
22. Seal Condition			
23. Glass Condition			
24. Entrance Door			
25. Cargo Bays & Doors			
26. Wipers / Blades			
27. PA System & Extension			
28. Horn			
29. Steering			
30. Speedometer			
31. Engine Oil Pressure			
32. Engine Water Temperature			
33. 2 Way Radio			
34. AM-FM Radio			
35. LAX Decal			
36. Fuel (Pre-Trip)			
37. Fuel (Post-Trip)			

DRIVERS
SIGNATURE: _____

START MILEAGE _____

**THIS REPORT TO BE USED
FOR PRE-TRIP INSPECTIONS
ONLY**



Pacific Coast Sightseeing Tours and Charters, Inc.

Equipment Maintenance Program

FleetAnywhere is Coach USA's fleet management software system and will be used to manage the assets assigned to the FlyAway contract. Our system will record work orders, track employee labor, plan for predictive maintenance, order and maintain parts inventory and manage our stockrooms.

Each assets key information is managed in FleetAnywhere. Basic information includes the Manufacturer, Model, Year, VIN, and meter reading. Other asset-specific information (ex: Engine and Transmission make/model/serial number) can also be set up and is required to be managed by the shop manager as changes occur. All assets are assigned to Preventative Maintenance classes based on a number of criteria established by the company, region, and or location. PM's are tracked by Coach USA based on a mileage interval but the program also allows PM's to be tracked by a time interval or fuel consumption. PM's are considered due by whichever event occurs first.

FleetAnywhere also allows for tracking Service Requests that can later be turned in to work orders. Our maintenance manager will use Service Requests for driver post-trip items (Daily Vehicle Inspection Reports) that are not safety related, (safety related defects are repaired immediately prior to reallocation). Work Orders and Service Requests can be assigned by management to a specific mechanic either at the task level or the entire work order. Labor and parts used for the repairs are recorded into the work order on a daily basis, and with the use of InfoCenter, in a real-time fashion. When the mechanic completes and brings to finish the work order, the shop manager will review and close the work orders to ensure they are complete and accurate. The work order is then maintained on the FleetAnywhere database server and filed at the location.

FleetAnywhere also allows us to manage our inventory by location meaning each individual shop has its own stockroom and level of parts inventory sufficient to handle normal and expected repairs as well as scheduled maintenance (PMs) at regular intervals. Purchase orders are created and parts received in FleetAnywhere and each location monitors its inventory levels through a variety of inventory activity reports.

FleetAnywhere has the ability to track fueling of its vehicles, both Internally (on-site) and externally. Both fuel quantity and fuel cost reports along with mileage for each month can be generated on a report.

FleetAnywhere has an internal report writer and allows connectivity to third party systems such as Crystal Reports. Coach USA has full capability to create our own reports in whichever tool we choose. Reporting examples include equipment cost, fuel and mileage reports, inventory on hand and inventory activity reports, and monthly cost reports which include fuel, mechanics recorded labor, and inventory parts used on our fleet of buses to provide us with an overall cost per mile per unit or class of vehicle. On a monthly basis we produce and distribute to our locations a suite of reports that include Equipment Cost, Mileage Since Last PM, Inventory Value on Hand, Receipts and Issues, and any work done by outside vendors.

The following are samples and examples of some of the reports generated and distributed monthly:



Pacific Coast Sightseeing Tours and Charters, Inc.

Miles Since Last PM

This report provides you the mileage since the last PM for all equipment units at your location. This report is a good planning tool for what assets are soon going to need a service and which can be used for longer term moves.

Mileage Since Last PM Report

Report Date: 11/11/2009

600500 HOUSTON (MCCARTY)

Equip No	Life to Date Current - At Last PM	Current Mileage	Last Mileage Update Date	PM Service Mileage Interval	Miles Since Last PM	PM (Overdue) or Due In	Last PM Start Date	Next PM Scheduled Date
45177	632,274 - 625,479	78,016	11/01/2009	12,000	6,801	5,199	10/02/2009	02/02/2010
52502	464,217 - 467,424	13,052	11/01/2009	12,000	6,793	5,207	10/09/2009	02/09/2010
45175	639,101 - 631,414	78,888	11/01/2009	12,000	6,687	5,313	10/05/2009	02/05/2010
52253	6,802 - 0	6,803	11/03/2009	12,000	6,802	5,398		12/12/2009
45183	605,821 - 599,588	62,474	11/02/2009	12,000	6,233	5,767	10/07/2009	02/07/2010
162134	412,577 - 406,392	222,388	11/03/2009	12,000	6,185	5,815	09/22/2009	01/22/2010
45195	629,859 - 623,754	165,442	10/31/2009	12,000	6,105	5,895	09/24/2009	01/24/2010
62917	336,327 - 330,226	327,661	10/29/2009	12,000	6,099	5,901	09/19/2009	01/19/2010
62387	344,198 - 338,149	264,744	11/03/2009	12,000	6,049	5,951	09/22/2009	01/22/2010

The primary service unit will be our Pacific Coast facility located at 2001 S. Manchester Ave. Anaheim, CA 92802.

Location Facilities:

- Paved and Fenced Parking
- Fuel storage and dispensers
- Under cover wash bays
- Three stage clarifier (County permitted)
- Training Manager and staff with a dedicated classroom
- Business Office for HR, Accounting, Sales and Administration
- Fully staffed Twenty Four hour Dispatch/Operations Office
- Twenty hour Maintenance facility with 4 bays and added service areas
- Well stocked parts room with appropriate inventory for the fleet
- Sanitary dump station
- Fully equipped shop trucks (2) for road/service calls

Location Hours:

- Dispatch open and staffed 24 hours every day
- Maintenance open and staffed 20 hours every day (will increase to 24 hours if awarded contract)
- Maintenance on call 24 hours every day
- Safety and training office staffed 7 days a week regular schedule is 8am to 5pm (hours expand when the need arises)

We have identified two properties in the local Van Nuys area, both offer secure fenced parking and would be under the direction of our Manager based at the Van Nuys Airport Flyaway terminal. One of these locations allows for light maintenance and service as well as room for additional Operations staff. Based at the Van Nuys location will be a fully prepared Shop Service Truck with appropriate Maintenance staff to support the contract from this northern terminus. Our preference would be for the second property and should we be awarded we will take steps to immediately secure our location, however, we are prepared to operate the service successfully if we are unsuccessful in securing a second property.



Pacific Coast Sightseeing Tours and Charters, Inc.

To address the question as by whom and where our maintenance is performed:

- Regular scheduled inspections and repairs will be completed in our shops and by our mechanics
- Warranty repair on engines or transmission or major components will be completed by the warranty agent, such as Allison Transmission or Detroit Diesel to name a few.
- Immediate response such as a flat tire on a road call will be managed by our shop truck or a contractor if needed.
- We have 14 mechanics and two support staff as well as a Manager and Foreman in our current composition. We will be adding 4 additional mechanics should we be awarded this contract. This will allow us to increase from a twenty hour daily shop to a 24 hour daily shop and cover the addition of the Van Nuys location.
- We welcome a visit to our facility and are happy to provide you more detail on this segment of our operation upon request. See our Maintenance Attachment

Road Failures

In the event that a vehicle has a road failure, Coach USA standard process will be followed to resolve the issue as quickly as possible with the goal of "reducing customer inconvenience, delays in service, and or vehicle down time". Upon notification by the driver to our dispatcher, our dispatcher will gather pertinent information such as:

- Description of problem
- Current location
- Any passengers on board
- Can the vehicle be moved
- Are there any special passenger needs
- Next pick-up time and location
- What has the driver tried
- Have you deployed any warning triangles

Once the appropriate information is obtained, the dispatcher will determine the best course of action to resolve the problem. Options that will be considered are:

- Dispatch back up bus
- Contact appropriate management staff
- Deploy new vehicle
- Contact maintenance staff
- Call for a tow truck
- Transfer passengers to another vehicle

Upon resolving the road failure, the dispatcher will prepare collected data and submit it to the management team and maintenance department. This information will be analyzed to determine if this was a preventable or non-preventable incident. Upon that determination, our maintenance department will take steps to ensure this road failure does not happen again. Steps may include:

- Decrease intervals of certain repairs
- Add the repair item to our 90 point inspection



Pacific Coast Sightseeing Tours and Charters, Inc.

- Contact vehicle manufacturer for possible recall items
- Use a different parts manufacturer

How the age and condition of the fleet will minimize service interruptions due to vehicle breakdowns:

If LAWA chooses the "new" bus option, there should be a reduction in any anticipated early wear breakdown levels simply because the mileage of the units will be at the starting point of new, less the delivery mileage. However, this "low mileage" does not relinquish the responsibility to the preventive maintenance program. Otherwise, the leverage of new vehicles would be compromised by lack of service. Should LAWA take the second option for used yet compliant vehicles, the key to breakdown reductions will be our preventative maintenance cycles of 21 days. There will of course, simply due to mileage, be some additional down time as components exhaust their life span. The selection of the new bus option will provide a consistent fleet for all service. The cascade fleet is a mix of year, manufacturer and models. We do feel that both options are practical, and we can provide the service under either scenario.

How the proposed fleet will contribute to LAWA's goal of achieving 100% compliance with the "Alternative Fuel Requirement Program (Attachment K) by demonstrating the fleet (1) is not powered by petroleum-derived gasoline or diesel fuel (2) diesel -fueled but has been retrofitted with California Air Resources Board (CARB) certified particulate traps; or (3) uses a combination of (1) and (2) herein to achieve the 100% goal:

All vehicles proposed either new and existing are 2010 or newer engine equipped. These engines come equipped from the manufacturer as certified compliant with the CARB requirements. They do not require retrofit action. They will meet the 100% goal that LAWA has established.

If the proposer proposes to make available smaller vehicles for "low-demand periods" and, if so, the Proposer should identify the vehicle type that would be used, including passenger and luggage capacity. Include the percentage of the total fleet that is composed of smaller vehicles:

For Union Station and Van Nuys the use of smaller vehicles would not be well advised due to the open sale and seating process currently in place. To develop maximum efficiency in the run calculations, we have deemed the contract is better served with full size buses. We can, if required, utilize smaller units at the request of LAWA. In other locations with lower demand, a smaller unit may work. We would be willing to address that request and define the type of unit recommended depending on the service requirements.

How the condition and amenities of the vehicles will be well-received by passengers:

In both fleet options, the following will certainly please the passengers:

- WIFI
- 110 outlets
- Seatbelts at each seat
- Comfortable reclining seats
- Smooth Air Ride suspension for passenger comfort
- Fully sufficient heating and air conditioning



Pacific Coast Sightseeing Tours and Charters, Inc.

- Large windows that give a sense of spaciousness

If the "cascade" fleet option is selected, the seats and the interior of the coaches will be gently used and the style of the coach will vary between the two models that will be operated. The average age of the cascade fleet is just under four years.

What resources and plans does the operator have to supplement the fleet as a back-up plan in the event of unforeseen circumstances:

Pacific Coast Sightseeing Tours and Charters, Inc. has a nine bus charter fleet which is based in Anaheim, these coaches can be brought to the service when needed. We can manage our charter operation through sub contract with other companies or with our sister company, All West Coaches, based in Sacramento. We have routinely assisted each other with drivers or drivers and coaches when needed. We both work with Amtrak and operate the MEGABUS program. All West is also a major Charter Carrier and their fleet would, in the event of unforeseen circumstances, be available to assist as well. In a long term situation we would call upon our Nevada and other Western based sister companies for assistance.

How the maintenance plan will keep Proposer's vehicle fleet in top mechanical and physical operating condition:

In order to maintain the SAFETY of the passengers, our employees, and the driving public, we must maintain the mechanical and physical operating condition of the fleet. We would be at risk both morally and financially to do otherwise. We continue to achieve the highest rating "Satisfactory" with all our agency inspections. In addition to CHP, we are inspected by the following: Department of Defense, Federal Motor Carriers, School Pupil Activity Bus via CHP and CPUC terminal inspections for authority renewal. Along with these external inspections, we are inspected internally by the corporate compliance team for SAFETY/TRAINING; MAINTENANCE COMPLIANCE; OPERATIONS PROCEDURE COMPLIANCE AND OF COURSE ACCOUNTING/FINANCIAL COMPLIANCE. As a responsible carrier of passengers, we operate a mechanically sound fleet over Seven Million annual miles in the Pacific Coast Sightseeing Tours and Charters, Inc. operation and pledge to treat this contract as respectfully as we do all of our other work.

What the capabilities of the Proposer are to expand the fleet in the event LAWA seeks to increase service, either on an ongoing basis or for high demand peak and seasonal requirements:

With the financial stability of Coach USA, we feel we can meet your fleet expectations. For the short term services for peak/seasonal work, we can draw from our existing fleet. With a four bus spare factor and a nine bus charter fleet, we have a fleet of 13 buses available. For a longer term commitment, we would reach to our Coach USA Master Cascade Fleet of vehicles that can relocate in revenue service from across the country. Or should LAWA prefer, we have the ability to acquire new equipment to fill in a longer term commitment.



ATTACHMENT

California Environmental Protection Agency
Air Resources Board

**Certificate of Reported Compliance
Truck and Bus Regulation**

Issued to:
PAC COAST SIGHTSEEING TOURS AND CHARTER
Motor Carrier PUC-29151-A USDOT-134893
74 Vehicles Reported

This certificate confirms that the fleet owner has attested under penalty of perjury that the statements and information they provided to the Air Resources Board (ARB) are true, accurate, and complete regarding all relevant vehicles in the fleet required to show compliance. ARB hereby finds that the fleet listed above has reported compliance with title 13, California Code of Regulations, Section 2025 of the Truck and Bus Regulation. If ARB subsequently finds that the statements and information that have been provided are not true, accurate, and complete, this certificate shall be effectively revoked and the fleet subject to non-compliance penalties.

This certificate is valid until **December 31, 2016**

Truck and Bus Fleet Identification


Erik White
Division Chief, Mobile Source Control Division
California Air Resources Board

20338
To verify the authenticity of this certificate, visit
www.arb.ca.gov/msprog/cnrdless/tblookup.php



Certification for Sustainable Transportation
University of Vermont Extension
23 Mansfield Avenue, Burlington, VT 05401
Phone: 802-656-9141 | email: info@eRating.org

2/3/2015

Dear Pacific Coast Sightseeing,

Congratulations! We are proud to announce that your fleet of 54 vehicles will be receiving their eRating vehicle certification through the University of Vermont's Certification for Sustainable Transportation program.

25 of your vehicles have received certifications at the e1 level with the remaining 29 receiving the e2 level. Among the many reasons your vehicles have received this recognition is your ability to move people at an average efficiency of 40.359 grams of CO₂ (42.376 grams CO₂eq) per passenger mile, which stands out as this efficiency is 64% more efficient than the US national average. Additionally, 54% of your fleet makes use of low emissions technology that meets or exceeds the EPA's 2010 emissions standards. The carbon tracking and aggressive carbon reduction plans your company has developed and company mandated re-use and recycling programs are additional reasons for the e1 and e2 certifications. Furthermore, your organization has put nearly 100% of its drivers through our eco-driving and idle free training courses with those same drivers pledging to embrace these techniques and practices in day-to-day company practices.

Later this week you will be receiving a packet of information along with the official certification labels for your vehicles. Please be in touch with any questions.

Sincerely,

Dave Kestenbaum | Director
Certification for Sustainable Transportation
at The University of Vermont
23 Mansfield Ave | Burlington, VT | 05401

9. CUSTOMER SERVICE PLAN

Describe the Proposer's employee training program and demonstrate where the identified program has been in use by the proposer:

Following this section you will find our training program in detail and the steps we follow including classroom and behind the wheel training; as well as, our VIGIL observation program. Narrative will follow the bullet point requests within the RFP.

Describe how the Proposer will maintain driver awareness and provide a training program directed towards the needs of disabled passengers in compliance with the ADA:

Within our training curriculum, we cover ADA training which includes far more than management of loading a wheelchair on the bus. We have initial intake training, follow up annual retraining, and then observation of actual work performance. We understand the key to success is to manage and train the individual employee and to create a culture of compliance within our company. We use a variety of tools to teach including: video, role play performance, actual wheelchairs, classroom discussions and hands on lift operation. As part of our drivers' daily pre-trip inspection, cycling the wheelchair lift is a requirement. Our safety and operations management conduct impromptu observations and evaluations during the pre-trip inspection to ensure awareness and compliance. We currently operate 59 Lift equipped buses in our fleet.

Describe what mechanisms and procedures will be used (1) to accept, record, disclose to LAWA and resolve customer complaints; (2) to track and record other customer comments and suggestions; and (3) to monitor internet-based reviews on travel and travel-related web sites:

Maintaining a daily exception log is the key to handling all exceptions, good and bad, in a prompt proactive manner. By contract, we will maintain an exception log that generates follow up and record keeping for infractions, compliments or any event or incident that is not part of the daily expected routine. These exceptions are then reviewed by the Contract Manager and, those items that should require further action, will be placed on an information document that triggers reporting, corrective action, commendation, counseling, contact with the passenger or complainant to complete the investigation. A written response will be sent to all individuals with appropriate information. Due to an employee's right of privacy, there is some information that will not be shared. This does not mean actions will not be taken, rather that the detail given will be in compliance. A copy of this report will be sent to the Airport Staff along with the follow up as to steps or action taken. This daily log is part of hands on management. The information for this log may come from internal sources such as fellow employee, our IT programs, Secret Shopper Program or it may be an external source. External sources may be an on highway observer, passengers, or the Airport staff. Management of complaints is always best handled in a prompt manner. Action by the Supervisor, Manager and/or Safety department will be handled fairly and objectively. Individuals with repeat complaints will be removed from service.

All customer comments received by our office will be copied to LAWA and where appropriate we will respond directly. When there is a matter of LAWA policy, we will seek guidance from the

Pacific Coast Sightseeing Tours and Charters, Inc.

LAWA staff. As a matter of staying informed, we already monitor internet based reviews on travel which is handled by our marketing staff. Since we sell on line with many of our products, we need to be aware of the chatter on the web and understand the impact it may have on our sales and image. We will of course expand our view to include all FlyAway related comments. This has become essential as the public uses this format more and more. We again would alert LAWA staff as to our findings as they relate to FlyAway.

How staff will be trained for all aspects of the operation (this includes employee discipline) including but not limited to properly licensing bus drivers.

Whether the Proposer will implement any innovative programs and technologies to enhance the customer experience:

The first bullet point is really a multi-part question. Let us start with discussing the training aspect for managing employees:

- All employees in a supervisory role are taken to that step via on the job training. We use resources from our parent company such as the HR training sessions to train local management. Mentoring from senior supervisors and managers is the next step in the process. In addition, we utilize outside training sources; as well as, in Industry offered courses through California Bus Association and United Motorcoach Association and American Bus Association.
- Discipline is a documented program and the areas needing correction are noted, written and discussed with the employee. Retraining may be an option for correction. Other methods of bringing compliance may be time off, reduction in hours or loss of position on this contract or loss of job. The steps above are started by the supervisor, then reviewed and guided by the Contract Manager with final approval from the General Manager.
- Proper licensing of bus drivers is managed via our Human Resources from an eligible hire in perspective; completion of training and release to operations as an active driver is overseen by the Safety/Training manager. No one is released to our operations group without having all necessary credentials: Commercial Driver's License (CDL) with proper endorsements for the equipment; current medical certification; a clean pre-employment drug test result; training documentation for vehicles to be driven; and appropriate route training for the program. Each day when arriving for shift, each driver must present the credentials to the Dispatcher and have the log signed off that they are present in possession and the dates are valid.

Innovative programs to enhance the customer experience:

- Wi-Fi onboard
- Advance on-line sales (no reserve seating)
- QR Codes to allow the passengers to scan a barcode into their smartphone and turn that reading into a booking
- Speedy, efficient ticketing through the Gateway Galaxy Point of Sale Systems
- GreenRoads technology to enhance the comfortable ride of the passenger



Pacific Coast Sightseeing Tours and Charters, Inc.

We support the idea of passenger service surveys and would like to conduct those if LAWA would allow. The rides are short and the key to service is safe transportation. These surveys will give insight to the expectations of the riders and if/how they are being met.

What mechanisms the Proposer will use to motivate employees (employee initiatives/incentives) to establish and maintain a work force focused in providing a high level of customer service:

One of the first steps to having strong employee performance and professionalism is to develop a positive work force with strong moral. It takes a bit to take on a new group of employees and to have them see the culture in your company, but with a concentrated effort and good listening skills you can make it happen. To develop pride amongst the work force we use a number of techniques:

- Wages, benefits and fair workplace rules are essential to employee attitudes which impact the daily performance of the employee group. We strive to offer benefits, wages and a workplace that is conducive to good employee morale and productivity.
- Our most recent innovation is the GreenRoads Technology reward program. In a nutshell, the individual can earn extra money just by driving safely and staying in the green zone.
- We offer Safety Awards for accident free driving.
- We provide rewards for compliments that come into our office for our drivers.
- We offer special discounts and free employee entrance tickets to many of the Southern California attraction/entertainment parks via our Southern California Gray Line Operation.
- Our employees can request to train in another of our programs if they have been successful for an appropriate period of time on the current assignment. This allows for advancement and diversity in the workplace.
- We promote from within. Many of our staff started in driving positions. Over time, and with experience, they have taken advantage of openings and training programs.
- We cross train our standby and extra board drivers on all programs so that we have backup personnel for heavy service demand, illness/absenteeism.
- Most Dispatchers, Supervisors, and our Trainers are fully licensed which gives us more depth within the Operations office.
- We provide full uniforms and jackets to our employees for pride in appearance and service.
- Wages are valued in part by performance reviews. The ability to move up in the wage steps is dependent upon a favorable review.

Customer service is not just about a safe, comfortable on-time trip. It is also about how you handle the exceptions of the day, the contingency plans you have in place, and the preplanned execution of the daily operations.



Pacific Coast Sightseeing Tours and Charters, Inc.

The following are some of the keys to our success in transportation customer service:

RESPONSE TO SERVICE DELAYS CAUSED BY A VEHICLE DOWN SITUATION:

Response to a down vehicle is a dual action item. The following steps are urgent and must occur immediately:

- Determine location and status of passengers
- Dispatch your standby bus and driver to roll towards the down unit as this starts the clock on how timely your recovery will be
- Involve Maintenance to determine what the problem is and if there is a way to bring the bus up with the operator
- Dispatch your shop service truck from the nearest base to assist with the unit for repair or to arrange return of the vehicle
- Determine if you have another FlyAway bus or a Pacific Coast Sightseeing Tours and Charters, Inc. bus in the area and available to assist. If yes then start that action as well, the bus that is the first to arrive will move the passengers
- There is also the option of using a third party to assist. Not what you would want to do but in some scenarios it is appropriate: Example - You have 20 passengers onboard a bus with a flat tire on Howard Hughes Parkway at Sepulveda en-route to the airport. At that moment, contacting the Taxi Dispatch at LAX and ordering 10 taxis to move the people may be the quickest and safest action. Alternatively you may have a bus waiting at the bus holding lot for its next assignment and then you move that bus to assist and backfill for the next service on that bus which could be a charter, Disneyland Resort Airport Service, or yet a FlyAway waiting for its next departure. This is part of the evaluation of the event for the best solution.
- Recovery could be as little as twenty minutes but more realistically it would be thirty minutes up to an hour depending on the exact location and the time of day.

This ability to solve problems and provide solutions is key to customer service, that is one of the areas we feel we are at an advantage. We have buses in the area all of the time, we have a talented Operations team, key communications are part of our program and the Saucon GPS system gives us preliminary engine information as well as tire detail.

Prevention of every problem is not a practical assumption, but being prepared to handle the exception/challenge is absolutely necessary to keep the service schedule intact and the passengers moving in a satisfactory manner. This is a key component in overall customer service.

We are easily reached via our 800-828-6699 or our website www.graylineanaheim.com. We will set up an email address for the FlyAway contract so that we can have immediate email from the ridership. This would be received in the operations office at both Van Nuys and Anaheim and responded to promptly.



ATTACHMENT

PACIFIC COAST SIGHTSEEING

FIRST REPORT OF TROUBLE DATE: / /

LOCATION: PREPARED BY:

Accident: Mechanical: Customer Service: Other:

Contract: Charter:

Time: : : Bus Number: PAX Status: Count:

Driver Name: Contact Number

Exact Location of Incident:

+++++

Complete this section for Accidents Only

Nature of Accident:

Police Department: Phone Badge#

INJURIES: YES No Number(if yes)

EXTENT

Transported: YES NO Where if yes

Status of Bus:

Instructions to Driver:

Notifications: GM Safety Contract Regional VP

.....

Maintenance Section:

Problem:

Status of PAX: Another Bus Dispatched: yes no

PAX Delay Time: From: to Bus returned to service:

Towing required: Yes No Company: Phone:

Notifications: GM Contract Mgr Contract Safety

Additional Information:

Operations Service Issues Log

Location: _____

[illegible]

Secret Shopper Checklist- Airport

Bus Number _____ Driver Name _____

Pick up Date / Time _____ Drop off Date / Time _____

Total Passengers on board at time of departure _____

Boarding at LAX

Bus came to a complete stop at all green bus locations	Yes _____ No _____
Driver got off the coach at my stop	Yes _____ No _____
Driver used destination sign paddle	Yes _____ No _____
Driver made verbal IRVINE destination announcement	Yes _____ No _____
Driver stood by door while passengers stepped onto coach	Yes _____ No _____
Were all passengers seated prior to coach being placed into motion?	Yes _____ No _____

Announcements prior to departing terminal 7

Driver announced his / her name	Yes _____ No _____
Driver announced the estimated travel time	Yes _____ No _____
Driver announced No Smoking policy	Yes _____ No _____
Driver informed passenger to remain seated	Yes _____ No _____
Driver informed passengers about emergency exit windows and how to open them	Yes _____ No _____
Driver informed passengers about emergency exit over-head hatches and how to open them	Yes _____ No _____
Driver informed passengers about location of fire extinguisher	Yes _____ No _____
Driver informed passengers on how to manually open the entrance door	Yes _____ No _____
Driver made IRVINE destination announcement	Yes _____ No _____

Boarding at:

Driver asked me what airline I was going to	Yes _____ No _____
Driver took my ticket	Yes _____ No _____
Driver stood by door while passengers stepped onto coach	Yes _____ No _____
Driver did not move coach until all passengers were seated	Yes _____ No _____

Announcements prior to departing

Driver announced his / her name	Yes _____ No _____
Driver announced the estimated travel time	Yes _____ No _____
Driver announced No Smoking policy	Yes _____ No _____
Driver informed passenger to remain seated	Yes _____ No _____
Driver informed passengers about emergency exit windows and how to open them	Yes _____ No _____
Driver informed passengers about emergency exit over-head hatches and how to open them	Yes _____ No _____
Driver informed passengers about location of fire extinguisher	Yes _____ No _____
Driver informed passengers on how to manually open the entrance door	Yes _____ No _____

Comments _____

(print) _____

Received _____

Signature _____

Received By _____

Date _____

10. REVENUE CONTROL AND AUDIT PLAN

Provide the estimated annual credit card transaction processing costs that the Proposer plans to pass thru for payment by LAWA. Include the percentage fee per transaction and distinguish fees applicable to in-person credit card transactions from those fees applicable to transactions conducted via the internet, if Proposer proposes to offer such ticketing option:

Our budgeted cost for a credit card transaction fee is 3.0% – 3.5% of the transaction. This equates to \$.24 - \$.28 per \$8.00 ticket. Since we cannot, with any accuracy, project the credit card charges as a dollar total due to the other forms of media available (MTA, Employee passes etc.), our pass through cost for credit cards will be billed based on actual invoice. This pass through cost is the same for in-person and on-line ticketing.

Describe in detail the means by which passengers will be able to purchase tickets at rates established by LAWA, including where, how, and through whom such sales will occur (e.g., driver, sales staff, internet sales, ticket vending machines) and whether the process will vary between high demand and low demand periods:

Passengers will be able to purchase tickets in the following methods:

- Van Nuys will have automated ticket machines both in the lobby and in the return bus area. In addition, we will have agents present with handheld back-up units should there be a malfunction in the ticket machines.
- Union Station will sell from the Kiosk with ticket agents handling the sales as there is no free standing ticket machine allowed. In addition, passengers can purchase from the MTA ticket vending in Union Station.
- Orange Line ticketing, at least through start up and the passenger demand can be evaluated, will be ticketed by the driver with a hand held device.
- From the Airport, all passengers without tickets will be ticketed at the destination through the location specific format.
- All passengers will have the opportunity to purchase online for any service.
- Other forms of media, such as the MTA passes, employee passes and any new format will be accepted and billed to the appropriate party.
- To reduce confusion, dissatisfaction and delays the ticketing service will be in place 24/7.

Describe any differences in the sales approach for trips starting at Union Station, Van Nuys FlyAway Bus Terminal, and Orange Line FlyAway site, when compared to those starting at LAX. If sales are only conducted at Union Station, Van Nuys Flyaway Bus Terminal, and Orange Line FlyAway site. Describe how passengers will be managed to ensure payment:

The primary difference for sales from LAX will be that passengers with current media will upon arrival at Van Nuys be required to scan through the line in order for the passenger fare data to be collected. Those with pre purchased trip tickets will surrender the ticket in order to enter the

Pacific Coast Sightseeing Tours and Charters, Inc.

terminal lobby for exit. Passengers who need to purchase tickets will be directed to the ticket machines in the bus arrival area.

Orange Line passengers will be required to present media for scanning or tickets for collection to the driver. The driver will sell tickets via a handheld device for all others. This may change if the ridership grows and warrants a ticketing machine or staff member availability.

Union Station riders will be required to clear at the ticket booth or with the porter for scanning of media, collection of tickets or purchase of tickets. This is the more difficult location to ensure all passengers are verified as ticketed. As a result it is imperative that the location is staffed with both porters and ticket agents on a 24/7 basis. The driver will be part of the screening at LAX and then advise Union Station staff of those in need of processing. The luggage bays can remain closed until the process is complete and paid passengers receive a redemption ticket for luggage once they have cleared the ticket process. This needs to be fine-tuned. However, the concept is valid to insure all parties are properly ticketed and data captured.

Propose what ticketing system and ticket stock controls will be employed or whether an alternative approach will be used:

We are proposing the GATEWAY Galaxy Ticketing Point of Sale System for our ticketing process. We are investing heavily in the hardware, software and continuing service contract so that we may have a solid method of ticketing and accounting in place. The system has a solid credit card processing component that complies with the credit card industry standards. All revenues will be managed in compliance with GAAP.

Gateway Ticketing Systems, Inc.

Gateway provides turnkey ticketing and admission control solutions to the transportation and entertainment industries. The company has been in business since 1988 and Coach USA has been a client since 1992.

Gateway's flagship ticketing application, Galaxy, has been used by over 400 companies in more than 40 countries. Notable clients using Galaxy in California include the City of Los Angeles (Los Angeles Zoo), Natural History Museum of Los Angeles, and Universal Hollywood. Additionally, five Coach USA operations rely on Galaxy to support ticketing and revenue control. In 2005 Coach USA deployed the Galaxy self-service kiosks solution and today five kiosks are installed across two separate Coach USA operations. The NCR kiosks offer reliable and easy to use self-service ticketing. In 2014 Coach USA deployed Galaxy's online desktop and mobile web store ticketing solution.

Coach USA depends on Gateway's systems to enhance its overall reputation as a first-class transportation provider. Gateway offers professional project management, customization, installation and training services to ensure the success of all new Galaxy system deployments. Once installed, Gateway's professional team stands behind their software and hardware solutions to ensure that the client continues to realize the maximum benefit from their investment.

Coach USA is confident that Gateway's Galaxy ticketing and admission control solutions are the ideal fit for the LAX FlyAway and trust Gateway to stand behind the system for the duration. Additional Gateway information is available at <http://www.gatewayticketing.com>



Ticketing Point of Sale

A Single Integrated Point of Sale System

Reduce staff training and allow for faster sales transactions with user-defined point of sale menus.

Gateway Ticketing Point of Sale responds to your growing needs for multiple sales channels, flexible and efficient guest services, and centralized management and security in a single system. The premier member of the Gateway product family consolidates your ticketing, food, and retail sales through an easy-to-use point of sale interface. With Gateway Ticketing POS, you can sell admission tickets, apply discounts, and collect demographic and revenue data. These features, combined with powerful reporting capabilities and cutting edge security, make Gateway Ticketing POS the leader in the ticketing point of sale industry.

With Gateway Ticketing Point of Sale you can:

- **Never Lose a Sale by Offering Flexible Payment Options**
Manually enter payments or scan credit cards or checks for immediate processing. Gateway Point of Sale supports all your tendering needs, including integrated credit card processing.
- **Reduce Staff Training Time**
Your staff requires training on only one point of sale system. The system is easy to use and features user-defined point of sale menus.
- **Accurately Cash-out a Seller's Drawer**
Easily reconcile a seller's drawer at the end of the shift or day with *Denominational* and *Denominational by Form Of Payment* deposit methods.
- **Increase Sales by Collecting Valuable Customer Information**
Gateway Point of Sale has extensive marketing and demographic data collection capabilities that you can use to grow your business.
- **Design Your System the Way You Want It**
Gateway Point of Sale users control the database design of their system, including ticket and item configuration, the visual design of tickets, Galaxy menu design, and point of sale functions.

Gateway
TICKETING SYSTEMS

Automated Cash Control Procedures
Automatically reconcile the entire drawer at the end of the shift or day with *Denominational* and *Denominational by Form Of Payment* deposit methods.

Intelligent Ticket Returns
Make informed decisions by viewing history, usage and more before returning, reprinting or upgrading tickets. Available tickets are highlighted by security privileges to protect sensitive information.

Single, Integrated Point of Sale System

- Reliable, flexible, and high-speed ticketing
- General admission, group, or date-specific ticket sales
- Reduced training costs; your staff will require training on just one point of sale system
- Sales and discounting via a touch screen, keyboard, or barcode scan
- Based on industry-standard platforms, enabling smooth retrieval of data by third party software

Automated Ticket Printing

- Automatically print user-defined tickets at the point of sale station
- Include barcodes for admission into your facility

Extensive Marketing and Demographic Data Collection Capabilities

- Promotional tracking
- Guest origins and surveying
- Prompt automatically at the beginning or end of transactions

Centralized Configuration

- All back office configurations are quickly applied across the entire system
- Control icons, fonts, colors and ticket function location on menus
- User-definable roles for ticket and receipt printing
- Additional modules link into the Point of Sale system to make system administration easy

Enhanced Management Reporting and Search Tools

- View ticket history and usage, return, and reprint tickets in a single process
- Retrieve data in over 100 reports filtered by cashier, booth, shift, location, and company
- Search and view transaction history for the entire sale from Point of Sale
- Control security profiles for user access to Galaxy functions and maintenance tools
- Simplified price rate management with Price Schedules

Advanced Cash Control Capabilities

- Accepts multiple forms of payment
- Processes multiple currencies in a single transaction
- Integrated credit, debit, and check authorization
- Electronic signature capture
- Full cash reconciliation procedures, and easy interim and final deposits
- Deposit reminders triggered by total cash sales in drawer
- Sales tracked by User or Shift, and tracking across multiple agencies

Attach Multiple Peripherals to One Station

- Integrate ticket, promotion, and voucher barcode scanning at all POS stations
- Support multiple credit authorization peripherals, including magnetic card readers, signature capture devices and debit card pin pads
- Multiple customer display solutions including external booth displays

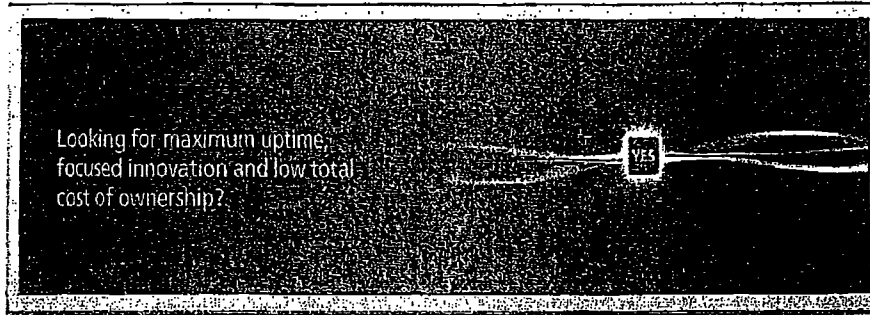
www.gatewayticketing.com



Proposed ticket vending machine solution:

NCR Hardware Solutions

For entertainment venues



Innovative, fit-for-purpose POS terminals, kiosks and peripherals
Entertainment venues have incredibly challenging environments for technology. Long hours of continuous operation, dirt and grease can wear down systems over time and keep you from providing the excellent service your patrons demand. Our approach to entertainment technology is simple: focused innovation for non-stop sales reliability. NCR delivers the industry's most comprehensive hardware suite – point-of-sale terminals, self service kiosks and servers for entertainment venues.

- **Improve speed of service**
Improve customer throughput, improve order accuracy, and significantly reduce cashier training – high performance technology, easy-to-use touch screens, and exceptional reliability help you provide fast, accurate service.
- **Maximize system uptime**
Eliminate technology-related services interruptions. NCR hardware is built for non-stop reliability, offering features like passive cooling, innovative cable management and solid-state electronics that maximize system uptime.
- **Increase flexibility**
Leverage industry-standard components and numerous powered peripheral ports to meet your business needs. Easily integrate the solution with your site's network and other technology systems.
- **Comprehensive support and maintenance**
Our hardware solutions are backed by comprehensive support and maintenance programs. We offer multiple competitively-priced programs – ranging from advanced exchange to 24-hour on-site support.



Experience a new world of interaction

NCR Hardware Solutions
For entertainment venues



Pacific Coast Sightseeing Tours and Charters, Inc.

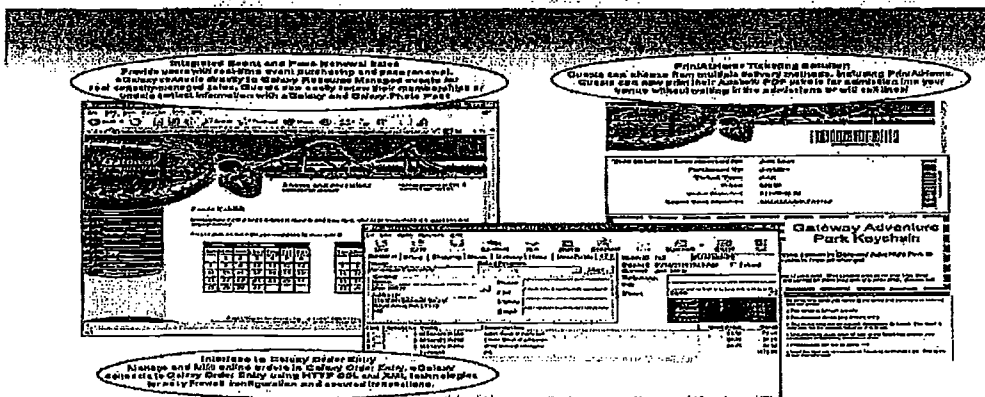


eGalaxy Web Store expands your sales capacity to multiple channels, including front gate box office, telephone sales centers, and Internet e-commerce. Seamlessly integrated and customizable, eGalaxy Web Store integrates with Galaxy Revenue Management, Admission Control, and Order Entry to provide complete online sales from ordering to fulfillment.

With eGalaxy Web Store you can:

- **Add an Online Sales Channel**
Take your sales and marketing channels online with Internet ticketing and e-commerce.
- **Interface to Galaxy Order Entry**
Manage and fulfill online orders in Galaxy Order Entry. eGalaxy connects to Galaxy Order Entry using HTTP SSL and XML technologies for easy firewall configuration and secured transactions.
- **Provide Guests with Real-time Event Purchasing and Pass Renewal**
eGalaxy connects directly to Galaxy Resource Managed events for real capacity-managed sales. Guests can easily renew their memberships or update contact information with eGalaxy and Galaxy Photo Pass.
- **Offer the Convenience of PrintAtHome Tickets**
Once guests have purchased their tickets online, they can choose from multiple delivery methods, including PrintAtHome. Tickets can be immediately emailed to them as a PDF, and printed out on a home or office computer. No more waiting in line at admissions!
- **Use Full Color Product Graphics and Descriptions**
Display your retail items to their fullest with graphic images. Associate a larger picture and additional information with each item to encourage the customer purchasing decision.

Gateway



Easy-to-use Web Interface

- Associate tickets and items with a digital picture and additional descriptive details
- User-defined categories simplify shopping
- Guided checkout process with billing and shipping terms automatically populates for repeat customers
- Print tickets on home printers
- Integrated promotional offers for marketing partners
- Apply valid discounts to orders

Resource Managed Ticketing

- Advance purchase of fixed capacity events
- View available events in calendar view
- Immediately see available capacity for any event

Pass Holder Features

- Renew a pass
- Update pass contact information

Web Store Management is Secure and Centralized

- eGalaxy Web Store connects to eGalaxy Server with a secure Internet connection
- Secure Socket Layers and HTTPS address matching
- Galaxy Manager's Administration provides a centralized point of management for Web publishing

Customized Brand Matching

- Graphics and design fit into your existing Web site
- Support full color images of all products
- Customizable confirmation e-mails
- Fully customizable PrintAtHome tickets delivered as PDFs

Web Publishing Integrated with Back Office Management Tools

- Define ticket and item categories
- Publish tickets and items set up through Galaxy Point of Sale
- Control delivery methods per product
- Set Galaxy Point of Sale tax rules

No Third Party Charges Imposed

- No service fees or per ticket charges
- Order fulfillment and revenue statistics are available from integrated reports

Industry Standard Platforms

- Microsoft SQL Server database allows for the production of customized reports
- Microsoft .NET Framework
- Extensive number of third party tools can add, archive, and replicate data

www.gatewayticketing.com



RFP: OPERATION OF UNION STATION, VAN NUYS AND ORANGE LINE FLYAWAY BUS SERVICE

Page 51

Pacific Coast Sightseeing Tours and Charters, Inc.

Propose whether or not cash transactions will be accommodated and if so, under what circumstances and controls. (Note LAWA is not requiring the operator to accept cash, but the operator may elect to provide this service:

We do not plan to offer a cash option. If cash is offered, it would require extensive controls and could only be available at fully manned sites such as Union Station and Van Nuys, potentially creating some confusion for passengers as it relates to consistency. Cash also requires behind the scenes expenses such as counting rooms with camera or automated Brinks type cash drawers at locations. The biggest concern is the safety of the ticket agents. In particular, the Union Station location is open 24/7 so the possibility of theft is potentially high. Drivers can also be at high risk, should they be required to carry cash.

Outline all relevant procedures and processes the Proposer will use to monitor employee compliance with 1) Payment Card Industry Data Security Standards; 1) cash/credit card handling policies of the Proposer; and 2) promissory notes or other systems for passengers without valid credit or debit cards:

1) As the largest motor-coach operator in North America Coach USA places a high value on compliance. Payment Card Industry (PCI) and Payment Application Data Security (PA-DSS) are no exception to our compliance standards. PCI and PA-DSS compliance is an ongoing task that is an evolution as requirements change to meet more modern standards and threats. Coach USA has never been in a position of non-compliance. Currently we are fully PCI V2 compliant. As V#3 supersedes V2 on 10/31/15, Coach USA will be ready to embrace all the new requirements including the "Chip and Pin" requirements at any card present capture point such as the POS system we are proposing for FlyAway. Coach USA is by PCI definition a level three merchant that is required to maintain a secure network and do quarterly network intrusion scans to test said security. Coach USA chooses to conduct nightly security scans of our network vs. the required quarterly scan. All our network access points are protected both physically and by firewalls that are meticulously updated and maintained 24/7. Coach USA has in place a private nationwide MPLS network that is highly available and secures connection for all our office and data centers. 1) cash/credit card handling policies of the Proposer consist of daily reconciliation of sales by type, by location and balanced to the total sales. This function starts with the accounting department and is audited by the Senior Accounting staff and the Controller. Each of these elements is then reconciled against bank statements, billing reconciliation and passenger counts. All sales staff will have trained in the compliance segment and the controls required managing credit card sales. Much of this is automated, but we still have the human equation to manage as well. Thus auditing is essential to our operation.

2) Promissory notes will be treated as a "sale by type" in our accounting for passengers and revenue. They will be remitted to the airport for final handling. There really is not another way to manage non-paying passengers unless reviewed by a supervisor or the airport staff. That is not to say we could not develop an approach with the approval of the airport to try a new scenario.

Describe Proposer's plan for achieving and maintaining compliance with Payment Card Industry Data Security Standards:

Coach USA has a I T Manager focused on PC compliance as a primary task, Coach USA also employs a third party QSA as required, has policies set in place and does continuing education to



Pacific Coast Sightseeing Tours and Charters, Inc.

reinforce these foundational efforts. One of the strong reasons Coach USA is proposing Gateway ticketing is Gateway is an excellent partner in maintaining PCI PA-DSS compliance.

Coach USA has inside our network over 200 servers and 1600 PC's. Coach USA also maintains 2 geographically separate world class fully redundant data centers that pass the rigors of PCI PA-DSS audits to ensure safe, reliable and available data in a secure environment. Anti - Virus and Anti-Malware software is installed on our entire group of PC'S and Servers and updated real-time throughout every day.

How much experience the Proposer has with alternative sales technologies:

During the past year we have processed \$4,077,083 in credit card charges for passenger services. This includes our Disneyland Resort Airport Express, Southern California Gray Line operation and Charter sales. We billed another \$16,000,000 plus for services performed via invoice. All processing, billing, payment reconciliation and identification of service type were performed in our local accounting office. The Megabus product is an online purchase and is reconciled by our corporate accounting department.

What processes will be in place to allow LAWA to easily audit sales, revenue collection, passenger counts and other related audit items:

- Exclusive use of The Gateway Galaxy System for ticket sales, reporting and reconciliation for the FlyAway contract.
- Dedicated bank account for the deposit of all funds collected on behalf of FlyAway contract.
- Monitored sales activity at the location using standard accounting protocols and management of the operations team.
- Compliance with GAAP in all areas of our accounting process.
- Accurate filing and maintenance of contracts and support documents for ease of auditing.



**COMMENCEMENT DATE MEMORANDUM
BETWEEN THE CITY OF LOS ANGELES AND
PACIFIC COAST SIGHTSEEING TOURS AND CHARTERS, INC.
FOR THE
OPERATION OF VAN NUYS/ORANGE LINE AND
UNION STATION FLYAWAY BUS SERVICES
AT LOS ANGELES INTERNATIONAL AIRPORT**

This Commencement Date Memorandum (this "Memorandum") is dated as of _____, 2015, in connection with the Operation and Management Agreement for the Van Nuys/Orange Line and Union station Flyaway Bus Service at Los Angeles International Airport (the "Agreement") dated _____, 2015 between Pacific Coast Sight Seeing Tours and Charters ("Operator") and THE CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS, a municipal corporation ("City"), acting by order of and through its Board of Airport Commissioners.

City and Operator hereby confirm that the Commencement Date of the Agreement is _____, 2015, and the Expiration Date of the Agreement is _____, 2015.

APPROVED AS TO FORM:
Michael N. Feuer, City Attorney

CITY OF LOS ANGELES

Date: _____

By: _____
Executive Director
Department of Airports

By: _____
Deputy/Assistant City Attorney

ATTEST:

**Pacific Coast Sightseeing Tours and
Charters, Inc.**

By: _____
(Signature)

By: _____
(Signature)

Print Name and Title

Print Name and Title

ATTEST:

Stagecoach Group plc

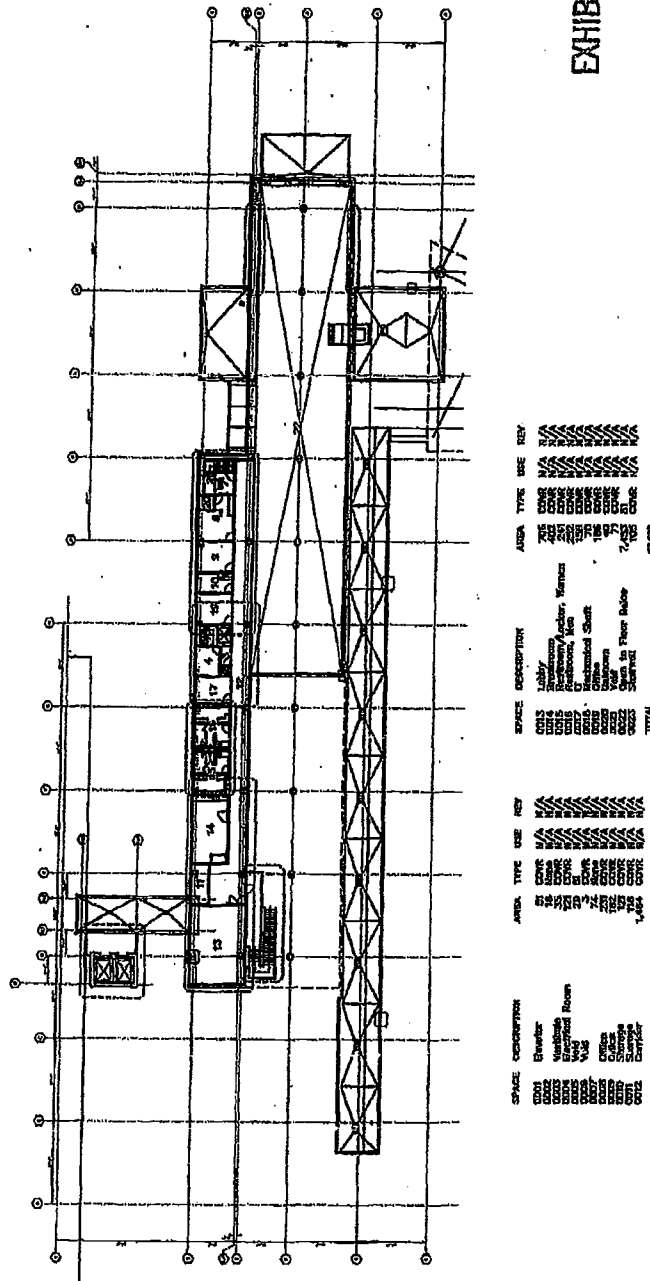
By: _____
(Signature)

By: _____
(Signature)

Print Name and Title

Print Name and Title

EXHIBIT A-1



**2ND FLOOR PLAN
FLYAWAY
BUS TERMINAL**

NOTES:

1. The crosses noted above are to be considered identical traits and were released using the Landry Management Application form listing breeding lines, commercial CMO lines, available information and recommended control line LARs, seedling, comments, evidence, verifications and approvals from Property and Control Line Management. The crosses were released on 10/25/2017.
2. Crosses released through 2017 are from the 2017 cross release.

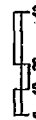
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Exhibit A-4

Annual License Fee

					Annual Fee
Bus Terminal --	Office Space	271 Square Feet	@ \$ 13.00 PSFPY		\$ 3,523.00
Bus Terminal --	Break Room	402 Square Feet	@ \$ 10.00 PSFPY		\$ 4,020.00
Bus Terminal --	Ticketing Kiosk	100 Square Feet	@ \$ 13.00 PSFPY		\$ 1,300.00
Bus Terminal --	Ticket Machines	[100] Square Feet	@ \$ 1.70 PSFPY		\$ 170.00
					<u>\$ 9,013.00</u>

Note: The Executive Director may prorate License Fee if the Van Nuys Facility is occupied for less than a year.

EXHIBIT B

VNY FlyAway Schedule

Van Nuys to LAX

Monday - Sunday

0:00	6:30	10:30	17:30
1:00	6:45	11:00	18:00
2:00	7:00	11:30	18:30
3:00	7:15	12:00	19:00
3:30	7:30	12:30	19:30
4:00	7:45	13:00	20:00
4:30	8:00	13:30	20:30
4:45	8:15	14:00	21:00
5:00	8:30	14:30	21:30
5:15	8:45	15:00	22:00
5:30	9:00	15:30	22:30
5:45	9:15	16:00	23:00
6:00	9:30	16:30	23:30
6:15	10:00	17:00	

LAX to Van Nuys

Monday - Sunday

0:00	8:00	13:00	17:00	22:00
0:15	8:30	13:15	17:30	22:15
0:30	9:00	13:30	18:00	22:30
1:15	9:30	13:45	18:15	23:00
2:15	10:00	14:00	18:30	23:15
2:45	10:30	14:15	19:00	23:30
3:45	11:00	14:30	19:15	
4:15	11:15	15:00	19:30	
4:45	11:30	15:15	20:00	
5:30	11:45	15:30	20:15	
6:00	12:00	15:45	20:30	
6:30	12:15	16:00	21:00	
7:00	12:30	16:15	21:15	
7:30	12:45	16:30	21:30	

Orange Line to LAX

Monday - Sunday

4:07	13:07
5:07	14:07
6:07	15:07
7:07	16:07
8:07	17:07
9:07	18:07
10:07	19:07
11:07	20:07
12:07	

Daily Trips:

Monday - Sunday: 117

Union Station FlyAway Schedule

Union Station to LAX

Monday - Friday

0:00	7:10	12:00	18:00
0:30	7:30	12:30	18:30
1:00	7:50	13:00	19:00
2:00	8:10	13:30	19:30
3:00	8:30	14:00	20:00
4:00	8:50	14:30	20:30
5:00	9:10	15:00	21:00
5:30	9:30	15:30	21:30
5:50	10:00	16:00	22:00
6:10	10:30	16:30	22:30
6:30	11:00	17:00	23:00
6:50	11:30	17:30	23:30

LAX - Union Station

Monday - Friday

0:00	7:30	13:00	18:30
0:30	8:00	13:30	19:00
1:00	8:30	14:00	19:30
2:00	9:00	14:30	20:00
3:00	9:30	15:00	20:30
4:00	10:00	15:30	21:00
5:00	10:30	16:00	21:30
5:30	11:00	16:30	22:00
6:00	11:30	17:00	22:30
6:30	12:00	17:30	23:00
7:00	12:30	18:00	23:30

Union Station to LAX

Saturday - Sunday

0:00	7:30	13:00	18:30
0:30	8:00	13:30	19:00
1:00	8:30	14:00	19:30
2:00	9:00	14:30	20:00
3:00	9:30	15:00	20:30
4:00	10:00	15:30	21:00
5:00	10:30	16:00	21:30
5:30	11:00	16:30	22:00
6:00	11:30	17:00	22:30
6:30	12:00	17:30	23:00
7:00	12:30	18:00	23:30

LAX - Union Station

Saturday - Sunday

0:00	7:30	13:00	18:30
0:30	8:00	13:30	19:00
1:00	8:30	14:00	19:30
2:00	9:00	14:30	20:00
3:00	9:30	15:00	20:30
4:00	10:00	15:30	21:00
5:00	10:30	16:00	21:30
5:30	11:00	16:30	22:00
6:00	11:30	17:00	22:30
6:30	12:00	17:30	23:00
7:00	12:30	18:00	23:30

Daily Trips:

Monday - Friday: 92

Saturday - Sunday: 88

INSURANCE REQUIREMENTS FOR LOS ANGELES WORLD AIRPORTS

NAME: PACIFIC COAST SIGHTSEEING TOURS AND CHARTERS, INC.
AGREEMENT / ACTIVITY: Van Nuys/Orange Line and Union Station FlyAway bus service at LAX.
TERM: Seven years
LAWA DIVISION: Commercial Development Group

The insured must maintain insurance coverage at limits normally required of its type operation; however, the following coverage noted with an "X" are the minimum required and must be at least the level of the Combined Single Limits indicated.

LIMITS

☒ Workers' Compensation (Statutory)/Employer's Liability
(X) Voluntary Compensation Endorsement
(X) Waiver of Subrogation, specifically naming LAWA
(Please see attached supplement)

Statutory

☒ Automobile Liability - covering owned, non-owned & hired auto

\$5,000,000 CSL

☒ Aviation/Airport or Commercial General Liability, including the following coverage:

\$1,000,000 CSL

- (X) Premises and Operations
- (X) Contractual (Blanket/Schedule)
- (X) Independent Contractors
- (X) Products /Completed Operations
- (X) Personal Injury
- (X) Additional Insured Endorsement, specifically naming LAWA
(Please see attached supplement).
- () Hangarkeepers Legal Liab. (At least at a limit of liability of \$ 1 million)

Coverage for Hazardous Substances

\$ ***

*** If exposure exists; must meet contractual requirements

CONTRACTOR SHALL BE HELD RESPONSIBLE FOR OWN OR HIRED EQUIPMENT AND SHALL HOLD AIRPORT HARMLESS FROM LOSS, DAMAGE OR DESTRUCTION TO SUCH EQUIPMENT.

INSURANCE COMPANIES WHICH DO NOT HAVE AN AMBEST RATING OF A- OR BETTER, AND HAVE A MINIMUM FINANCIAL SIZE OF AT LEAST 4, MUST BE REVIEWED FOR ACCEPTABILITY BY EXECUTIVE DIRECTOR.

PLEASE RETURN THIS FORM WITH EVIDENCE OF INSURANCE

EXHIBIT C

Insurance Requirements

INSURANCE REQUIREMENTS FOR LOS ANGELES WORLD AIRPORTS (SUPPLEMENT)

The only evidence of insurance accepted will be either a Certificate of Insurance and/or a True and Certified copy of the policy. The following items must accompany the form of evidence provided:

- **Endorsements:**

1. Workers Compensation Waiver of Subrogation Endorsement
(WC 04 03 06 or similar)
2. General Liability Additional Insured Endorsement
(ISO Standard Endorsement)

****All endorsements must specifically name in the schedule:

The City of Los Angeles, Los Angeles World Airports, its Board, and all of its officers, employees and agents.

A BLANKET/AUTOMATIC ENDORSEMENT AND/OR LANGUAGE ON A CERTIFICATE OF INSURANCE IS NOT ACCEPTABLE.

- A typed legible name of the Authorized Representative must accompany the signature on the Certificate of Insurance and/or the True and Certified copy of the policy.

Exhibit D

Termination Payment Illustration¹

Qualified Investment	Agreement Term (years)	Annual Depreciation of Qualified Investment	Six Months of Annual Depreciation of Qualified Investment	Operator's Shut-down Expenses ² (not to exceed amount)	Termination Payment Due to Operator ³
A	B	C $C = A/B$	D $D = C/2$	E	F $F = D+E$
\$500,000	7	\$71,429	\$35,714	\$1,000	\$36,714

¹ For illustrative purposes only.

² Assume the total compensation payments made to the Operator for the preceding twelve month period is \$12,000, therefore, average monthly compensation payments made to Operator's is \$1,000 (\$12,000/12).

³ Assumes not to exceed amount for shut-down expenses equals the amount eligible for reimbursement in this illustration.

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. I, Art. I

EQUAL EMPLOYMENT

Sec. 10.8.3. Equal Employment Practices Provisions.

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$1,000 or more, and every construction contract for which the consideration is \$1,000 or more, shall contain the following provisions, which shall be designated as the **EQUAL EMPLOYMENT PRACTICES** provision of such contract:

A. During the performance of this contract, the contractor agrees and represents that it will provide equal employment practices and the contractor and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
3. The contractor agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.

B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

C. As part of the City's supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, the contractor shall certify in the specified format that he or she has

not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

D. The contractor shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of City contracts. On their or either of their request the contractor shall provide evidence that he or she has or will comply therewith.

E. The failure of any contractor to comply with the Equal Employment Practices provisions of this contract may be deemed to be a material breach of City contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.

F. Upon a finding duly made that the contractor has failed to comply with the Equal Employment Practices provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two

years, or until the contractor shall establish and carry out a program in conformance with the provisions hereof.

G. Notwithstanding any other provision of this contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.

H. The Board of Public Works shall promulgate rules and regulations through the Office of Contract Compliance, and provide necessary forms and required language to the awarding authorities to be included in City Request for Bids or Request for Proposal packages or in supplier registration requirements for the implementation of the Equal Employment Practices provisions of this contract, and such rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish the contract compliance program.

I. Nothing contained in this contract shall be construed in any manner so as to require or permit any act which is prohibited by law.

J. At the time a supplier registers to do business with the City, or when an individual bid or proposal is submitted, the contractor shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of City Contracts.

K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:

1. Hiring practices;
2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
3. Training and promotional opportunities; and
4. Reasonable accommodations for persons with disabilities.

L. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

SECTION HISTORY

Amended by: Ord. No. 147,030, Eff. 4-28-75; Paragraphs A., B., C., Ord. No. 164,516, Eff. 4-13-89; Paragraphs C., Ord. No. 168,244, Eff. 10-18-92; Ord. No. 173,186, Eff. 5-22-00; Subsec. F., Ord. No. 173,285, Eff. 6-26-00, Oper. 7-1-00.

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. 1, Art. 1

AFFIRMATIVE ACTION

Sec. 10.8.4. Affirmative Action Program Provisions.

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$100,000 or more and every construction contract with or on behalf of the City of Los Angeles for which the consideration is \$5,000 or more shall contain the following provisions which shall be designated as the **AFFIRMATIVE ACTION PROGRAM** provisions of such contract:

A. During the performance of a City contract, the contractor certifies and represents that the contractor and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

1. This provision applies to work or services performed or materials manufactured or assembled in the United States.

2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.

3. The contractor shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.

B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

C. As part of the City's supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, the contractor shall certify on an electronic or hard copy form to be supplied, that the contractor has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

D. The contractor shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City contracts, and on their or either of their request to provide evidence that it has or will comply therewith.

E. The failure of any contractor to comply with the Affirmative Action Program provisions of City contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.

F. Upon a finding duly made that the contractor has breached the Affirmative Action Program provisions of a City contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or

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proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.

G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that the contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City contract, there may be deducted from the amount payable to the contractor by the City of Los Angeles under the contract, a penalty of TEN DOLLARS (\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a City contract.

H. Notwithstanding any other provisions of a City contract the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.

I. The Public Works Board of Commissioners shall promulgate rules and regulations through the Office of Contract Compliance and provide to the awarding authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish this contract compliance program.

J. Nothing contained in City contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.

K. The contractor shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or proposal or at the time it registers to do business with the City. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding

authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, the contractor may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, the contractor must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.

(1) Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.

(2) A contractor may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.

L. The Office of Contract Compliance shall annually supply the awarding authorities of the City with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and the contractor.

M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to

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the subject or nature of employment activity, be concerned with such employment practices as:

1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
2. Classroom preparation for the job when not apprenticeable;
3. Pre-apprenticeship education and preparation;
4. Upgrading training and opportunities;
5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
6. The entry of qualified women, minority and all other journeymen into the industry; and
7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.

N. Any adjustments which may be made in the contractor's or supplier's work force to achieve the requirements of the City's Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the work force or replacement of those employees who leave the work force by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.

O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the City and may be used at the discretion of the City in its Contract Compliance Affirmative Action Program.

P. This ordinance shall not confer upon the City of Los Angeles or any Agency, Board or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by contractors or suppliers engaged in the performance of City contracts.

Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

SECTION HISTORY

Amended by Ord. No. 147,030, Eff. 4-28-75; Paragraphs A., B., C., Ord. No. 164,516, Eff. 4-13-89; Paragraphs B. and C., Ord. No. 168,244, Eff. 10-18-92; Title and Section, Ord. No. 173,186, Eff. 3-22-00; Subsec. F, Ord. No. 173,283, Eff. 6-26-00, Oper. 7-1-00.

EXHIBIT F AFFIRMATIVE ACTION

EQUAL EMPLOYMENT PRACTICES PROVISIONS
Construction Contracts in excess of \$1,000 or more but less than \$5,000 and
Nonconstruction Contracts of \$1,000 or more but less than \$100,000

Sec. 10.8.3. Equal Employment Practices Provisions.

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$1,000 or more, and every construction contract for which the consideration is \$1,000 or more, shall contain the following provisions, which shall be designated as the EQUAL EMPLOYMENT PRACTICES provision of such contract:

- A. During the performance of this contract, the contractor agrees and represents that it will provide equal employment practices and the contractor and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
 - 1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. The contractor agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- C. As part of the City's supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, the contractor shall certify in the specified format that he or she has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- D. The contractor shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of City contracts. On their or either of their request the contractor shall provide evidence that he or she has or will comply therewith.
- E. The failure of any contractor to comply with the Equal Employment Practices provisions of this contract may be deemed to be a material breach of City contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.
- F. Upon a finding duly made that the contractor has failed to comply with the Equal Employment Practices provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, such contractor shall be disqualified from being awarded a contract with City of Los Angeles for a period of two years, or until the contractor shall establish and carry out a program in conformance with the provisions hereof.
- G. Notwithstanding any other provision of this contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.
- H. The Board of Public Works shall promulgate rules and regulations through the Office of Contract Compliance, and provide necessary forms and required language to the awarding authorities to be included in City Request for Bids or Request for Proposal packages or in supplier registration requirements for the implementation of the Equal Employment Practices provisions of this contract, and such rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish the contract Compliance program.
- I. Nothing contained in this contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the City, or when an individual bid or proposal is submitted, the contractor shall agree to adhere to the Equal Employment Practices specified herein during the performance or conducted of City Contracts.
- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
 - 1. Hiring practices;
 - 2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 - 3. Training and promotional opportunities; and
 - 4. Reasonable accommodations for persons with disabilities.
- L. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

AFFIRMATIVE ACTION PROGRAM PROVISIONS
Construction Contracts of \$5,000 or More and
Nonconstruction Contracts of \$100,000 or More

Sec. 10.8.4. Affirmative Action Program Provisions.

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$100,000 or more and every construction contract with or on behalf of the City of Los Angeles for which the consideration is \$5,000 or more shall contain the following provisions which shall be designated as the **AFFIRMATIVE ACTION PROGRAM** provisions of such contract:

- A. During the performance of a City contract, the contractor certifies and represents that the contractor and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
 1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 3. The contractor shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- C. As part of the City's supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, the contractor shall certify on an electronic or hard copy form to be supplied, that the contractor has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- D. The contractor shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City contracts, and on their or either of their request to provide evidence that it has or will comply therewith.
- E. The failure of any contractor to comply with the Affirmative Action program provisions of City contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.
- F. Upon a finding duly made that the contractor has breached the Affirmative Action Program provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that the contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City contract, there may be deducted from the amount payable to the contractor by the City of Los Angeles under the contract, a penalty of TEN DOLLARS (\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a City contract.
- H. Notwithstanding any other provisions of a City contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.
- I. The public Works board of Commissioners shall promulgate rules and regulations through the Office of Contract Compliance and provide to the awarding authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish this contract compliance program.
- J. Nothing contained in City contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.

- K. The contractor shall submit an Affirmative Action Plan which shall meet the requirements of this Chapter at the time it submits its bid or proposal or at the time it registers to do business with the City. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, the contractor may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, the contractor must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.
- (1) Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
 - (2) A contractor may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the City with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and the contractor.
- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 2. Classroom preparation for the job when not apprenticeable;
 3. Pre-apprenticeship education and preparation.
 4. Upgrading training and opportunities;
 5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
 6. The entry of qualified women, minority and all other journeymen into the industry; and
 7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- N. Any adjustments which may be made in the contractor's or supplier's work force to achieve the requirements of the city's Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the work force or replacement of those employees who leave the work force by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the City and may be used at the discretion of the City in its Contract Compliance Affirmative Action Program.
- P. This ordinance shall not confer upon the City of Los Angeles or any Agency, Board or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by contractors or suppliers engaged in the performance of City contracts.
- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

LOS ANGELES CITY AFFIRMATIVE ACTION MANDATORY PROVISIONS

Notwithstanding any other provision of this Division to the contrary, every construction contract involving an expenditure of \$5,000 or more of City funds, except in cases of urgent necessity, as provided in Section 371 of the Charter of the city of Los Angeles and except as provided in Section 10.9 of this Code, shall contain as part of the contract an Affirmative Action Plan substantially as set forth in this section and which by the contractor's signature affixed thereto, shall constitute and be established as the contractor's Affirmative Action Plan. The Plan, which may be a plan proposed by the contractor or the City's proposed Plan prepared by the Office of Contract Compliance, shall be subject to the approval of the Office of Contract Compliance prior to award of the contract. The Plan may consist of a Plan approved by the Office of Contract Compliance within the previous twelve months. If the previously approved Plan is 30 days or less from expiration, the contractor must submit a new Plan to the Office of Contract Compliance which shall be subject to approval before the contract may be awarded.

Sec. 10.13. Mandatory Provisions Pertaining to Nondiscrimination in Employment and Affirmative Action in Hiring Employees in the Performance of Work on Certain City Construction Contracts.

1. Construction Contracts Included.

The contractor shall not be eligible for an award of a City Construction Contract in excess of \$5,000, unless the contractor has submitted as part of the bid a written Affirmative Action Plan embodying both (1) anticipated levels of minority¹, women and all other staffing utilization, and (2) specific affirmative action steps directed at applying good faith efforts in a nondiscriminatory manner to recruit and employ minority, women and all other potential staff or is deemed to have submitted such a program pursuant to Subsection 3 of this section. Both the anticipated levels and the affirmative action steps must be taken and applied in good faith and in a nondiscriminatory manner to attempt to meet the requirements of this section for all trades which are to be utilized on the project, whether subcontracted or not.

¹"Minority" is defined as the term "minority person" is defined in subsection (f) of section 2000 of the California Public Contract Code.

2. Anticipated Utilization.

The plan must set forth anticipated minority, women, and all other staffing utilization by the contractor and all subcontractors on each project constructed by the City using those trades within the area of jurisdiction of the Los Angeles Building and Construction Trades Council within the City of Los Angeles in each work class and at all levels in terms of staff hours. The anticipated levels of minority, women and other staffing utilization shall be the levels at which each of those groups are represented in the relevant workforce in the Greater Los Angeles Area as determined by the U. S. Bureau of the Census and made available by the Office of Contract Compliance. Attainment of the anticipated levels of utilization may only be used as an indicia of whether the contractor has complied with the requirements of this section and has applied its Affirmative Action Plan in good faith and in a nondiscriminatory manner. Failure to attain the anticipated levels of utilization shall not, by itself, disqualify the contractor for award of a contract or subject the contractor to any sanctions or penalties.

In no event may a contractor utilize the requirements of this section in such a manner as to cause or result in discrimination against any person on account of race, color, religion, ancestry, age, disability, medical condition, marital status, domestic partner status, sex, sexual orientation, or national origin.

3. An Affirmative Action Plan.

The contractor certifies and agrees to immediately implement good faith efforts measures to recruit and employ minority, women, and other potential staff in a nondiscriminatory manner including, but not limited to, the following actions. The contractor shall:

a. Recruit and make efforts to obtain such employees through:

- (1) Advertising employment opportunities in minority and other community news media. Notifying minority, women and other community organizations of employment opportunities.
- (2) Maintaining contact with schools with diverse populations of students to notify them of employment opportunities.
- (3) Encouraging present minority, women and other employees to refer their friends and relatives.
- (4) Promoting after school and vacation employment opportunities for minority, women and other youth.
- (5) Validating all job specifications, selection requirements, tests, etc.
- (6) Maintaining a file of names and addresses of each worker referred to the contractor and what action was taken concerning such worker.
- (7) Notifying the appropriate awarding authority of the City and the Office of Contract Compliance in writing when a union with whom the contractor has a collective bargaining agreement has failed to refer a minority, woman or other worker.

- b. Continually evaluate personnel practices to assure that hiring, upgrading, promotions, transfers, demotions and layoffs are made in nondiscriminatory manner so as to achieve and maintain a diverse work force.
- c. Utilize training programs and assist minority, women and other employees in locating, qualifying for and engaging in such training programs to enhance their skills and advancement.
- d. Secure cooperation or compliance from the labor referral agency to the contractor's contractual affirmative action obligations.
- e. Establish a person at the management level of the contracting entity to be the Equal Employment Opportunity Office; such individual to have the authority to disseminate and enforce the company's Equal Employment and Affirmative Action Policies.

- f. Maintain such records as are necessary to determine compliance with equal employment and affirmative action obligations, and making such records available to City, State and Federal authorities upon request.
4. The contractor shall make a good faith effort with respect to apprenticeship and training program to:
 - a. Recruit and refer minority, women and other employees to such programs;
 - b. Establish training programs within the company and/or its association that will prepare minority, women and other employees for advancement opportunities.
 - c. Abide by the requirements of the Labor Code of the State of California with respect to the provision of apprenticeship job opportunities.
5. The contractor shall establish written company policies, rules, and procedures which shall be encompassed in a company-wide Affirmative Action Plan for all its operations and contracts. Said policies shall be provided to all employees, subcontractors, vendors, unions and all others with whom the contractor may become involved in fulfilling any of its contracts. The company's Affirmative Action Plan shall encompass the requirements contained herein as a minimum and shall be submitted with its bid to the appropriate awarding authority of the City and to the Office of Contract Compliance of the City.
6. Where problems are experienced by the contractor in complying with its obligations pursuant to this section, the contractor shall document its good faith effort to comply with the requirements by the following procedure. The contractor shall state:
 - a. What steps were taken, how and on what date.
 - b. To whom those efforts were directed.
 - c. The responses received, from whom and when.
 - d. What other steps were taken or will be taken to comply and when.
 - e. Why the contractor has been or will be unable to comply.
7. The contractor shall complete and file, and require each of its known subcontractors to complete and file with the contractor's bid for the subject project an acceptable Affirmative Action Plan.
8. The contractor shall submit and require each of its subcontractors to submit an Ethnic Composition of the Company's Total Work Force (by employees) prior to the date of award of the contract.
9. No contract shall be executed until the appropriate awarding authority of the City of Los Angeles, and the Federal funding agency (if Federal funds are involved), has determined in writing that such contractor has executed and filed with the awarding authority and the City Office of Contract Compliance the required Affirmative Action Plan.
10. It shall be no excuse that the union with which the contractor has a collective bargaining agreement providing for referral, exclusive or otherwise, failed to refer minority, women or other employees.
11. Subject to this subsection the contractor shall execute such further forms and documentation at such times and as may be required by the appropriate awarding authority of the City of Los Angeles.
12. Where the contractor has failed to comply with the requirements contained in this section, any and all sanctions allowed by law may be imposed upon the contractor.
13. The Office of Contract Compliance within the Department of Public Works shall be responsible for administering the City's Contract Compliance Program in the manner described in Sections 22.359 through 22.359.5 of this Code.
14. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

By its execution hereof, the contractor accepts and submits the foregoing as its Affirmative Action Plan.

DATE

OFFICER'S SIGNATURES

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. 1, Art. 11

LIVING WAGE ORDINANCE

Sec. 10.37 Legislative Findings.

The City awards many contracts to private firms to provide services to the public and to City government. Many lessees or licensees of City property perform services that affect the proprietary interests of City government in that their performance impacts the success of City operations. The City also provides financial assistance and funding to others for the purpose of economic development or job growth. The City expends grant funds under programs created by the federal and state governments. Such expenditures serve to promote the goals established for those programs by such governments and similar goals of the City. The City intends that the policies underlying this article serve to guide the expenditure of such funds to the extent allowed by the laws under which such grant programs are established.

Experience indicates that procurement by contract of services has all too often resulted in the payment by service contractors to their employees of wages at or slightly above the minimum required by federal and state minimum wage laws. Such minimal compensation tends to inhibit the quantity and quality of services rendered by such employees to the City and to the public. Underpaying employees in this way fosters high turnover, absenteeism, and lackluster performance. Conversely, adequate compensation promotes amelioration of these undesirable conditions. Through this article the City intends to require service contractors to provide a minimum level of compensation that will improve the level of services rendered to and for the City.

The inadequate compensation typically paid today also fails to provide service employees with resources sufficient to afford life in Los Angeles. It is unacceptable that contracting decisions involving the expenditure of City funds should foster conditions placing a burden on limited social services. The City, as a principal provider of social support services, has an interest in promoting an employment environment that protects such limited resources. In requiring the payment of a higher minimum level of compensation, this article benefits that interest.

Nothing less than the living wage should be paid by the recipients of City financial assistance themselves. Whether they be engaged in manufacturing or some other line of business, the City does not wish to foster an economic climate where a lesser wage is all that is offered to the working poor. The same adverse social consequences from such inadequate compensation emanate just as readily from manufacturing, for example, as service industries. This article is meant to protect these employees as well.

The City holds a proprietary interest in the work performed by many employees employed by lessees and licensees of City property and by their service contractors and subcontractors. In a very real sense, the success or failure of City operations may turn on the success or failure of these enterprises, for the City has a genuine stake in how the public perceives the services rendered for them by such businesses. Inadequate compensation of these employees adversely impacts the performance by the City's lessee or licensee and thereby does the same for the success of City operations. By the 1998 amendment to this article, recognition is given to the prominence of this interest at those facilities visited by the public on a frequent basis, including but not limited to, terminals at Los Angeles International Airport, Ports O'Call Village in San Pedro, and golf courses and recreation centers operated by the Department of Recreation and Parks. This article is meant to cover all such employees not expressly exempted.

Requiring payment of the living wage serves both proprietary and humanitarian concerns of the City. Primarily because of the latter concern and experience to date regarding the failure of some employers to honor their obligation to pay the living wage, the 1998 amendments introduce additional enforcement mechanisms to ensure compliance with this important obligation. Non-complying employers must now face the prospect of paying civil penalties, but only if they fail to cure non-compliance after having been given formal notice thereof. Where non-payment is the issue, employers who dispute determinations of non-compliance may avoid civil penalties as well by paying into a City holding

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account the monies in dispute. Employees should not fear retaliation, such as by losing their jobs, simply because they claim their right to the living wage, irrespective of the accuracy of the claim. The 1998 amendments strengthen the prohibition against retaliation to serve as a critical shield against such employer misconduct.

SECTION HISTORY

*Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.*

Sec. 10.37.1 Definitions.

The following definitions shall apply throughout this article:

- (a) "Airport" means the Department of Airports and each of the airports which it operates.
- (b) "Airport Employer" means an Employer, as the term is defined in this section, at the Airport.
- (c) "Airport Employee" means an Employee, as the term is defined in this section, of an Airport Employer.
- (d) "Awarding authority" means that subordinate or component entity or person of the City (such as a department) or of the financial assistance recipient that awards or is otherwise responsible for the administration of a service contract or public lease or license, or, where there is no such subordinate or component entity or person, then the City or the City financial assistance recipient.
- (e) "City" means the City of Los Angeles and all awarding authorities thereof, including those City departments which exercise independent control over their expenditure of funds, but excludes the Community Redevelopment Agency of the City of Los Angeles ("CRA"). The CRA is urged, however, to adopt a policy similar to that set forth in this article.
- (f) "City financial assistance recipient" means any person who receives from the City discrete financial assistance for economic development or job growth expressly articulated and identified by the City, as contrasted with generalized financial

assistance such as through tax legislation, in accordance with the following monetary limitations. Assistance given in the amount of one million dollars (\$1,000,000) or more in any twelve-month period shall require compliance with this article for five years from the date such assistance reaches the one million dollar (\$1,000,000) threshold. For assistance in any twelve-month period totaling less than one million dollars (\$1,000,000) but at least one hundred thousand dollars (\$100,000), there shall be compliance for one year if at least one hundred thousand dollars (\$100,000) of such assistance is given in what is reasonably contemplated at the time to be on a continuing basis, with the period of compliance beginning when the accrual during such twelve-month period of such continuing assistance reaches the one-hundred thousand dollar (\$100,000) threshold.

Categories of such assistance include, but are not limited to, bond financing, planning assistance, tax increment financing exclusively by the City, and tax credits, and shall not include assistance provided by the Community Development Bank. City staff assistance shall not be regarded as financial assistance for purposes of this article. A loan shall not be regarded as financial assistance. The forgiveness of a loan shall be regarded as financial assistance. A loan shall be regarded as financial assistance to the extent of any differential between the amount of the loan and the present value of the payments thereunder, discounted over the life of the loan by the applicable federal rate as used in 26 U.S.C. Sections 1274(d), 7872(f). A recipient shall not be deemed to include lessees and sublessees.

A recipient shall be exempted from application of this article if: (1) it is in its first year of existence, in which case the exemption shall last for one (1) year, (2) it employs fewer than five (5) employees for each working day in each of twenty (20) or more calendar weeks in the current or preceding calendar year, or (3) it obtains a waiver as provided herein. A recipient - who employs the long-term unemployed or provides trainee positions intended to prepare employees for permanent positions, and who claims that compliance with this article would cause an economic hardship - may apply in writing to the City department or office administering such assistance, which department or office which shall forward such application and its recommended action on it to the

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City Council. Waivers shall be affected by Council resolution.

(g) "Contractor" means any person that enters into: (1) a service contract with the City, (2) a service contract with a proprietary lessee or licensee or sublessee or sublicensee, or (3) a contract with a City financial assistance recipient to assist the recipient in performing the work for which the assistance is being given. Vendors, such as service contractors, of City financial assistance recipients shall not be regarded as contractors except to the extent provided in Subsection (i).*

*Technical correction due to re-lettering of subsections: "Subsection (f)" corrected to "Subsection (i)".

(h) "Designated Administrative Agency (DAA)" means the Department of Public Works, Bureau of Contract Administration, who shall bear administrative responsibilities under this article.

(i) "Employee" means any person - who is not a managerial, supervisory, or confidential employee and who is not required to possess an occupational license - who is employed (1) as a service employee of a contractor or subcontractor on or under the authority of one or more service contracts and who expends any of his or her time thereon, including but not limited to: hotel employees, restaurant, food service or banquet employees; janitorial employees; security guards; parking attendants; nonprofessional health care employees; gardeners; waste management employees; and clerical employees; (2) as a service employee - of a public lessee or licensee, of a sublessee or sublicensee, or of a service contractor or subcontractor of a public lessee or licensee, or sublessee or sublicensee - who works on the leased or licensed premises; (3) by a City financial assistance recipient who expends at least half of his or her time on the funded project; or (4) by a service contractor or subcontractor of a City financial assistance recipient and who expends at least half of his or her time on the premises of the City financial assistance recipient directly involved with the activities funded by the City.

(j) "Employer" means any person who is a City financial assistance recipient, contractor, subcontractor, public lessee, public sublessee, public

licensee, or public sublicensee and who is required to have a business tax registration certificate by Los Angeles Municipal Code §§ 21.00 - 21.198 or successor ordinance or, if expressly exempted by the Code from such tax, would otherwise be subject to the tax but for such exemption; provided, however, that corporations organized under §501(c)(3) of the United States Internal Revenue Code of 1954, 26 U.S.C. §501(c)(3), whose chief executive officer earns a salary which, when calculated on an hourly basis, is less than eight (8) times the lowest wage paid by the corporation, shall be exempted as to all employees other than child care workers.

(k) "Person" means any individual, proprietorship, partnership, joint venture, corporation, limited liability company, trust, association, or other entity that may employ individuals or enter into contracts.

(l) "Public lease or license".

(a) Except as provided in (l)(b)*, "Public lease or license" means a lease or license of City property on which services are rendered by employees of the public lessee or licensee or sublessee or sublicensee, or of a contractor or subcontractor, but only where any of the following applies:

*Technical correction due to re-lettering of subsections: "(i) (b)" corrected to "(l) (b)".

(1) The services are rendered on premises at least a portion of which is visited by substantial numbers of the public on a frequent basis (including, but not limited to, airport passenger terminals, parking lots, golf courses, recreational facilities); or

(2) Any of the services could feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources; or

(3) The DAA has determined in writing that coverage would further the proprietary interests of the City.

(b) A public lessee or licensee will be exempt from the requirements of this article subject to the following limitations:

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- (1) The lessee or licensee has annual gross revenues of less than the annual gross revenue threshold, three hundred fifty thousand dollars (\$350,000), from business conducted on City property;
- (2) The lessee or licensee employs no more than seven (7) people total in the company on and off City property;
- (3) To qualify for this exemption, the lessee or licensee must provide proof of its gross revenues and number of people it employs in the company's entire workforce to the awarding authority as required by regulation;
- (4) Whether annual gross revenues are less than three hundred fifty thousand dollars (\$350,000) shall be determined based on the gross revenues for the last tax year prior to application or such other period as may be established by regulation;
- (5) The annual gross revenue threshold shall be adjusted annually at the same rate and at the same time as the living wage is adjusted under section 10.37.2 (a);
- (6) A lessee or licensee shall be deemed to employ no more than seven (7) people if the company's entire workforce worked an average of no more than one thousand two-hundred fourteen (1,214) hours per month for at least three-fourths (3/4) of the time period that the revenue limitation is measured;
- (7) Public leases and licenses shall be deemed to include public subleases and sublicenses;
- (8) If a public lease or license has a term of more than two (2) years, the exemption granted pursuant to this section shall expire after two (2) years but shall be renewable in two-year increments upon meeting the requirements therefor at the time of the renewal application or such period established by regulation.
- (m) "Service contract" means a contract let to a contractor by the City primarily for the furnishing of services to or for the City (as opposed to the purchase of goods or other property or the leasing or renting of property) and that involves an expenditure in excess

of twenty-five thousand dollars (\$25,000) and a contract term of at least three (3) months; but only where any of the following applies: (1) at least some of the services rendered are rendered by employees whose work site is on property owned by the City, (2) the services could feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources, or (3) the DAA has determined in writing that coverage would further the proprietary interests of the City.

(n) "Subcontractor" means any person not an employee that enters into a contract (and that employs employees for such purpose) with (1) a contractor or subcontractor to assist the contractor in performing a service contract or (2) a contractor or subcontractor of a proprietary lessee or licensee or sublessee or sublicensee to perform or assist in performing services on the leased or licensed premises. Vendors, such as service contractors or subcontractors, of City financial assistance recipients shall not be regarded as subcontractors except to the extent provided in Subsection (i).*

*Technical correction due to re-lettering of subsections: "Subsection (f)" corrected to "Subsection (i)".

(o) "Willful violation" means that the employer knew of his, her, or its obligations under this article and deliberately failed or refused to comply with its provisions.

SECTION HISTORY

Added by Ord. No. 171,547, Eff. 5-5-97.

Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Subsec. (e), Ord. No. 176,155, Eff. 9-22-04; Subsec. (e), Ord. No. 176,283, Eff. 12-25-04, Oper. 9-22-04; Subsecs. (a) through (l) re-lettered (d) through (o), respectively and new Subsecs. (a), (b), and (c) added, Ord. No. 180,877, Eff. 10-19-09.

Sec. 10.37.2 Payment of Minimum Compensation to Employees.

(a) Wages. Employers shall pay Employees a wage of no less than the hourly rates set under the authority of this article. The initial rates were seven dollars and twenty-five cents (\$7.25) per hour with health benefits, as described in this article, or otherwise eight dollars and fifty cents (\$8.50) per

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hour without health benefits. With the annual adjustment effective July 1, 2009, together with all previous annual adjustments as provided by this subsection, such rates are ten dollars and thirty cents (\$10.30) per hour with health benefits or, if health benefits are not provided, then fourteen dollars and eighty cents (\$14.80) per hour for Airport Employees and eleven dollars and fifty-five cents (\$11.55) per hour for all other Employees. The hourly rate with health benefits to be paid to all Employees and the hourly rate without health benefits to be paid to Airport Employees shall be adjusted annually to correspond with adjustments, if any, to retirement benefits paid to members of the Los Angeles City Employees Retirement System (LACERS), made by the CERS Board of Administration under § 4.1040. The Office of Administrative and Research Services shall so advise the DAA of any such change by June 1 of each year and of the required new hourly rates, if any. On the basis of such report, the DAA shall publish a bulletin announcing the adjusted rates, which shall take effect upon such publication.

(b) **Compensated Days Off.** Employers shall provide at least twelve (12) compensated days off per year for sick leave, vacation, or personal necessity at the employee's request. Employers shall also permit employees to take at least an additional ten (10) days a year of uncompensated time to be used for sick leave for the illness of the employee or a member of his or her immediate family where the employee has exhausted his or her compensated days off for that year.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Subsec. (a), Ord. No. 173,285, Eff. 6-26-00, Oper. 7-1-00; Subsec. (a), Ord. No. 180,877, Eff. 10-19-09.*

Sec. 10.37.3 Health Benefits.

(a) **Health Benefits.** The health benefits required by this article shall consist of the payment of at least four dollars and fifty cents (\$4.50) per hour by Airport Employers and at least one dollar and twenty-five cents (\$1.25) per hour by all other Employers towards the provision of health care benefits for Employees and their dependents. Proof of the provision of such benefits must be submitted to the awarding authority to qualify for the wage rate in Section 10.37(a) for Employees with health benefits.

Airport Employees cannot waive the health benefits offered by an Airport Employer when the Airport Employer does not require an out-of-pocket contribution by the Airport Employee. Consistent with and as shall be reflected in the hourly rates payable to Airport Employees as provided in 10.37.2(a) above, the amount of payment for health benefits by Airport Employers shall be adjusted annually to correspond with adjustments, if any, to retirement benefits paid to members of the Los Angeles City Employees Retirement System (LACERS), made by the CERS Board of Administration under § 4.1040. The Office of Administrative and Research Services shall so advise the DAA of any such change by June 1 of each year and of the required new hourly payments, if any. On the basis of such report, the DAA shall publish a bulletin announcing the adjusted payment, which shall take effect upon such publication.

(b) **Periodic Review.** At least once every three years, the Office of Administrative and Research Services shall review the health benefit payment by Airport Employers set forth in 10.37.3(a) to determine whether the payment accurately reflects the cost of health care and to assess the impacts of the health benefit payment on Airport Employers and Airport Employees and shall transmit a report with its findings to the Council.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; In Entirety, Ord. No. 180,877, Eff. 10-19-09.*

Sec. 10.37.4 Notifying Employees of their Potential Right to the Federal Earned Income Credit.

Employers shall inform employees making less than twelve dollars (\$12) per hour of their possible right to the federal Earned Income Credit ("EIC") under § 32 of the Internal Revenue Code of 1954, 26 U.S.C. § 32, and shall make available to employees forms informing them about the EIC and forms required to secure advance EIC payments from the employer.

SECTION HISTORY

*Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.*

Sec. 10.37.5 Retaliation Prohibited.

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Neither an employer, as defined in this article, nor any other person employing individuals shall discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the City with regard to the employer's compliance or anticipated compliance with this article, for opposing any practice proscribed by this article, for participating in proceedings related to this article, for seeking to enforce his or her rights under this article by any lawful means, or for otherwise asserting rights under this article.

SECTION HISTORY

*Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.*

Sec. 10.37.6 Enforcement.

(a) An employee claiming violation of this article may bring an action in the Municipal Court or Superior Court of the State of California, as appropriate, against an employer and may be awarded:

(1) For failure to pay wages required by this article - back pay for each day during which the violation continued.

(2) For failure to pay medical benefits - the differential between the wage required by this article without benefits and such wage with benefits, less amounts paid, if any, toward medical benefits.

(3) For retaliation - reinstatement, back pay, or other equitable relief the court may deem appropriate.

(4) For willful violations, the amount of monies to be paid under (1) - (3) shall be trebled.

(b) The court shall award reasonable attorney's fees and costs to an employee who prevails in any such enforcement action and to an employer who so prevails if the employee's suit was frivolous.

(c) Compliance with this article shall be required in all City contracts to which it applies, and such contracts shall provide that violation of this article shall constitute a material breach thereof and entitle

the City to terminate the contract and otherwise pursue legal remedies that may be available. Such contracts shall also include a pledge that there shall be compliance with federal law proscribing retaliation for union organizing.

(d) An employee claiming violation of this article may report such claimed violation to the DAA which shall investigate such complaint. Whether based upon such a complaint or otherwise, where the DAA has determined that an employer has violated this article, the DAA shall issue a written notice to the employer that the violation is to be corrected within ten (10) days. In the event that the employer has not demonstrated to the DAA within such period that it has cured such violation, the DAA may then:

(1) Request the awarding authority to declare a material breach of the service contract, public lease or license, or financial assistance agreement and exercise its contractual remedies thereunder, which are to include, but not be limited to, termination of the service contract, public lease or license, or financial assistance agreement and the return of monies paid by the City for services not yet rendered.

(2) Request the City Council to debar the employer from future City contracts, leases, and licenses for three (3) years or until all penalties and restitution have been fully paid, whichever occurs last. Such debarment shall be to the extent permitted by, and under whatever procedures may be required by, law.

(3) Request the City Attorney to bring a civil action against the employer seeking:

(i) Where applicable, payment of all unpaid wages or health premiums prescribed by this article; and/or

(ii) A fine payable to the City in the amount of up to one hundred dollars (\$100) for each violation for each day the violation remains uncured.

Where the alleged violation concerns non-payment of wages or health premiums, the employer will not be subject to debarment or civil penalties if it pays the monies in dispute into a holding account maintained

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by the City for such purpose. Such disputed monies shall be presented to a neutral arbitrator for binding arbitration. The arbitrator shall determine whether such monies shall be disbursed, in whole or in part, to the employer or to the employees in question. Regulations promulgated by the DAA shall establish the framework and procedures of such arbitration process. The cost of arbitration shall be borne by the City, unless the arbitrator determines that the employer's position in the matter is frivolous, in which event the arbitrator shall assess the employer for the full cost of the arbitration. Interest earned by the City on monies held in the holding account shall be added to the principal sum deposited, and the monies shall be disbursed in accordance with the arbitration award. A service charge for the cost of account maintenance and service may be deducted therefrom.

(e) Notwithstanding any provision of this Code or any other ordinance to the contrary, no criminal penalties shall attach for violation of this article.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Subsec. (d), Para. (1), Ord. No. 173,747, Eff. 2-24-01.*

Sec. 10.37.7 Administration.

The City Council shall by resolution designate a department or office, which shall promulgate rules for implementation of this article and otherwise coordinate administration of the requirements of this article ("designated administrative agency" - DAA). The DAA shall monitor compliance, including the investigation of claimed violations, and shall promulgate implementing regulations consistent with this article. The DAA shall also issue determinations that persons are City financial assistance recipients, that particular contracts shall be regarded as "service contracts" for purposes of Section 10.37.1(j), and that particular leases and licenses shall be regarded as "public leases" or "public licenses" for purposes of Section 10.37.1(i), when it receives an application for a determination of non-coverage or exemption as provided for in Section 10.37.13. The DAA shall also establish employer reporting requirements on employee compensation and on notification about and usage of the federal Earned Income Credit referred to in Section 10.37.4. The DAA shall report

on compliance to the City Council no less frequently than annually.

During the first, third, and seventh years of this article's operation since May 5, 1997, and every third year thereafter, the Office of Administrative and Research Services and the Chief Legislative Analyst shall conduct or commission an evaluation of this article's operation and effects. The evaluation shall specifically address at least the following matters: (a) how extensively affected employers are complying with the article; (b) how the article is affecting the workforce composition of affected employers; (c) how the article is affecting productivity and service quality of affected employers; (d) how the additional costs of the article have been distributed among workers, their employers, and the City. Within ninety days of the adoption of this article, these offices shall develop detailed plans for evaluation, including a determination of what current and future data will be needed for effective evaluation.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Ord. No. 173,285, Eff. 6-26-00, Oper. 7-1-00; Ord. No. 173,747, Eff. 2-24-01.*

Sec. 10.37.8 Exclusion of Service Contracts from Competitive Bidding Requirement.

Service contracts otherwise subject to competitive bid shall be let by competitive bid if they involve the expenditure of at least two-million dollars (\$2,000,000). Charter Section 372 shall not be applicable to service contracts.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Ord. No. 173,285, Eff. 6-26-00, Oper. 7-1-00.*

Sec. 10.37.9 Coexistence with Other Available Relief for Specific Deprivations of Protected Rights.

This article shall not be construed to limit an employee's right to bring legal action for violation of other minimum compensation laws.

EXHIBIT G LIVING WAGE ORDINANCE

SECTION HISTORY

*Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.*

Sec. 10.37.10 Expenditures Covered.

This article shall apply to the expenditure -- whether through aid to City financial recipients, service contracts let by the City, or service contracts let by its financial assistance recipients -- of funds entirely within the City's control and to other funds, such as federal or state grant funds, where the application of this article is consonant with the laws authorizing the City to expend such other funds.

SECTION HISTORY

*Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.*

Sec. 10.37.11 Timing of Application.

(a) Original 1997 Ordinance. The provisions of this article as enacted by City Ordinance No. 171,547, effective May 5, 1997, shall apply to (1) contracts consummated and financial assistance provided after such date, (2) contract amendments consummated after such date and before the effective date of the 1998 ordinance which themselves met the requirements of former Section 10.37.1(h) (definition of "service contract") or which extended contract duration, and (3) supplemental financial assistance provided after May 5, 1997 and before the effective date of the 1998 ordinance which itself met the requirements of Section 10.37.1(c).

(b) 1998 Amendment. The provisions of this article as amended by the 1998 ordinance shall apply to (1) service contracts, public leases or licenses, and financial assistance agreements consummated after the effective date of such ordinance and (2) amendments, consummated after the effective date of such ordinance, to service contracts, public leases or licenses, and financial assistance agreements that provide additional monies or which extend term.

(c) 2000 amendment. The provisions of this article as amended by the 2000 ordinance shall apply to (1) service contracts, public leases or public licenses and City financial assistance recipient agreements

consummated after the effective date of such ordinance and (2) amendments to service contracts, public leases or licenses and City financial assistance recipient agreements which are consummated after the effective date of such ordinance and which provide additional monies or which extend the term.

(d) 2009 Amendment. The provisions of this article as amended by the 2009 ordinance shall become operative ninety (90) days following the effective date of the 2009 ordinance.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Subsec. (b), Subsec. (c) Added, Ord. No. 173,747, Eff. 2-24-01; Subsec. (d) Added, Ord. No. 130,877, Eff. 10-19-09.*

Sec. 10.37.12 Supersession by Collective Bargaining Agreement.

Parties subject to this article may by collective bargaining agreement provide that such agreement shall supersede the requirements of this article.

SECTION HISTORY

*Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.*

Sec. 10.37.13 Liberal Interpretation of Coverage; Rebuttable Presumption of Coverage.

The definitions of "City financial assistance recipient" in Section 10.37.1(c), of "public lease or license" in Section 10.37.1(i), and of "service contract" in Section 10.37.1(j) shall be liberally interpreted so as to further the policy objectives of this article. All recipients of City financial assistance meeting the monetary thresholds of Section 10.37.1(c), all City leases and licenses (including subleases and sublicenses) where the City is the lessor or licensor, and all City contracts providing for services that are more than incidental, shall be presumed to meet the corresponding definition just mentioned, subject, however, to a determination by the DAA of non-coverage or exemption on any basis allowed by this article, including, but not limited to, non-coverage for failure to satisfy such definition. The DAA shall by regulation establish procedures for informing persons engaging in such transactions with

EXHIBIT G LIVING WAGE ORDINANCE

the City of their opportunity to apply for a determination of non-coverage or exemption and procedures for making determinations on such applications.

SECTION HISTORY

*Added by Ord. No. 172,336, Eff. 1-14-99.
Amended by: Ord. No. 173,747, Eff. 2-24-01.*

Sec. 10.37.14 Severability

If any provision of this article is declared legally invalid by any court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

SECTION HISTORY

*Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99*

EXHIBIT G LIVING WAGE ORDINANCE

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. 1, Art. 10

SERVICE CONTRACTOR WORKER RETENTION ORDINANCE

Sec. 10.36 Findings and Statement of Policy.

The City awards many contracts to private firms to provide services to the public and to City government. The City awards many contracts to private firms to provide services to the public and to City government. The City also provides financial assistance and funding to others for the purpose of economic development or job growth. At the conclusion of the terms of a service contract with the City or with those receiving financial assistance from the City, competition results in the awarding of a service contract to what may be a different contractor. These new contracts often involve anticipated changes in different managerial skills, new technology or techniques, new themes or presentations, or lower costs.

The City expends grant funds under programs created by the federal and state governments. Such expenditures serve to promote the goals established for those programs by such governments and similar goals of the City. The City intends that the policies underlying this article serve to guide the expenditure of such funds to the extent allowed by the laws under which such grant programs are established.

Despite desired changes through the process of entering into new contracts, it is the experience of the City that reasons for change do not necessarily include a need to replace workers presently performing services who already have useful knowledge about the workplace where the services are performed.

Incumbent workers have already invaluable knowledge and experience with the work schedules, practices, and clients. The benefits of replacing these workers without such experiences decreases efficiency and results in a disservice to City and City financed or assisted projects.

Retaining existing service workers when a change in contractors occurs reduces the likelihood of labor disputes and disruptions. The reduction of the likelihood of labor disputes and disruptions results in the assured continuity of services to citizens who receive services provided by the City or by City financed or assisted projects.

It is unacceptable that contracting decisions involving the expenditure of City funds should have any potential effect of creating unemployment and the consequential need for social services. The City, as a principal provider of social support services, has an interest in the stability of employment under contracts with the City or by those receiving financial assistance from the City. The retention of existing workers benefits that interest.

SECTION HISTORY

Article and Section Added by Ord. No. 170,784, Eff. 1-13-96.

Amended by: Article and Section, Ord. No. 171,004, Eff. 5-18-96.

Sec. 10.36.1. Definitions.

The following definitions shall apply throughout this article:

(a) "Awarding authority" means that subordinate or component entity or person of the City (such as a department) or of the financial assistance recipient that awards or is otherwise responsible for the administration of a service contract or, if none, then the City or the City financial assistance recipient.

(b) "City" means the City of Los Angeles and all awarding authorities thereof, including those City departments which exercise independent control over their expenditure of funds, but excludes the Community Redevelopment Agency of the City of Los Angeles.

(c) "City financial assistance recipient" means any person that receives from the City in any twelve-month period discrete financial assistance for economic development or job growth expressly articulated and identified by the City totaling at least one hundred thousand dollars (\$100,000); provided, however, that corporations organized under Section § 501(c)(3) of the United States Internal Revenue Code of 1954, 26 U.S.C. § 501(c)(3), with annual operating budgets of less than five million dollars (\$5,000,000) or that regularly employ homeless persons, persons who are chronically unemployed, or persons receiving public assistance, shall be exempt.

Categories of such assistance include, but are not limited to, bond financing, planning assistance, tax

increment financing exclusively by the City, and tax credits, and shall not include assistance provided by the Community Development Bank. City staff assistance shall not be regarded as financial assistance for purposes of this article. A loan shall not be regarded as financial assistance. The forgiveness of a loan shall be regarded as financial assistance. A loan shall be regarded as financial assistance to the extent of any differential between the amount of the loan and the present value of the payments thereunder, discounted over the life of the loan by the applicable federal rate as used in 26 U.S.C. Sections 1274(d), 7872(f). A recipient shall not be deemed to include lessees and sublessees. Service contracts for economic development or job growth shall be deemed such assistance once the \$100,000 threshold is reached.

(d) "Contractor" means any person that enters into a service contract with the City or a City financial assistance recipient.

(e) "Employee" means any person employed as a service employee of a contractor or subcontractor earning less than fifteen dollars (\$15.00) per hour in salary or wage whose primary place of employment is in the City on or under the authority of a service contract and including but not limited to: hotel employees; restaurant, food service or banquet employees; janitorial employees; security guards; parking attendants; nonprofessional health care employees; gardeners; waste management employees; and clerical employees; and does not include a person who is (1) a managerial, supervisory, or confidential employees, or (2) required to possess an occupational license.

(f) "Person" means any individual, proprietorship, partnership, joint venture, corporation, limited liability company, trust, association, or other entity that may employ individuals or enter into contracts.

(g) "Service contract" means a contract let to a contractor by the City or a City financial assistance recipient primarily for the furnishing of services to or for the City or financial assistance recipient (as opposed to the purchase of goods or other property) and that involves an expenditure or receipt in excess of twenty-five thousand dollars (\$25,000) and a contract term of at least three months.

(h) "Subcontractor" means any person not an employee that enters into a contract with a contractor to assist the contractor in performing a service

contract and that employs employees for such purpose.

(i) "Successor service contract" means a service contract where the services to be performed are substantially similar to a service contract that has been recently terminated.

SECTION HISTORY

Added by Ord. No. 170,784, Eff. 1-13-96.

Amended by: Ord. No. 171,004, Eff. 5-18-96; Subsec. (c), Ord. No. 172,843, Eff. 11-4-99.

Sec. 10.36.2. Transition Employment Period.

(a) Where an awarding authority has given notice that a service contract has been terminated, or where a service contractor has given notice of such termination, upon receiving or giving such notice, as the case may be, the terminated contractor shall within ten (10) days thereafter provide to the successor contractor the name, address, date of hire, and employment occupation classification of each employee in employment, of itself or subcontractors, at the time of contract termination. If the terminated contractor has not learned the identity of the successor contractor, if any, by the time that notice was given of contract termination, the terminated contractor shall obtain such information from the awarding authority. If a successor service contract has not been awarded by the end of the ten (10)-day period, the employment information referred to earlier in this subsection shall be provided to the awarding authority at such time. Where a subcontract of a service contract has been terminated prior to the termination of the service contract, the terminated subcontractor shall for purposes of this article be deemed a terminated contractor.

(1) Where a service contract or contracts are being let where the same or similar services were rendered by under multiple service contracts, the City or City financial aid recipient shall pool the employees, ordered by seniority within job classification, under such prior contracts.

(2) Where the use of subcontractors has occurred under the terminated contract or where the use of subcontractors is to be permitted under the successor contract, or where both circumstances arise, the City or City financial assistance recipient shall pool, when applicable, the employees, ordered by seniority within job classification, under such prior contracts or

subcontracts where required by and in accordance with rules authorized by this article.

(b) A successor contractor shall retain, for a ninety (90)-day transition employment period, employees who have been employed by the terminated contractor or its subcontractors, if any, for the preceding twelve (12) months or longer. Where pooling of employees has occurred, the successor contractor shall draw from such pools in accordance with rules established under this article. During such ninety (90)-day period, employees so hired shall be employed under the terms and conditions established by the successor contractor (or subcontractor) or as required by law.

(c) If at anytime the successor contractor determines that fewer employees are required to perform the new service contract than were required by the terminated contractor (and subcontractors, if any), the successor contractor shall retain employees by seniority within job classification.

(d) During such ninety (90)-day period, the successor contractor (or subcontractor, where applicable) shall maintain a preferential hiring list of eligible covered employees not retained by the successor contractor (or subcontractor) from which the successor contractor (or subcontractor) shall hire additional employees.

(e) Except as provided in subsection (c) of this section, during such ninety (90)-day period the successor contractor (or subcontractor, where applicable) shall not discharge without cause an employee retained pursuant to this article. "Cause" for this purpose shall include, but not be limited to, the employee's conduct while in the employ of the terminated contractor or subcontractor that contributed to any decision to terminate the contract or subcontract for fraud or poor performance.

(f) At the end of such ninety (90)-day period, the successor contractor (or subcontractor, where applicable) shall perform a written performance evaluation for each employee retained pursuant to this article. If the employee's performance during such ninety (90)-day period is satisfactory, the successor contractor (or subcontractor) shall offer the employee continued employment under the terms and conditions established by the successor contractor (or subcontractor) or as required by law. During such ninety (90)-day period, the successor contractor shall maintain a preferential hiring list of eligible covered employees not retained by the successor contractor

from which the successor contractor shall hire additional employees.

(g) If the City or a City financial assistance recipient enters into a service contract for the performance of work that prior to the service contract was performed by the City's or the recipient's own service employees, the City or the recipient, as the case may be, shall be deemed to be a "terminated contractor" within the meaning of this section and the contractor under the service contract shall be deemed to be a "successor contractor" within the meaning of this section and section 10.36.3.

SECTION HISTORY

*Added by Ord. No. 170,784, Eff. 1-13-96.
Amended By: Ord. No. 171,004, Eff. 5-18-96; Subsec. (g) Added,
Ord. No. 172,349, Eff. 1-29-99.*

Sec. 10.36.3. Enforcement.

(a) An employee who has been discharged in violation of this article by a successor contractor or its subcontractor may bring an action in the Municipal Court or Superior Court of the State of California, as appropriate, against the successor contractor and, where applicable, its subcontractor, and may be awarded:

(1) Back pay for each day during which the violation continues, which shall be calculated at a rate of compensation not less than the higher of:

(A) The average regular rate of pay received by the employee during the last 3 years of the employee's employment in the same occupation classification; or

(B) The final regular rate received by the employee.

(2) Costs of benefits the successor contractor would have incurred for the employee under the successor contractor's (or subcontractor's, where applicable) benefit plan.

(b) If the employee is the prevailing party in any such legal action, the court shall award reasonable attorney's fees and costs as part of the costs recoverable.

(c) Compliance with this article shall be required in all City contracts to which it applies, and such contracts shall provide that violation of this article

shall entitle the City to terminate the contract and otherwise pursue legal remedies that may be available.

(d) Notwithstanding any provision of this Code or any other ordinance to the contrary, no criminal penalties shall attach for any violation of this article.

SECTION HISTORY

*Added by Ord. No. 170,784, Eff. 1-13-96.
Amended By: Ord. No. 171,004, Eff. 5-18-96.*

Sec. 10.36.4. Exemption for Successor Contractor or Subcontractor's Prior Employees.

An awarding authority shall upon application by a contractor or subcontractor exempt from the requirements of this article a person employed by the contractor or subcontractor continuously for at least twelve (12) months prior to the commencement of the successor service contract or subcontract who is proposed to work on such contract or subcontract as an employee in a capacity similar to such prior employment, where the application demonstrates that (a) the person would otherwise be laid off work and (b) his or her retention would appear to be helpful to the contractor or subcontractor in performing the successor contract or subcontract. Once a person so exempted commences work under a service contract or subcontract, he or she shall be deemed an employee as defined in Section 10.36.1(e) of this Code.

SECTION HISTORY

*Added by Ord. No. 170,784, Eff. 1-13-96.
Amended By: Ord. No. 171,004, Eff. 5-18-96.*

Sec. 10.36.5. Coexistence with Other Available Relief for Specific Deprivations of Protected Rights.

This article shall not be construed to limit an employee's right to bring legal action for wrongful termination.

SECTION HISTORY

*Added by Ord. No. 170,784, Eff. 1-13-96.
Amended By: Ord. No. 171,004, Eff. 5-18-96.*

Sec. 10.36.6. Expenditures Covered by this Article.

This article shall apply to the expenditure, whether through service contracts let by the City or by its financial assistance recipients, of funds entirely

within the City's control and to other funds, such as federal or state grant funds, where the application of this article is consonant with the laws authorizing the City to expend such other funds. City financial assistance recipients shall apply this article to the expenditure of non-City funds for service contracts to be performed in the City by complying themselves with § 10.36.2(g) and by contractually requiring their service contractors to comply with this article. Such requirement shall be imposed by the recipient until the City financial assistance has been fully expended.

SECTION HISTORY

*Added by Ord. No. 171,004, Eff. 5-18-96.
Amended by: Ord. No. 172,337, Eff. 1-14-99; Ord. No. 172,843, Eff. 11-4-99*

Sec. 10.36.7. Timing of Application of Ordinances Adding and then Amending this Article.

The provisions of this article as set forth in City Ordinance No. 171,004 shall apply to contracts consummated and financial assistance provided after May 18, 1996 (the effective date of City Ordinance No. 171,004). As for contracts consummated and financial assistance provided after the original version of this article took effect on January 13, 1996 (by City Ordinance No. 170,784) and through May 18, 1996, the City directs its appointing authorities and urges others affected to use their best efforts to work cooperatively so as to allow application City Ordinance No. 171,004 rather than City Ordinance No. 170,784 to service contracts let during such period. No abrogation of contract or other rights created by City Ordinance No. 170,784, absent consent to do so, shall be effected by the retroactive application of City Ordinance No. 171,004.

SECTION HISTORY

*Added by Ord. No. 171,784, Eff. 1-13-96.
Amended by: Ord. No. 171,004, Eff. 5-18-96; Ord. No. 172,337, Eff. 1-14-99.*

Sec. 10.36.8. Promulgation of Implementing Rules.

The City Council shall by resolution designate a department or office, which shall promulgate rules for implementation of this article and otherwise coordinate administration of the requirements of this article.

SECTION HISTORY

Added by Ord. No. 171,004, Eff. 5-18-96.

Sec. 10.36.9. Severability.

If any severable provision or provisions of this article or any application thereof is held invalid, such invalidity shall not affect other provisions or applications of the article that can be given effect notwithstanding such invalidity.

SECTION HISTORY

Added by Ord. No. 171,004, Eff. 5-18-96.

FIRST SOURCE HIRING PROGRAM FOR AIRPORT EMPLOYEES

- I. **Purpose.** The purpose of this First Source Hiring Program is to facilitate the employment of Targeted Applicants by Airport Employers. It is a goal of this First Source Hiring Program that this Program benefit Airport Employers by providing a pool of qualified job applicants through a non-exclusive referral system.
- II. **Definitions.** As used in this Program, the following capitalized terms shall have the following meanings. All definitions include both the singular and plural form.

"Airport" shall mean Los Angeles International Airport.

"Airport Employer" shall mean a party that, through a contract, lease, licensing arrangement, or other arrangement, agrees to comply with this First Source Hiring Program with regard to Airport Jobs. Operators of transportation charter party limousines, non-tenant shuttles, and taxis shall not be considered Airport Employers.

"Airport Job" shall mean a job that either (i) is performed On-Site, or (ii) is directly related to a contract, lease, licensing arrangement, or other arrangement under which the employer is an Airport Employer. Positions for which City's Worker Retention Policy requires hiring of particular individuals shall not constitute Airport Jobs for purposes of this Program.

"City" shall mean the City of Los Angeles.

"Coalition" shall mean the LAX Coalition for Economic, Environmental, and Educational Justice, an unincorporated association comprised exclusively of the following organizations: AGENDA; AME Minister's Alliance; Clergy and Laity United for Economic Justice; Coalition for Clean Air; Communities for a Better Environment; Community Coalition; Community Coalition for Change; Environmental Defense; Inglewood Coalition for Drug and Violence Prevention; Inglewood Democratic Club; Lennox Coordinating Council; Los Angeles Alliance for a New Economy; Los Angeles Council of Churches; Nation of Islam; Natural Resources Defense Council; Physicians for Social Responsibility Los Angeles; Service Employees International Union Local 347; and Teamsters Local 911.

"Coalition Representative" shall mean the following: The Coalition shall designate one individual as the "Coalition Representative" authorized to speak or act on behalf of the Coalition for all purposes under the Cooperation Agreement. The Coalition Representative may designate one or more assistants to assist the Coalition Representative in speaking or acting on behalf of the Coalition with respect to any specific program or activity or any other matter. The Coalition shall provide LAWA with contact information for the Coalition Representative upon request.

"Cooperation Agreement" shall mean the Cooperation Agreement between LAWA and the LAX Coalition for Economic, Environmental and Educational Justice.

"LAWA" shall mean Los Angeles World Airports.

"Low-Income Individual" shall mean an individual whose household income is no greater than 80% of the median income, adjusted for household size, for the Primary Metropolitan Statistical Area.

"On-Site" shall mean physically located on property owned or leased by LAWA and pertaining to Airport.

"Program" shall mean this First Source Hiring Program.

"Project Impact Area" shall have the meaning set forth in the "Final Environmental Impact Report" for the LAX Master Plan Program, dated April 2004, as supplemented by one or more EIR Addenda prior to certification of the EIR by the City Council.

"Referral System" shall mean the referral system established to provide applicant referrals for the Program.

"Special Needs Individuals" shall mean: (i) individuals who receive or have received public assistance through the [Temporary Assistance for Needy Families Program], within the past 24 months; (ii) individuals who are homeless; (iii) ex-offenders, (iv) chronically unemployed, and (v) dislocated airport workers.

"Targeted Applicants" shall have the meaning set forth in Section IV below.

III. Coverage. This Program shall apply to hiring by Airport Employers for all Airport Jobs, except for jobs for which the hiring procedures are governed by a collective bargaining contract that conflicts with this Program.

IV. Targeted Applicants. Referrals under the Program shall, to the extent permissible by law, be made in the order of priority set forth below.

- First Priority: Low-Income Individuals living in the Project Impact Area for at least one year and Special Needs Individuals; and

- Second Priority: Low-Income Individuals residing in City.

V. Initial Airport Employer Roles.

A. Liaison. Each Airport Employer shall designate a liaison for issues related to the Program. The liaison shall work with LAWA, the Coalition Representative, the Referral System provider, and relevant public officials to facilitate effective implementation of this Program.

- B. Long-Range Planning. Any entity that becomes an Airport Employer at least two (2) months prior to commencing operations related to Airport shall, at least two months prior to commencing operations related to Airport, provide to the Referral System the approximate number and type of Airport Jobs that it will fill and the basic qualifications necessary.

VI. Airport Employer Hiring Process.

- A. Notification of Job Opportunities. Prior to hiring for any Airport Job, an Airport Employer shall notify the Referral System, by e-mail or fax, of available job openings and provide a description of job responsibilities and qualifications, including expectations, salary, work schedule, duration of employment, required standard of appearance, and any special requirements (e.g., language skills, driver's license, etc.). Job qualifications shall be limited to skills directly related to performance of job duties.
- B. Referrals. After receiving a notification under Section VI.A above, the Referral System shall within five days, or longer time frame agreed to by the Referral System and Airport Employer, refer to the Airport Employer one or more Targeted Applicants who meet the Airport Employer's qualifications.
- C. Hiring.
1. New Employer Targeted Hiring Period. When making initial hires for the commencement of an Airport Employer's operations related to Airport, the Airport Employer shall consider and hire only Targeted Applicants for a two week period following provision of the notification described in Section VI.A. After this period, the Airport Employer shall make good-faith efforts to hire Targeted Applicants, but may consider and hire applicants referred or recruited through any source.
 2. Established Employer Targeted Hiring Period. When making hires after the commencement of operations related to Airport, an Airport Employer shall consider and hire only Targeted Applicants for a five-day period following provision of the notification described in Section VI.A. After this period, the Airport Employer shall make good-faith efforts to hire Targeted Applicants, but may consider and hire applicants referred or recruited through any source.
 3. Hiring Procedure During Targeted Hiring Periods. During the periods described in Sections VI.C.1 and VI.C.2 above, Airport Employers may hire Targeted Applicants recruited or referred through any source. During such periods Airport Employers shall use normal hiring practices, including interviews, to consider all applicants referred by the Referral System.

4. No Referral Fees. No Airport Employer or referred job candidate shall be required to pay any fee, cost or expense of the Referral System or this Program in connection with referrals.

VIII. Reporting and Recordkeeping.

- A. Reports. During the time that this Program is applicable to any Airport Employer, that Airport Employer shall, on a quarterly basis, notify the Referral System of the number, by job classification, of Targeted Applicants hired by the Airport Employer during that quarter, and the total number of employees hired by the Airport Employer for Airport Jobs during that quarter. Any Airport Employer who has not had hiring activity for the quarter, shall also notify the Referral System of such inactivity.
- B. Recordkeeping. During the time that this Program is applicable to any Airport Employer, that Airport Employer shall retain records sufficient for monitoring of compliance with this Program with regard to each Airport Job, including records of notifications sent to the Referral System, referrals from the Referral System, job applications received from any source, number of Targeted Applicants hired, and total number of employees hired for Airport Jobs. To the extent allowed by law, and upon reasonable notice, these records shall be made available to LAWA and to the Referral System for inspection upon request. The Coalition Representative may request that LAWA provide such records at anytime. Records may be redacted so that individuals are not identified by name and so that information required by law to remain confidential is excluded.
- C. Complaints. If LAWA, the Coalition, or the Referral System believes that an Airport Employer is not complying with this Program, then the designated LAWA office shall be notified to ensure compliance with this program.
- D. Liquidated Damages. Each Airport Employer agrees to pay to LAWA liquidated damages in the amount of One Thousand Dollars (\$1,000) where LAWA finds that the Airport Employer has violated this Program with regard to hiring for a particular Airport Job. LAWA shall establish procedures providing to Airport Employers notice and an opportunity to present all relevant evidence prior to LAWA's final determination regarding an alleged violation. This liquidated damages provision does not preclude LAWA from obtaining any other form of available relief to ensure compliance with this Program, including injunctive relief.

IX. Miscellaneous.

- A. Compliance with State and Federal Law. This Program shall be implemented only to the extent that it is consistent with the laws of the State of California and the United States. If any provision of this Program is held by a court of law to be in conflict with state or federal law, the applicable law shall prevail over the terms of

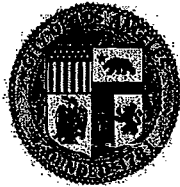
this Program, and the conflicting provisions of this Program shall not be enforceable.

- B. Severability Clause. If any term, provision, covenant or condition of this Program is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall continue in full force and effect.
- C. Binding on Successors. This Program shall be binding upon and inure to the benefit of the successors in interest, transferees, assigns, present and future partners, subsidiary corporations, affiliates, agents, representatives, heirs, and administrators of any party that has committed to comply with it. Any reference in this Program to a party shall be deemed to apply to any successor in interest, transferee, assign, present or future partner, subsidiary corporation, affiliate, agent, representative, heir or administrator of such party; provided, however, that any assignment, transfer or encumbrance of a lease agreement, permit or contract in which this Program is incorporated shall only be made in strict compliance with the terms of such lease agreement, permit or contract and the foregoing shall not constitute consent to any such assignment, transfer or encumbrance.
- D. Lease Agreements and Contracts. Airport Employers shall not execute any sublease agreement or other contract under which Airport Jobs may occur directly or indirectly, unless the entirety of this Program is included as a material term thereof, binding on all parties.
- E. Assurance Regarding Preexisting Contracts. Each Airport Employer warrants and represents that as of the date of execution of this Program, it has executed no sublease agreement or other contract that would violate any provision of this Program had it been executed after the date of incorporation of this Program into a binding contract.
- F. Intended Beneficiaries. LAWA, the Coalition, and the Referral System are intended third-party beneficiaries of contracts and other agreements that incorporate this Program with regard to the terms and provisions of this Program. However, the parties recognize that only LAWA has the sole responsibility to enforce the provisions of this Program.
- G. Material Terms. All provisions of this Program shall be material terms of any lease agreement or contract in which it is incorporated.
- H. Effective Date. Section VI of this Program shall become effective on the effective date of the contract or agreement into which it is incorporated.
- I. Construction. Any party incorporating this Program into a binding contract has had the opportunity to be advised by counsel with regard to this Program. Accordingly, this Program shall not be strictly construed against any party, and

the rule of construction that any ambiguities be resolved against the drafting party shall not apply to this Program.

- J. Entire Contract. This Program contains the entire agreement between the parties on the subjects described herein, and supersedes any prior agreements, whether written or oral. This Program may not be altered, amended or modified except by an instrument in writing signed in writing by all parties to the contract in which it is incorporated.

LOS ANGELES WORLD AIRPORTS



CONTRACTOR RESPONSIBILITY PROGRAM

RULES AND REGULATIONS FOR LEASES

Effective date: July 1, 2012

Procurement Services Division
7301 World Way West, 4th Floor
Los Angeles, CA 900145
(424) 646-5380
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These Rules and Regulations are promulgated pursuant to Board Resolution #21601, the Los Angeles World Airports Contractor Responsibility Program (CRP). Each Requesting LAWA Division shall cooperate to the fullest extent with the Executive Director in the administration of the CRP. The Executive Director may amend these Rules and Regulations from time to time as required for the implementation of the CRP.

A. DEFINITIONS

- (a) **"Awarding Authority"** means either the Executive Director or the Board or the Board's designee.
- (b) **"Bid"** means an application submitted by a bidder in response to an Invitation for Bid, Request for Proposal or Request for Qualifications or other procurement process.
- (c) **"Bidder"** means any person or entity that applies for any contract whether or not the application process is through an Invitation for Bid, Request for Proposal, Request for Qualifications or other procurement process.
- (d) **"Board"** means the City of Los Angeles Board of Airport Commissioners.
- (e) **"Contract"** means any agreement for the performance of any work or service, the provisions of any goods, equipment, materials or supplies, or the rendition of any service to LAWA or to the public or the grant of a Public Lease, which is awarded or entered into by or on behalf of LAWA. The provisions of these Rules and Regulations shall apply to all leases that require Board approval.
- (f) **"Contractor"** means any person, firm, corporation, partnership, association or any combination thereof, which enters into a Contract with LAWA and includes a Public Lessee.
- (g) **"CRP Pledge of Compliance"** means the CRP Pledge of Compliance developed by PSD. The CRP Pledge of Compliance shall require Public Lessees and Public Sublessees to sign under penalty of perjury that the Public Lessees and Public Sublessees will:
 - (1) Comply with all applicable Federal, State, and local laws and regulations during the performance of the lease, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.
 - (2) Notify LAWA within 30 calendar days after receiving notification that any government agency has initiated an investigation that may result in a finding that

the tenant or did not comply with subparagraph (g)(1) above in the performance of the contract.

- (3) Notify LAWA within 30 calendar days of all findings by a government agency or court of competent jurisdiction that the Public Lessee or Public Sublessee has violated subparagraph (g)(1) above in the performance of the Public Lease.
- (4) Provide LAWA within 30 calendar days updated responses to the CRP Questionnaire if any change occurs which would change any response contained within the completed CRP Questionnaire. Note: This provision does not apply to amendments of Public Leases not subject to the CRP and to Public Sublessees not required to submit a CRP Questionnaire.
- (5) Ensure that Public Lessees and Public Sublessees with LAWA leases shall complete, sign and submit a CRP Pledge of Compliance attesting under penalty of perjury to compliance with subparagraphs (u)(1) through (4).
- (6) Notify LAWA within 30 days of becoming aware of an investigation, violation or finding of any applicable Federal, State, or local law involving Public Sublessees in the performance of a LAWA contract.
- (7) Cooperate fully with LAWA during an investigation and to respond to request(s) for information within ten (10) working days from the date of the Notice to Respond.
- (h) **"CRP Questionnaire"** means the set of questions developed by PSD that will assist LAWA in determining a bidder, proposer's or contractor's responsibility. Information solicited from the CRP Questionnaire may include but is not limited to: ownership and name changes, financial resources and responsibility, satisfactory performance of other contracts, satisfactory record of compliance with relevant laws and regulations, and satisfactory record of business integrity. PSD may amend the CRP Questionnaire from time to time.
- (i) **"Executive Director"** means the Executive Director of the City of Los Angeles Department of Airports.
- (j) **"Invitation for Bid" ("IFB")** means the process through which the City solicits Bids including Request for Proposals (**"RFP"**) and Requests for Qualifications (**"RFQ"**).
- (k) **"Los Angeles World Airports"** means the City of Los Angeles Department of Airports.
- (l) **"PSD"** means LAWA's Procurement Services Division.
- (m) **"Public Lease"** means a lease of LAWA property.
- (n) **"Public Lessee"** means a Contractor that leases LAWA property under a Public Lease.

- (o) **"Public Sublessee"** means a Subcontractor that subleases LAWA property from a Public Lessee.
- (p) **"PSD"** means LAWA's Procurement Services Division.
- (q) **"Subcontractor"** means any person not an employee who enters into a contract with a Contractor to assist the Contractor in performing a Contract, including a Contractor or subcontractor of a Public Lessee or Public Sublessee, to perform or assist in performing services on the leased premises.
- (r) **"Prospective Lessee"** means any person, firm, corporation, partnership, association or any combination thereof that currently does not have a Public Lease.
- (s) **"Prospective Sublessee"** means any person, firm, corporation, partnership, association or any combination thereof that currently does not sublease LAWA property from a Public Lessee.
- (t) **"Requesting LAWA Division"** means the LAWA division(s) which issued the RFB, RFP or RFQ.
- (u) **"Responsibility"** means possessing the necessary "trustworthiness" and "quality, fitness and capacity" to perform the work set forth in the contract.

B. SUBMISSION OF CRP QUESTIONNAIRES

1. **Prospective Lessees** are required to submit a completed and signed CRP Questionnaire for determination of responsibility prior to award of a Public Lease.
2. **Public Lessees, Prospective Sublessees and Public Sublessees** are not required to submit a completed and signed CRP Questionnaire.

C. LAWA REVIEW OF SUBMITTED CRP QUESTIONNAIRES (APPLICABLE TO PROSPECTIVE LESSEES ONLY)

1. Posting of CRP Questionnaires and Sublessee Lists:

The Requesting LAWA Division will forward to PSD the completed CRP Questionnaires and sublessee list(s), if any, submitted by the Prospective Lessees to make available for public review and comment for a minimum of fourteen (14) calendar days prior to the award of the Public Lease.

2. Departmental Review of CRP Questionnaires

- a. PSD will determine Contractor Responsibility from the completeness and accuracy of the information in the submitted CRP Questionnaire; information from various

compliance and regulatory agencies; accuracy and completeness of the information received from the public; and through PSD's own reviews and investigations.

- b. PSD may submit written requests to the Prospective Lessee for clarification or additional documentation. Failure to respond to these requests within the specified time may render the Prospective Lessee non-responsible and disqualified.
- c. PSD will report its findings and determination to the Requesting LAWA Division.
- d. No award of a Public Lease will be made by LAWA until after the CRP Questionnaire review and Contractor Responsibility determination has been made.
- e. The CRP Questionnaire of the Prospective Lessee that is awarded a Public Lease will be retained by PSD. The CRP Questionnaires of the Prospective Lessees that are not awarded a Public Lease will also be retained by PSD.

3. Claims Resulting from Public Review and Comments

Prospective Lessees:

- a. Claims regarding a Prospective Lessee's responsibility must be submitted to PSD in writing. However, PSD may investigate a claim regarding a Prospective Lessee's responsibility, whether or not it is submitted in writing.
- b. If PSD receives information which calls into question a Prospective Lessee's responsibility, and the information was received **before** LAWA awards a Public Lease to the Prospective Lessee, PSD shall:
 - (1) Notify the Requesting LAWA Division in writing that LAWA will not award a Public Lease, until PSD has completed investigation into the matter.
 - (2) Investigate the complaint, collect necessary documentation, and determine the complaint's validity.
 - (3) Upon completion of the investigation, notify the Requesting LAWA Division in writing of the results of the investigation.
 - (4) Findings from the PSD investigation received by the Requesting LAWA Division will be considered by the Awarding Authority as part of the determination of the Prospective Lessee's responsibility.

Public Lessee:

- a. Claims regarding a Public Lessee's responsibility must be submitted to PSD in writing. However, PSD may investigate a claim regarding a Public Lessee's responsibility, whether or not it is submitted in writing.

- b. If PSD receives written information that calls into question a Public Lessee's responsibility, PSD shall investigate the matter as required in Section G, LAWA Investigation.

D. AWARD AND EXECUTION OF PUBLIC LEASES

1. Determination of Responsibility and Award of Public Lease

- a. PSD shall determine whether a Prospective Lessee is a responsible lessee with the necessary trustworthiness, quality, fitness and capacity to comply with the terms of the Public Lease by considering the following:
 - (1) Completeness and accuracy of the information contained in the CRP Questionnaire;
 - (2) Completeness and accuracy of the information received from the public;
 - (3) Information and documentation from PSD's own investigation; and
 - (4) Information that may be available from any compliance or regulatory governmental agency.
- b. The Awarding Authority may award and execute a Public Lease to a Prospective Lessee only if:
 - (1) The Prospective Lessee's CRP Questionnaire, and sublessee's list(s), if any, has been made available for public review for at least fourteen (14) calendar days unless otherwise exempted from the posting requirement by the CRP;
 - (2) The Prospective Lessee is not being investigated pursuant to the CRP;
 - (3) The Prospective Lessee has not been found to be a non-responsible lessee pursuant to the CRP;
 - (4) The Prospective Lessee does not appear on any City list of debarred bidders or contractors; and
 - (5) The Prospective Lessee has met all other applicable City requirements.

2. Submission of Pledge of Compliance

Prospective Lessees/Prospective Sublessees:

- a. Unless otherwise exempt from the CRP, all Prospective Lessees and Prospective Sublessees are required to submit a CRP Pledge of Compliance signed under penalty of perjury. Failure to submit a CRP Pledge of Compliance as required may render the Prospective Lessees or Prospective Sublessees, as applicable, non-compliant with the terms of the Public Lease or a consent to sublease, as applicable, and subject to sanctions.

Public Sublessees:

- b. Prior to LAWA's execution of a consent to sublease with a Prospective Sublessee, the Public Lessee shall submit to LAWA a signed CRP Pledge of Compliance from each Public Sublessee listed as occupying space on the leasehold premises.

3. Public Sublessee Responsibility

- a. Public Lessees shall ensure that their sublessees meet the criteria for responsibility set forth in the CRP and these Rules and Regulations.
- b. Public Lessees shall ensure that sublessees occupying space on the LAWA leasehold premises shall complete and submit a signed CRP Pledge of Compliance.
- c. Public Lessees shall not sublease to any sublessee that has been determined or found to be a non-responsible contractor by LAWA or the City.
- d. Subject to approval by the Awarding Authority, Public Lessees may substitute a non-responsible sublessee with another sublessee.

4. Execution of Public Leases/Consent to Subleases

Prospective Lessees:

- a. Unless exempt from the CRP, all Public Leases subject to the CRP shall contain language obligating the Public Lessee to comply with the CRP.
- b. No Public Lease may be awarded unless:
 - (1) The Prospective Lessee's CRP Questionnaire, unless otherwise exempt, has been made available for public review for at least fourteen (14) calendar days
 - (2) The Prospective Lessee has submitted a signed CRP Pledge of Compliance.
 - (3) The Prospective Lessee's sublessee list, if any, has been made available for public review for at least fourteen (14) calendar days.
 - (4) The Prospective Lessee is determined by LAWA to be a Responsible Contractor.

Prospective Sublessee:

- a. Unless exempt from the CRP, all subleases subject to the CRP shall contain language obligating the Public Sublessee to comply with the CRP.
- b. No consent to sublease will be executed by LAWA unless the Public Lessee has submitted a signed CRP Pledge of Compliance by the Prospective Sublessee.

E. LEASE AMENDMENTS

Compliance with the CRP is required in any amendment to a Public Lease if the initial lease was not subject to the CRP, but the total term and amount of the lease, inclusive of all amendments, would make the lease subject to the CRP.

- a. A Public Lessee subject to the CRP because of an amendment to the Public Lease shall submit a CRP Pledge of Compliance to LAWA before the amendment can be executed by LAWA.
- b. Unless exempt from the CRP, all Public Lease amendments shall contain contract language obligating the Public Lessee to comply with the CRP.

F. NOTIFICATION OF INVESTIGATIONS AND UPDATE OF INFORMATION

1. Notification of Investigations

Public Lessees shall:

- a. Notify LAWA within 30 calendar days after receiving notification that any government agency has initiated an investigation that may result in a finding that the Public Lessees is not in compliance with any applicable Federal, State, or local law that apply to the Public Lease or City lease agreement, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.
- b. Notify LAWA within 30 calendar days of receiving notice of any findings by a government agency or court of competent jurisdiction that the Public Lessee violated any applicable Federal, State, or local law that apply to the Public Lease or City lease agreement, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.

2. Public Sublessee Notification of Investigations

Public Lessees shall ensure that Public Sublessees occupying the LAWA leasehold premises abide by these same updating requirements, including the requirement to:

- a. Notify LAWA within 30 calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that the Public Sublessee did not comply with any applicable Federal, State, or local law that apply to the Public Lease or City lease agreement, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.

- b. Notify LAWA within 30 calendar days of all findings by a government agency or court of competent jurisdiction that the Public Sublessee violated any applicable Federal, State, or local law that apply to the Public Lease or City lease agreement, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.

3. Update of CRP Questionnaire Information – applies to Public Lessees only.

- a. Updates of information contained in the Public Lessee's responses to the CRP Questionnaire shall be submitted to LAWA within thirty (30) days of any changes to the responses if the change would affect the Public Lessee's fitness and ability to comply with the terms of the Public Lease.
- b. PSD, or the Requesting LAWA Division, shall determine whether a Public Lessee in a specific situation should have provided updated information.
 - (1) If PSD, or the Requesting LAWA Division, becomes aware of new information concerning a Public Lessee and determines that the Public Lessee should have provided information or updated LAWA of such information, but the Public Lessee has not done so, PSD shall issue a written notice to the Public Lessee requiring the Public Lessee to submit the required information within (ten) 10 calendar days.
 - (2) If PSD or the Requesting LAWA Division becomes aware of new information concerning a Public Sublessee and determines that the Public Sublessee should have provided information or updated LAWA of such information, but the Public Sublessee has not done so, PSD shall issue a written notice to the Public Lessee requiring the Public Sublessee to submit the required information within (ten) 10 calendar days of receipt of the written notice.
- c. The Public Lessee's failure to provide information or updated information when required by LAWA, the CRP or these Rules and Regulations, may be considered a material breach of the Public Lease, and LAWA may initiate a "Non-Responsibility Hearing" pursuant to the procedures set forth in Section I of these Rules and Regulations.

- 4. Submission of CRP Questionnaire and Updates of CRP Questionnaire Responses Not Applicable to Sublessees:** The requirement that Public Lessees submit to LAWA CRP Questionnaires and updates to the CRP Questionnaire responses does not apply to Public Sublessees.

G. LAWA INVESTIGATION

- 1. Reporting of Alleged Violations:** Allegations of violations of the CRP or these Rules and Regulations shall be reported to PSD. Complaints regarding a Prospective

Lessee's or Public Lessee's responsibility should be submitted to PSD in writing. However, PSD may investigate any claim or complaint regarding a Prospective Lessee's or Public Lessee's responsibility, whether or not it is submitted in writing. Whether based on a written complaint or otherwise, PSD shall be responsible for investigating such alleged violations.

2. Process:

- a. Upon receipt of a complaint or upon initiation of an investigation, PSD shall notify the Requesting LAWA Division, the Awarding Authority, and the Prospective Lessee or Public Lessee, as applicable, in writing that an investigation has been initiated.
- b. The Prospective Lessee or Public Lessee, as applicable, shall cooperate fully with PSD in providing information. If the Prospective Lessee or Public Lessee, as applicable, fails to cooperate with PSD's investigation or fails to timely respond to PSD's requests for information, LAWA may initiate a non-responsibility hearing as set forth in Section 1 of these Rules and Regulations. A failure to cooperate by a Public Lessee may be deemed a material breach of the Public Lease, and the City may pursue all available remedies.
- c. To the extent permissible, PSD shall maintain the identity of the complainant, if any, confidential.
- d. Upon completion of the investigation, PSD shall prepare a written report of the findings and notify the Requesting LAWA Division, the Awarding Authority, and the Prospective Lessee or Public Lessee, as applicable, of the results.

3. Results of Investigation

Prospective Lessee

- a. When an investigation is completed before a Public Lease is awarded, PSD shall notify the Requesting LAWA Division and the Awarding Authority of the results, and the Requesting LAWA Division and the Awarding Authority will consider the information as part of the determination of a Prospective Lessee's responsibility during the bid/proposal review process.

Public Lessees

- b. When an investigation is completed after the execution of a Public Lease:
 - (1) If violations of the CRP are found, PSD shall notify the Requesting LAWA Division and the Public Lessee of the violation and require the Public Lessee to make corrections or take reasonable measures within 10 calendar days.
 - (2) If the Public Lessee fails to make corrections as required, PSD shall notify the

Requesting LAWA Division and the Awarding Authority and may recommend that the Awarding Authority:

- (i) Terminate the Public Lease.
- (ii) Initiate a hearing to declare the Public Lessee a non-responsible lessee.

H. VIOLATIONS OF THE CRP OR ITS RULES AND REGULATIONS

1. Violations of the CRP or of these Rules and Regulations may be considered a material breach of the Public Lease and may entitle LAWA or the City to terminate the Public Lease.
2. Alleged violations of the CRP or of these Rules and Regulations shall be reported to the PSD which will investigate all such complaints.
3. When a violation of the CRP or of these Rules and Regulations is found, PSD shall notify the Public Lessee and the Awarding Authority of the violation. PSD shall require the Public Lessee to correct the violation within 10 calendar days. Failure to correct violations or take reasonable measures to correct violations within 10 calendar days may result in PSD:
 - a. Recommending that the Awarding Authority declare a material breach of the Public Lease and that the Awarding Authority exercise all contractual and legal remedies available, including but not limited to termination of the Public Lease.
 - b. Recommending that the Awarding Authority declare the Public Lessee a non-responsible lessee by initiating, within 30 calendar days or as soon as practicable, a non-responsibility hearing in accordance with Section I of these Rules and Regulations.

I. NON-RESPONSIBILITY HEARING

1. The process of declaring a Prospective Lessee or a Public Lessee a non-responsible lessee shall be initiated by the Awarding Authority after consultation with the City Attorney's Office.
2. Before a Prospective Lessee or a Public Lessee may be declared non-responsible, the Prospective Lessee or a Public Lessee shall be notified of the proposed determination of non-responsibility and provided with an opportunity for a hearing.
3. The Awarding Authority or the Executive Director's designee shall preside over the non-responsibility hearing and shall provide the Prospective Lessee or Public Lessee with the following:

- a. The Prospective Lessee or Public Lessee shall be provided with written Notice of intent to declare the Prospective Lessee or Public Lessee non-responsible ("Notice") which shall state that the Awarding Authority intends to declare the Prospective Lessee or Public Lessee a non-responsible bidder, proposer or lessee.
- b. The Notice shall provide the Prospective Lessee or Public Lessee with the following information:
 - (1) That the Awarding Authority intends to declare the Prospective Lessee or Public Lessee a non-responsible bidder, proposer or lessee.
 - (2) A summary of the information upon which the Awarding Authority is relying.
 - (3) That the Prospective Lessee or Public Lessee has a right to respond to the information by requesting a hearing to rebut adverse information and to present evidence of its necessary trustworthiness, quality, fitness and capacity to comply with the terms of the Public Lease or proposed Public Lease.
 - (4) That the Prospective Lessee or Public Lessee must exercise the right to a hearing by submitting to the Awarding Authority a **written request** for a hearing **within 10 working days** of the date of the Notice.
 - (5) That failure to submit a written request for hearing within 10 working days of the date of the Notice shall be considered a waiver of the right to a hearing that allows the Awarding Authority to proceed with the determination of non-responsibility.
- c. If the Prospective Lessee or Public Lessee submits a written request for a hearing, the hearing may be held by the Awarding Authority for recommendation to the Board, which shall make the final decision.
- d. The hearing must allow the Prospective Lessee or Public Lessee an opportunity to address the issues contained in the Notice of Intent to declare the Prospective Lessee or a Public Lessee non-responsible.
- e. The Awarding Authority may determine that the Prospective Lessee or Public Lessee:
 - (1) Does not possess the necessary trustworthiness, quality, fitness, or capacity to comply with the terms of the Public Lease or proposed Public Lease, should be declared a non-responsible bidder, proposer or lessee, and recommend to the Board invocation of the remedies set forth in Section J of these Rules and Regulations.
 - (2) Should not be declared a non-responsible bidder, proposer or lessee.
- f. The Board's determination shall be final and constitute exhaustion of administrative remedies.
- g. The Board's final decision shall be in writing and shall be provided to the Prospective Lessee or Public Lessee, the LAWA Requesting Division and to PSD. If the Prospective Lessee or Public Lessee is declared to be non-responsible, a copy of the final decision shall also be provided to the CAO.

J. NON-RESPONSIBILITY SANCTIONS

Sanctions for Airline Tenants:

Airline lessees that do not comply with the CRP requirements or are determined non-responsible by LAWA will be declared to have a material breach of the Public Lease. LAWA may exercise its legal remedies thereunder, which are to include, but are not limited to:

1. Non-issuance of a successor air carrier operating permit, resulting in the payment of higher landing fees as a non-permitted carrier.
2. Termination of the Public Lease, which may result in the loss of exclusive or preferential gate assignments.

Sanctions for Non-Airline Tenants:

1. **Prospective Lessees** that do not comply with CRP requirements and/or are determined non-responsible by LAWA will be disqualified and will not be awarded a Public Lease.
2. **Public Lessees** that do not comply with CRP requirements and/or are determined non-responsible will be declared to have a material breach of the Public Lease. LAWA may exercise its legal remedies thereunder, which are to include, but not limited to the termination of the Public Lease.

Such lessee shall not occupy any leasehold premises in the proposed Public Lease, whether as a master lessee, a sublessee, a partner in a partnership, a participant in a joint venture, a member of a consortium, or in any other capacity.

3. Upon final determination of a Prospective Lessee or Public Lessee as a non-responsible lessee, PSD shall provide the LAWA Requesting Division and the Prospective Lessee or Public Lessee, as applicable, with a written notice summarizing the findings and applicable sanctions.
4. PSD shall maintain a listing of Prospective Lessees/Public Lessees who have been found non-responsible by LAWA pursuant to the CRP.

K. EXEMPTIONS

1. **Categorical Exemption:** The following types of Public Leases are categorically exempt from the CRP and these Rules and Regulations:

Public Leases with a governmental entity such as the United States of America, the State of California, a county, city or public agency of such entities, or a public or quasi-public corporation located therein and declared by law to have such public status.

2. **Board approval required for CRP Exemptions:** The following types of Public Leases are exempt from the requirement to submit a Questionnaire but remain subject to the

requirement that the Public Lessee submit a Pledge of Compliance and notify the Awarding Authority within 30 days of any information regarding investigations of the results of investigations by any governmental agency into the Public Lessee's compliance with applicable laws.

- a. Public Leases awarded on the basis of exigent circumstances when the Board finds that LAWA would suffer a financial loss or that LAWA operations would be adversely impacted.
 - (1) The Awarding Authority shall submit a request to PSD for waiver along with written certification that the required conditions exist.
 - (2) No contract may be exempted under this provision unless PSD has granted written approval of the waiver.
- b. Public Leases entered into based on Charter Section 371(e)(6). The Awarding Authority must certify in writing that the Public Lease is entered into in accordance with Charter Section 371(e)(6).

L. EFFECTIVE DATE OF RULES AND REGULATIONS

1. These Rules and Regulations apply to RFBs and RFPs issued after the Executive Director has approved these Rules and Regulations.
2. These Rules and Regulations apply to Public Leases entered into by LAWA after the Executive Director has approved these Rules and Regulations.
3. Public Leases amended after these Rules and Regulations are approved by the Executive Director will become subject to CRP and these Rules and Regulations if they meet definitions contained in the CRP and these Rules and Regulations.

M. CONSISTENCY WITH FEDERAL AND STATE LAW

The CRP and these Rules and Regulations do not apply in instances where application would be prohibited by Federal and State law or where the application would violate or be inconsistent with the terms and conditions or a grant or contract with the Federal or State agency.

N. SEVERABILITY

If any provision of the CRP or these Rules and Regulations are declared legally invalid by any court of competent jurisdiction, the remaining provisions remain in full force and effect.

**LOS ANGELES WORLD AIRPORTS
CONTRACTOR RESPONSIBILITY PROGRAM
PLEDGE OF COMPLIANCE FOR LEASES**

The Los Angeles World Airports (LAWA) Contractor Responsibility Program (Board Resolution #21601) provides that, unless specifically exempted, LAWA Tenants for leases that require the Board of Airport Commissioners' approval shall comply with all applicable provisions of the LAWA Contractor Responsibility Program. Tenants for leases subject to the CRP are required to complete and submit this Pledge of Compliance with the lease agreement. In addition, within ten (10) days of execution of any sublease agreement, the Tenant shall submit to LAWA this Pledge of Compliance from each Subtenant listed as performing work on, or otherwise occupying, the leasehold premises.

The Tenant agrees to comply with the Contractor Responsibility Program and the following provisions:

- (a) To comply with all applicable Federal, State, and local laws that apply to the lease agreement, including but not limited to, laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees.
- (b) To notify LAWA within thirty (30) calendar days after receiving notification that any government agency has initiated an investigation that may result in a finding that the Tenant is not in compliance with paragraph (a).
- (c) To notify LAWA within thirty (30) calendar days of all findings by a government agency or court of competent jurisdiction that the Tenant has violated paragraph (a).
- (d) To ensure that Subtenants occupying space through any Sublease in connection with a LAWA lease agreement shall complete and sign a Pledge of Compliance attesting under penalty of perjury to compliance with paragraphs (a) through (c) herein. To submit to LAWA the completed Pledges.
- (e) To notify LAWA within thirty (30) days of becoming aware of an investigation, violation or finding of any applicable Federal, State, or local law involving any Subtenant(s) in the LAWA lease agreement.
- (f) To cooperate fully with LAWA during an investigation and to respond to request(s) for information within ten (10) working days from the date of the Notice to Respond.

Failure to sign and submit this form to LAWA as required may render the Tenant non-compliant with the terms of the lease and subject to CRP sanctions.

Company Name, Address and Phone Number

Signature of Officer or Authorized Representative

Date

Print Name and Title of Officer or Authorized Representative

Project Title

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. 1, Art. 1

CHILD SUPPORT

Sec. 10.10. Child Support Assignment Orders.

a. Definitions.

1. **Awarding Authority** means a subordinate or component entity or person of the City (such as a City department or Board of Commissioners) that has the authority to enter into a contract or agreement for the provision of goods or services on behalf of the City of Los Angeles.

2. **Contract** means any agreement, franchise, lease or concession including an agreement for any occasional professional or technical personal services, the performance of any work or service, the provision of any materials or supplies, or the rendering of any service to the City of Los Angeles or to the public which is let, awarded or entered into with, or on behalf of, the City of Los Angeles or any awarding authority thereof.

3. **Contractor** means any person, firm, corporation, partnership or any combination thereof which submits a bid or proposal or enters into a contract with any awarding authority of the City of Los Angeles.

4. **Subcontractor** means any person, firm, corporation, partnership or any combination thereof who enters into a contract with a contractor to perform or provide a portion of any contract with the City.

5. **Principal Owner** means any person who owns an interest of 10 percent or more in a contractor or subcontractor as defined herein.

b. Mandatory Contract Provisions.

Every contract that is let, awarded or entered into with or on behalf of the City of Los Angeles shall contain a provision obligating the contractor or subcontractor to fully comply with all applicable State and Federal employment reporting requirements for the contractor or subcontractor's employees. The contractor or subcontractor will also be required to certify that the principal owner(s) thereof are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them

personally, that the contractor or subcontractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with California Family Code §§ 5230. *et seq.* and that the contractor or subcontractor will maintain such compliance throughout the term of the contract.

Failure of a contractor or subcontractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignments or Notices of Assignment or failure of the principal owner(s) to comply with any Wage and Earnings Assignments or Notices of Assignment applicable to them personally shall constitute a default under the contract. Failure of the contractor or subcontractor or principal owner thereof to cure the default within 90 days of notice of such default by the City shall subject the contract to termination.

c. Notice to Bidders.

Each awarding authority shall be responsible for giving notice of the provisions of this ordinance to those who bid on, or submit proposals for, prospective contracts with the City.

d. Current Contractor Compliance.

Within 30 days of the operative date of this ordinance, the City, through its operating departments, shall serve upon existing contractors a written request that they and their subcontractors (if any) comply with all applicable State and Federal employment reporting requirements for the contractor and subcontractor's employees, that they certify that the principal owner(s) of the contractor and any subcontractor are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally, that the contractor and subcontractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with California Family Code § 5230 *et seq.* and that the contractor and subcontractor will maintain such compliance throughout the term of the contract.

e. City's Compliance with California Family Code.

The City shall maintain its compliance with the provisions of California Family Code §§ 5230 *et seq.* and all other applicable law regarding its obligations as an employer to implement lawfully served Wage and Earnings Assignments and Notices of Assignment.

f. Report of Employees' Names to District Attorney.

1. The City shall maintain its current practice of assisting the District Attorney's support enforcement activities by annually reporting to the Los Angeles County District Attorney the names of all of its employees and retirees so that the District Attorney may identify those employees and retirees subject to Wage and Earnings Assignment Orders and Notices of Assignment and may establish court orders for support, where appropriate. Should the District Attorney so request it, the City will provide such information on a more frequent basis.

2. All applicants for employment with the City of Los Angeles will be asked to acknowledge their responsibility to comply with any court ordered support obligations and will be advised of the City's practice of assisting the District Attorney as described in the provisions of Subsection f.1., above.

SECTION HISTORY

Added by Ord. No. 172,401, Eff. 2-13-99.

Flyaway Trademark



FlyAway branding shall be approximately 15' length by 5' height on both sides of the bus, and the tail is 3' length by 1' height, unless otherwise directed by the Executive Director.

BAGGAGE GUIDELINES

The following baggage policy applies on all LAX FlyAway® buses:

Baggage Liability:

Passenger name identification must be placed on the outside of all baggage. The owner's name and complete permanent address should be contained inside each piece of luggage. Los Angeles World Airports assumes no liability for articles that are carried on board, or for lost, stolen or damaged luggage and personal articles.

Limitations:

Size – No single piece of luggage will be accepted if its combined length, width and height exceeds 62 inches. Small items, such as cosmetics bags, camera bags, briefcases, etc., should be carried aboard the bus with you.

Weight – No single piece of luggage or property weighing in excess of fifty (50) pounds will be accepted for transportation in baggage service.

Baggage Allowance – A maximum of three (3) stowed bags and/or other type of containers, meeting weight and size limitations specified above, and one carry-on item per ticketed passenger will be allowed.

Containers Included in Baggage Allowance:

Sports items such as golf clubs, tennis rackets, snow or water skis, surfboards or bicycles will be accepted in fully enclosed containers no more than 92 inches in length.

Musical Instruments – Musical instruments will be accepted when enclosed in substantially rigid containers to withstand handling in regular baggage service.

Guns or Firearms (Unloaded) – Unloaded guns or firearms will be accepted only when enclosed in wood, leather or other substantially rigid cases.

Wheelchairs – Wheelchairs must meet general weight limit and fit in the baggage compartment with the user understands that it might not be carried in an upright position. Non-spillable batteries meeting FAA Title 49 accepted. Non-ambulatory passengers can be boarded on wheelchair-lift-equipped buses only.

Prohibited Articles and Receptacles in Baggage Service – Acids, articles of extraordinary value, baby carriages, cameras, electronic equipment (computers, stereos, radios, television sets, tape recorders, etc.), chinaware, cylinders containing compressed gas, explosives, fragile articles, furniture, loaded guns or other firearms, inflammable material or liquids, and freight-type articles are prohibited from being placed in LAX FlyAway® baggage service. (Operator reserves the right to determine what constitutes "freight.")

Features

Multi-function and mono-function timer range

80.01 - Multi-function & multi-voltage

80.11 - On-delay, multi-voltage

- 17.5 mm wide
- Six time scales from 0.1s to 24h
- High input/output isolation
- 35 mm rail (EN 60715) mount
- "Blade + cross" - both flat blade and cross head screw drivers can be used to adjust the range and function selectors, the timing trimmer, and to disengage the rail mounting clip
- New multi-voltage versions with "PWM clever" technology

80.01 / 80.11

Screw terminal



FOR UL RATINGS SEE:

"General technical information" page V

For outline drawing see page 6

Contact specification

Contact configuration

1 CO (SPDT)

1 CO (SPDT)

Rated current/Maximum peak current A

16/30

16/30

Rated voltage/Maximum switching voltage V AC

250/400

250/400

Rated load AC1 VA

4,000

4,000

Rated load AC15 (230 V AC) VA

750

750

Single phase motor rating (230 V AC) kW

0.55

0.55

Breaking capacity DC1: 30/110/220 V A

16/0.3/0.12

16/0.3/0.12

Minimum switching load mW (V/mA)

500 (10/5)

500 (10/5)

Standard contact material

AgCdO

AgCdO

Supply specification

Nominal voltage (U_N) V AC (50/60 Hz)

12...240

24...240

V DC

12...240

24...240

Rated power AC/DC VA (50 Hz)/W

< 1.8 / < 1

< 1.8 / < 1

Operating range V AC

10.8...265

16.8...265

V DC

10.8...265

16.8...265

Technical data

Specified time range

{0.1...2}s, {1...20}s, {0.1...2}min, {1...20}min, {0.1...2}h, {1...24}h

Repeatability %

± 1

± 1

Recovery time ms

100

100

Minimum control impulse ms

50

—

Setting accuracy-full range %

± 5

± 5

Electrical life at rated load in AC1 cycles

100·10³

100·10³

Ambient temperature range °C

-10...+50

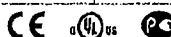
-10...+50

Protection category

IP 20

IP 20

Approvals (according to type)



Features

Mono-function timer range

80.21 - Interval, multi-voltage

80.41 - Off-delay with control signal, multi-voltage

80.91 - Asymmetrical flasher, multi-voltage

- 17.5 mm wide
- Six time scales from 0.1s to 24h
- High input/output isolation
- 35 mm rail (EN 60715) mount
- "Blade + cross" - both flat blade and cross head screw drivers can be used to adjust the range and function selectors, the timing trimmer, and to disengage the rail mounting clip
- New multi-voltage versions with "PWM clever" technology

80.21 / 80.41 / 80.91

Screw terminal



FOR UL RATINGS SEE:

"General technical information" page V

For outline drawing see page 6

Contact specification

Contact configuration

1 CO (SPDT)

1 CO (SPDT)

1 CO (SPDT)

Rated current/Maximum peak current A

16/30

16/30

16/30

Rated voltage/Maximum switching voltage V AC

250/400

250/400

250/400

Rated load AC1 VA

4,000

4,000

4,000

Rated load AC15 (230 V AC) VA

750

750

750

Single phase motor rating (230 V AC) kW

0.55

0.55

0.55

Breaking capacity DC1: 30/110/220 V A

16/0.3/0.12

16/0.3/0.12

16/0.3/0.12

Minimum switching load mW (V/mA)

500 (10/5)

500 (10/5)

500 (10/5)

Standard contact material

AgCdO

AgCdO

AgCdO

Supply specification

Nominal voltage (U_N) V AC (50/60 Hz)

24...240

24...240

12...240

V DC

24...240

24...240

12...240

Rated power AC/DC VA (50 Hz)/W

< 1.8 / < 1

< 1.8 / < 1

< 1.8 / < 1

Operating range V AC

16.8...265

16.8...265

10.8...265

V DC

16.8...265

16.8...265

10.8...265

Technical data

Specified time range

(0.1...2)s, (1...20)s, (0.1...2)min, (1...20)min, (0.1...2)h, (1...24)h

Repeatability %

± 1

± 1

± 1

Recovery time ms

100

100

100

Minimum control impulse ms

—

50

50

Setting accuracy-full range %

± 5

± 5

± 5

Electrical life at rated load in AC1 cycles

100·10³

100·10³

100·10³

Ambient temperature range °C

-10...+50

-10...+50

-10...+50

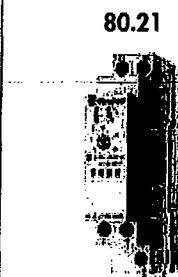
Protection category

IP 20

IP 20

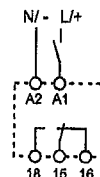
IP 20

Approvals (according to type)



- Multi-voltage
- Mono-function

DI: Interval

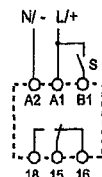


Wiring diagram
(without control signal)

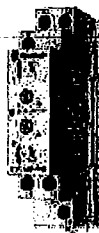


- Multi-voltage
- Mono-function

BE: Off-delay with control signal

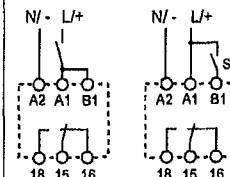


Wiring diagram
(with control signal)



- Multi-voltage
- Mono-function

LI: Asymmetrical flasher
(starting pulse on)
LE: Asymmetrical flasher (starting
pulse on) with control signal



Wiring diagram
(without control
signal) Wiring diagram
(with control
signal)

Features

Multi-function and multi-voltage solid-state output timer

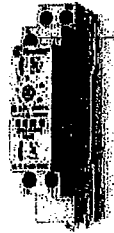
- 17.5 mm wide
- Six time scales from 0.1s to 24h
- High input/output isolation
- 35 mm rail (EN 60715) mount
- Multi-voltage output (24...240 V AC/DC), independent from the input voltage
- "Blade + cross" - both flat blade and cross head screw drivers can be used to adjust the range and function selectors, the timing trimmer, and to disengage the rail mounting clip
- Multi-voltage input with "PWM clever" technology

80.71

Screw terminal

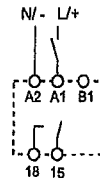


80.71

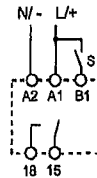


- Multi-voltage
- Multi-function

At: On-delay
DI: Interval
SW: Symmetrical flasher (starting pulse on)
BE: Off-delay with control signal
CE: On- and off-delay with control signal
DE: Interval with control signal on



Wiring diagram
(without control signal)



Wiring diagram
(with control signal)

For outline drawing see page 6

Output circuit

Contact configuration

1 NO (SPST-NO)

Rated current	A	1
Rated voltage	V AC/DC	24...240
Switching voltage range	V AC/DC	19...265
Rated load AC15	A	1
Rated load DC1	A	1
Minimum switching current	mA	0.5
Max. "OFF-state" leakage current	mA	0.05
Max. "ON-state" voltage drop	V	2.8
Input circuit		
Nominal voltage (U _N)	V AC (50/60 Hz)	24...240
	V DC	24...240
Rated power	VA (50 Hz)/W	1.3/1.3
Operating range	V AC	19...265
	V DC	19...265
Technical data		
Specified time range		{0.1...2}s, {1...20}s, {0.1...2}min, {1...20}min, {0.1...2}h, {1...24}h
Repeatability	%	± 1
Recovery time	ms	100
Minimum control impulse	ms	50
Setting accuracy-full range	%	± 5
Electrical life	cycles	100·10 ⁴
Ambient temperature range	°C	-20...+50
Protection category		IP 20
Approvals (according to type)		CE PG

Features

Mono-function timer range

80.61 - Power off-delay (True off-delay), multi-voltage

80.82 - Star-delta, multi-voltage

- 17.5 mm wide
- Rotary range selector, and timing trimmer
- Four time scales from 0.05s to 3 min (type 80.61)
- Six time scales from 0.1s to 20min (type 80.82)
- High input/output isolation
- 35 mm rail (EN 60715) mount

80.61 / 80.82
Screw terminal





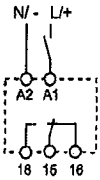
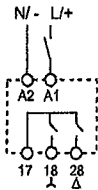
FOR UL RATINGS SEE:

"General technical information" page V

For outline drawing see page 6

Contact specification

Contact configuration

		80.61	80.82
			
		<ul style="list-style-type: none"> • Multi-voltage • Mono-function 	<ul style="list-style-type: none"> • Multi-voltage • Mono-function • Transfer time can be regulated (0.05...1)s
		Bt: Power off-delay (True off-delay)	SD: Star-delta
			
		Wiring diagram (without control signal)	Wiring diagram (without control signal)
		1 CO (SPDT)	2 NO (DPST-NO)
Rated current/Maximum peak current	A	8/15	6/10
Rated voltage/Maximum switching voltage V AC		250/400	250/400
Rated load AC1	VA	2,000	1,500
Rated load AC15 (230 V AC)	VA	400	300
Single phase motor rating (230 V AC)	kW	0.3	—
Breaking capacity DC1: 30/110/220 V	A	8/0.3/0.12	6/0.2/0.12
Minimum switching load	mW (V/mA)	300 (5/5)	500 (12/10)
Standard contact material		AgNi	AgNi
Supply specification			
Nominal voltage (U _N)	V AC (50/60 Hz)	24...240	24...240
	V DC	24...220	24...240
Rated power AC/DC	VA (50 Hz)/W	< 0.6 / < 0.6	< 1.3 / < 0.8
Operating range	V AC	16.8...265	16.8...265
	V DC	16.8...242	16.8...265
Technical data			
Specified time range		(0.05...2)s, (1...16)s, (8...70)s, (50...180)s	(0.1...2)s, (1...20)s, (0.1...2)min, (1...20)min
Repeatability	%	± 1	± 1
Recovery time	ms	—	100
Minimum control impulse	ms	500 (A1-A2)	—
Setting accuracy-full range	%	± 5	± 5
Electrical life at rated load in AC1	cycles	100·10 ³	60·10 ³
Ambient temperature range	°C	-10...+50	-10...+50
Protection category		IP 20	IP 20

Approvals (according to type)





80 Series - Modular timers 1 - 6 - 8 - 16 A

Ordering information

Example: 80 series, modular timers, 1 CO (SPDT) - 16 A, supply rated at (12...240)V AC/DC.

8 0 . 0 1 . 0 . 2 4 0 . 0 0 0 0

Series

Type

- 0 = Multi-function (AI, DI, SW, BE, CE, DE)
- 1 = On-delay (AI)
- 2 = Interval (DI)
- 4 = Off-delay with control signal (BE)
- 6 = Power off-delay (True off-delay) (BI)
- 7 = Multi-function with solid state output (AI, DI, SW, BE, CE, DE)
- 8 = Star-delta (SD)
- 9 = Asymmetrical flasher (LI, LE)

Versions

0 = Standard

Supply voltage

- 240 = (12 ... 240)V AC/DC (80.01, 80.91)
- 240 = (24 ... 240)V AC/DC (80.11, 80.21, 80.41, 80.71, 80.82)
- 240 = (24...240)V AC, (24...220)V DC (80.61)

Supply version

0 = AC (50/60 Hz)/DC

No. of poles

- 1 = 1 CO (SPDT)
- 1 = 1 NO (SPST-NO), type 80.71 only
- 2 = 2 NO (DPST-NO), type 80.82 only

Technical data

Insulation

Dielectric strength

		80.01/11/21/41/82/91	80.61	80.71
between input and output circuit	V AC	4,000	2,500	2,500
between open contacts	V AC	1,000	1,000	—
Insulation (1.2/50 µs) between input and output	kV	6	4	4

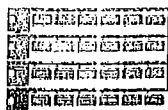
EMC specifications

Type of test

Reference standard

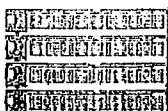
Electrostatic discharge	contact discharge	EN 61000-4-2	4 kV
	air discharge	EN 61000-4-2	8 kV
Radio-frequency electromagnetic field (80 ÷ 1,000 MHz)		EN 61000-4-3	10 V/m
Fast transients (burst) (5-50 ns, 5 kHz) on Supply terminals		EN 61000-4-4	4 kV
Surges (1.2/50 µs) on Supply terminals	common mode	EN 61000-4-5	4 kV
	differential mode	EN 61000-4-5	4 kV
	on start terminal (B1) common mode	EN 61000-4-5	4 kV
	differential mode	EN 61000-4-5	4 kV
Radio-frequency common mode (0.15 ÷ 80 MHz) on Supply terminals		EN 61000-4-6	10 V
Radiated and conducted emission		EN 55022	class A
Other data			
Current absorption on signal control (B1)		< 1 mA	
Power lost to the environment	without contact current	W	1.4
	with rated current	W	3.2
Screw torque		Nm	0.8
Max. wire size	solid cable		stranded cable
	mm ²	1x6 / 2x4	1x4 / 2x2.5
		AWG	1x10 / 2x12

Accessories



Sheet of marker tags, for types 80.82, plastic, 24 tags, 9x17 mm

020.24



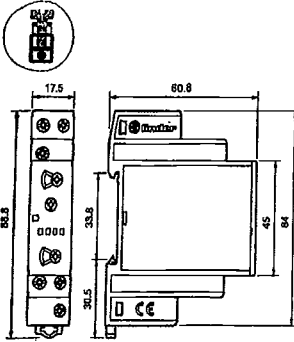
Sheet of marker tags, for types 80.01/11/21/41/61/71, plastic, 72 tags, 6x12 mm

060.72

Outline drawings

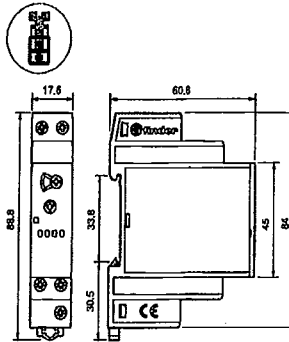
80.01

Screw terminal



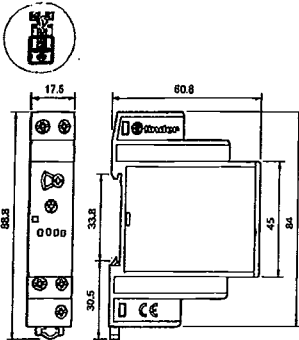
80.11

Screw terminal



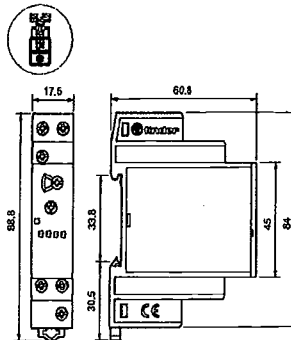
80.21

Screw terminal



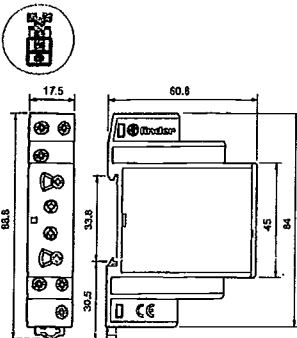
80.41

Screw terminal



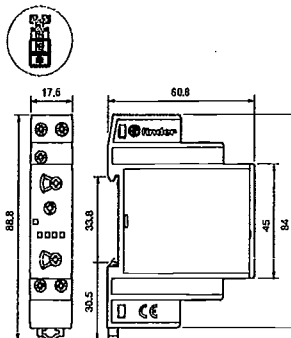
80.91

Screw terminal



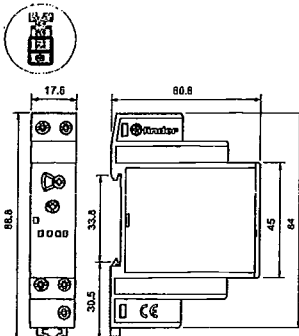
80.71

Screw terminal



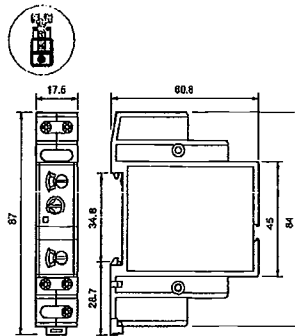
80.61

Screw terminal



80.82

Screw terminal



Functions

U = Supply voltage

S = Signal switch

— = Output contact

LED*	Supply voltage	NO output contact	Contacts	
			Open	Closed
	OFF	Open	15 - 18	15 - 16
	ON	Open	15 - 18	15 - 16
	ON	Open (Timing in Progress)	15 - 18	15 - 16
	ON	Closed	15 - 16	15 - 18

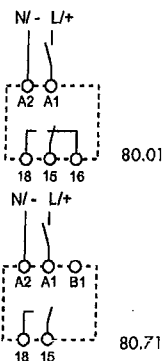
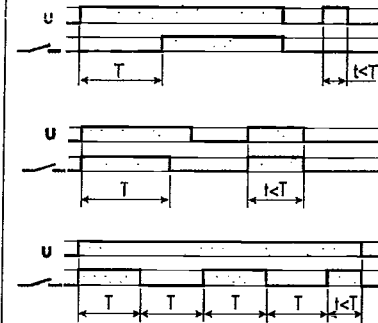
* The LED on type 80.61 is illuminated only when the supply voltage is applied to the timer; during the timing period the LED is not illuminated.

Wiring diagram

Without control signal = Start via contact in supply line (A1).

With control signal = Start via contact into control terminal (B1).

Without control signal

Type
80.01
80.71

(AI) On-delay.

Apply power to timer. Output contacts transfer after preset time has elapsed. Reset occurs when power is removed.

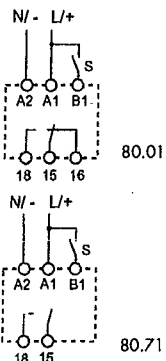
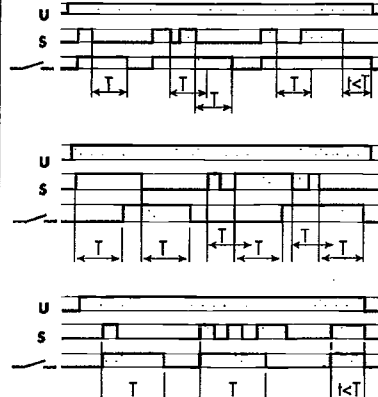
(DI) Interval.

Apply power to timer. Output contacts transfer immediately. After the preset time has elapsed, contacts reset.

(SW) Symmetrical flasher (starting pulse on).

Apply power to timer. Output contacts transfer immediately and cycle between ON and OFF for as long as power is applied. The ratio is 1:1 (time on = time off).

With control signal

80.01
80.71

(BE) Off-delay with control signal.

Power is permanently applied to the timer. The output contacts transfer immediately on closure of the Signal Switch (S). Opening the Signal Switch initiates the preset delay, after which time the output contacts reset.

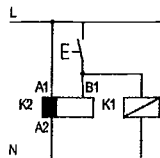
(CE) On- and off-delay with control signal.

Power is permanently applied to the timer. Closing the Signal Switch (S) initiates the preset delay, after which time the output contacts transfer. Opening the Signal switch initiates the same preset delay, after which time the output contacts reset.

(DE) Interval with control signal on.

Power is permanently applied to the timer. On momentary or maintained closure of Signal Switch (S), the output contacts transfer, and remain so for the duration of the preset delay, after which they reset.

NOTE: The function must be set before energising the timer.



* Possible to control an external load, such as another relay coil or timer, connected to the control signal terminal B1.

* With DC supply, positive polarity has to be connected to B1 terminal (according to EN 60204-1).

** A voltage other than the supply voltage can be applied to the common Start (B1), example:

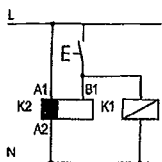
A1 - A2 = 230 V AC

B1 - A2 = 12 V DC

Functions

Wiring diagram

<p>Without control signal</p> <p>80.11/21/61</p> <p>80.82</p>	<p>Type 80.11 80.21 80.61 80.82</p>	<p>(A) On-delay. Apply power to timer. Output contacts transfer after preset time has elapsed. Reset occurs when power is removed.</p> <p>(D) Interval. Apply power to timer. Output contacts transfer immediately. After the preset time has elapsed, contacts reset.</p> <p>(B) Power off-delay (True off-delay). Apply power to timer (minimum 500ms). Output contacts transfer immediately. Removal of power initiates the preset delay, after which time the output contacts reset.</p> <p>(SD) Star-delta. Apply power to timer. The star contact (Λ) closes immediately. After preset delay has elapsed the star contact (Λ) resets. After a further transfer time variable from (0.05...1)s the delta contact (Δ) closes and remains in that position, until reset on power off.</p>	
<p>With control signal</p> <p>80.41</p>	<p>80.41</p>	<p>(BE) Off-delay with control signal. Power is permanently applied to the timer. The output contacts transfer immediately on closure of the Signal Switch (S). Opening the Signal Switch initiates the preset delay, after which time the output contacts reset.</p>	
<p>Without control signal</p> <p>80.91</p> <p>With control signal</p> <p>80.91</p>	<p>80.91</p>	<p>(LI) Asymmetrical flasher (starting pulse on). Apply power to timer. Output contacts transfer immediately and cycle between ON and OFF for as long as power is applied. The ON (T1) and OFF (T2) times are independently adjustable.</p> <p>(LE) Asymmetrical flasher (starting pulse on) with control signal Power is permanently applied to the timer. Closing Signal Switch (S) causes the output contacts to transfer immediately and cycle between ON (T1) and OFF (T2), until opened.</p>	



• Possible to control an external load, such as another relay coil or timer, connected to the control signal terminal B1.

* With DC supply, positive polarity has to be connected to B1 terminal (according to EN 60204-1).

** A voltage other than the supply voltage can be applied to the command Start (B1), example:
A1 - A2 = 230 V AC
B1 - A2 = 12 V DC

Board File

No. DA-4692

Right of Entry Agreement between LAWA and Metro

RIGHT OF ENTRY PERMIT/HOLD HARMLESS AGREEMENT

THIS RIGHT OF ENTRY PERMIT/HOLD HARMLESS AGREEMENT (this "Agreement"), dated for reference purposes only as of February 17, 2012 (the "Effective Date"), is by and between the LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY, a public agency existing under the laws of the State of California, (hereinafter referred to as "LACMTA"), and CITY OF LOS ANGELES, a municipal corporation, acting by order of and through its Board of Airport Commissioners, (hereinafter referred to as "LAWA").

RECITALS

WHEREAS, LACMTA is the owner of that certain real property located adjacent to One Gateway Plaza, in the City of Los Angeles, California, as is generally depicted on Exhibit A-1 (the "Transit Plaza"), which real property is commonly known as the Patsouras Transit Plaza; and

WHEREAS, LACMTA is the owner of that certain four-level public parking garage situated under the Transit Plaza, Vignes Street and certain other surrounding real property, as depicted on Exhibit B-1 (the "Parking Garage"), which, as of the Effective Date, is operated by Ampeco System Parking; and

WHEREAS, LACMTA is the lessee of that certain real property located at 410 North Center Street in the City of Los Angeles, California, and depicted on Exhibit C, which real property is commonly known as Center/Jackson Terminal (individually and collectively, the "Bus Layover Facility"); and

WHEREAS, LACMTA and LAWA entered into that certain Right of Entry Permit/Hold Harmless Agreement dated February 20, 2009 (the "Existing Agreement") for the use of the Transit Plaza, the Parking Garage, Terminal 31 as the bus layover facility and portions of the Regional Rebuild Center for the operation of an airport bus shuttle service between Union Station and Los Angeles International Airport, which service is commonly known as LAWA's FlyAway service ("FlyAway Service"). The Existing Agreement expires on February 20, 2012; and

WHEREAS, LAWA desires to continue operating the FlyAway Service using the Center/Jackson Terminal as the Bus Layover Facility and without use of the Regional Rebuild Center and LACMTA desires to continue to allow LAWA to operate the Flyaway Service on the terms and conditions contained herein; and

WHEREAS, LAWA desires to use the Transit Plaza, the Parking Garage, and the Bus Layover Facility for the operation of its FlyAway Service and LACMTA desires to allow LAWA to use the Transit Plaza, the Parking Garage, and the Bus Layover Facility for such purpose on the terms and conditions contained herein.

NOW THEREFORE, for valuable consideration, LACMTA and LAWA do hereby agree

LACMTA - Right of Entry Permit/Hold Harmless (LAX)
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as follows:

1. Permitted Areas and Uses.

A. Non-Exclusive Use. LACMTA hereby grants to LAWA the non-exclusive right to use:

- (a) the vehicular areas on the Transit Plaza designated for bus travel for the purpose of ingress and egress of FlyAway Service buses to and from Berth #9 (defined below);
- (b) the vehicular areas on the Transit Plaza designated for automobile travel for the purpose of ingress and egress of passenger vehicles to and from the Kiss and Ride Area (defined below);
- (c) that area on the Transit Plaza designated on Exhibit A-2 as a "Kiss and Ride area" (the "Kiss and Ride Area") for the purpose of dropping off and picking up FlyAway Service patrons;
- (d) that area on the Transit Plaza located adjacent to the Kiosk defined below and designated on Exhibit A-2 as "FlyAway Service Waiting Area" (the "Waiting Area") for the purpose of (i) queuing up to obtain FlyAway Service information or bus tickets at the Kiosk, and/or (ii) waiting to board FlyAway Service buses;
- (e) that area on the Transit Plaza designated on Exhibit A-2 as "Berth #9" ("Berth #9") for the purposes of loading and unloading of FlyAway Service passengers onto and off of FlyAway Service buses;
- (f) those areas within the Bus Layover Facility designated by LACMTA from time to time for the laying over of FlyAway Service buses awaiting access to Berth #9 (the "FlyAway Service Layover Area"), those areas within the Bus Layover Facility designated for bus travel for the purpose of ingress and egress of FlyAway Service buses to and from the FlyAway Service Layover Area, and those pedestrian areas situated within the Bus Layover Facility, which are generally designated for pedestrian use for the purpose of FlyAway Service bus operator pedestrian access to and from the FlyAway Service Layover Area;
- (g) the areas of the Parking Garage that are designed for vehicular parking for the parking of FlyAway Service patrons, and LAWA employees and Contractors (defined in Section 4C) associated with the operation of the FlyAway Service;
- (h) all Disabled/accessible parking spaces located within the public areas of the Parking Garage (the "Accessible Parking Spaces"), for the lawful parking of vehicles operated by disabled persons;
- (i) that one, unisex restroom (used by both men and women) located on the P-1 level of the Parking Garage and designated on Exhibit B-2 as the "FlyAway Service

Restroom" for use by LAWA employees and Contractors associated with the operation of the FlyAway Service, which restroom is accessed via a key to be provided by LACMTA;

(j) the vehicular areas in the Parking Garage (including the vehicular ramps connecting the Parking Garage to the public streets) which are generally designated for public vehicle use for the purpose of ingress and egress of passenger vehicles to and from the Parking Garage and the Accessible Parking Spaces; and

(k) the pedestrian areas in the Parking Garage and on the Transit Plaza (including, but not limited to, sidewalks, stairwells and elevators) which are generally designated for public pedestrian use for the purpose of pedestrian access to and from the Parking Garage, the Accessible Parking Spaces, the Kiss and Ride Area, the Waiting Area, the Kiosk and Berth #9 by FlyAway Service patrons and LAWA employees and Contractors associated with the operation of the FlyAway Service.

B. Shared Use of Parking Garage. LAWA understands and acknowledges that its use of the Parking Garage is non-exclusive, and that LACMTA, its contract property manager for the Parking Garage (as of the Effective Date, Catellus, Inc.) and the parking operator for the Parking Garage (as of the Effective Date, Ampro System Parking) may contract with others to park in the Parking Garage and/or may allow members of the public that are not FlyAway Service patrons to park in the Parking Garage. Notwithstanding the foregoing, to the extent possible, LACMTA will work with LAWA in good faith to provide adequate parking in the Parking Garage for FlyAway Service patrons, including the provision of parking for multiple consecutive days. LAWA's use of the Parking Garage as set forth in Section 1A(g)(h) and (j) above shall be subject to the same terms and conditions as the general public's use of the Parking Garage.

C. Exclusive Use. LACMTA hereby grants LAWA the exclusive right to use the kiosk located on the Transit Plaza as depicted in Exhibit A-2 (the "Kiosk") for the purpose of: (i) providing information about the FlyAway Service; (ii) selling bus tickets for the FlyAway Service; and (iii) monitoring FlyAway Service activities on the Transit Plaza, including, but not limited to, activities in the Waiting Area, at Berth #9 and at the Kiss and Ride Area.

All of the areas described in Sections 1A and 1C above, including, but not limited to, the Transit Plaza, the Kiss and Ride Area, the Waiting Area, Berth #9, the FlyAway Service Layover Area, the Parking Garage, the Accessible Parking Spaces and the Kiosk are collectively referred to as the "Permitted Areas" and individually as a "Permitted Area."

2. Term. The term of this Agreement shall commence on the Effective Date and shall end at midnight on the date occurring three (3) years thereafter, unless earlier terminated as provided herein. Once this Agreement commences, the Existing Agreement shall be deemed automatically terminated by the parties to the extent the Existing Agreement has not already expired.

3. Fees, Expenses and Reimbursements.

A. Annual Fee. In consideration for the use of the Permitted Areas, LAWA shall pay LACMTA the amount of one thousand dollars (\$1,000) per year during the term of this

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Agreement, which amount shall be due and payable on the Effective Date, and thereafter on an annual basis, on terms as set forth on LACMTA's invoice, which shall be delivered as described in Section 16 below.

B. Parking Fees. Parking within the Parking Garage by FlyAway Service patrons shall be paid by FlyAway Service patrons at the standard rates for public parking therein, as such rates are established from time to time.

C. Reimbursement of LACMTA Cost Associated with Improvement and Modification. LAWA shall reimburse LACMTA for all costs incurred by LACMTA associated with any improvement or modification of the Permitted Areas requested by LAWA to accommodate the FlyAway Service or otherwise. Such reimbursement shall be made within forty-five (45) days from LAWA's receipt of an invoice for the same from LACMTA. Such reimbursement shall include, without limitation, any LACMTA internal costs to review and approve the design and oversee the construction and installation of any such improvement or modification. LAWA agrees that all or a portion of the design review and construction oversight cost may be charged as a reasonable percentage of the overall cost of the improvements and modifications.

D. Method of Payment. All amounts due LACMTA under this Agreement shall be paid to LACMTA without abatement, offset or deduction in lawful money of the United States of America, in immediately available funds, at LACMTA's primary address for notification as set forth in Section 16 of this Agreement or at such other place or address as LACMTA may designate in writing from time to time.

E. Late Payment. LAWA acknowledges that LACMTA will experience additional management, administrative and other costs that are impracticable or extremely difficult to determine if LAWA does not make payments to LACMTA when such payments are due and payable hereunder. As such, LAWA agrees to pay LACMTA accrued interest at the Default Rate (defined below), compounded monthly, for any payments due to LACMTA by LAWA under this Agreement not received by LACMTA when due and payable. Accrued interest shall be computed over the period commencing with the date when the unpaid amount was due and payable and ending on the date such amount is paid. LAWA acknowledges that interest shall be applicable to all amounts due under this Agreement, whether identified by audit or otherwise, and that interest on such amounts shall accrue from and after the date when such amounts were due and payable as provided herein (as opposed to the date when such delinquencies are identified by LACMTA). The "Default Rate" is defined as that rate of interest equal to the lesser of (a) the Prime Rate (defined below) existing when the Default Rate is to be applied, and (b) the highest interest rate permitted by law at the time when the Default Rate is to be applied. The "Prime Rate" is defined as that rate of interest that is equal to the average prime rate of interest published in the Wall Street Journal (unless the Wall Street Journal ceases to publish such average prime rate of interest, in which case the then-prevailing prime rate of interest or reference rate of interest shall be used).

4. LAWA Use and Operations.

A. Limited Use. During the term of this Agreement, LAWA shall use the Permitted Area only for the purposes described in Section 1 above, subject to the terms, conditions, limitations and restrictions set forth below in this Section 4.

B. 24/7/365 Use Allowed. Subject to Section 10, LAWA shall have the right to use the Permitted Areas for the uses permitted hereunder twenty four (24) hours per day, seven (7) days per week, three hundred sixty five (365) days per year.

C. Personal License. LAWA's right to enter and use the Permitted Areas is personal to LAWA, and to LAWA's authorized agents, contractors, consultants, subcontractors and all other persons acting on LAWA's behalf or under LAWA's direction within the course and scope of their respective agency or applicable agreements (individually and collectively, "Contractors") and LAWA's employees acting within the course and scope of his/her employment (individually and collectively, "Employees"). LAWA shall ensure that it and its Contractors and Employees comply with all applicable terms and conditions hereof, including without limitation the indemnity and insurance provisions set forth below.

D. Use of Berth #9. LAWA shall use Berth #9 to load and discharge FlyAway Service patrons only. FlyAway Service patrons shall be loaded onto and/or discharged from FlyAway Service buses promptly upon such buses' arrival at Berth #9. LAWA shall load and discharge such patrons as expeditiously as is reasonably possible, however, in no event, (absent an emergency) shall:

(i) Any FlyAway Service bus remain at Berth #9 for more than fifteen (15) minutes;

(ii) Any FlyAway Service bus that intends to load passengers at any time other than the LACMTA Rush Periods (defined below) arrive at Berth #9 more than ten (10) minutes prior to its scheduled departure time, as such time is set forth on the then current FlyAway Service Schedule (as defined in Section 41); and

(iii) Any FlyAway Service bus that intends to load passengers on an LACMTA Working Day (defined below) between the hours of 6:00am and 9:00am and the hours of 3:00pm and 6:00pm (collectively, the "LACMTA Rush Periods") arrive at Berth #9 more than five (5) minutes prior to its scheduled departure time, as such time is set forth on the then current FlyAway Service Schedule (as defined in Section 41), except that any such bus may arrive at Berth #9 up to ten (10) minutes prior to such scheduled departure time if ten (10) or more FlyAway Service patrons are waiting to board such bus. An "LACMTA Working Day" is any day except Saturday, Sunday, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

LAWA shall use reasonable efforts to ensure that no more than one (1) FlyAway Service bus is present at Berth #9 at any one time. LAWA understands and agrees that: (a) Berth #9 consists of three (3) bus bays, the use of which LAWA will be sharing with other bus service

operators and operations; (b) the availability and use of any of Berth #9's three (3) bus bays by LAWA and such other operators and operations is on a first come, first served basis; and (c) it may not use the Transit Plaza or Berth #9 for bus layover purposes.

In order for LACMTA to efficiently and effectively operate the Transit Plaza, LACMTA reserves the right, on thirty (30) days prior written notice, to relocate the area where LAWA loads and unloads passengers onto and off of FlyAway Service buses to an alternative location area other than Berth #9. To the extent the loading and unloading area is relocated, the Kiss and Ride Area and the Waiting Area will also be relocated accordingly.

B. Use of FlyAway Service Layover Area. LAWA shall not layover more than two (2) FlyAway Service buses in the FlyAway Service Layover Area at any one time. LAWA understands and agrees that: (a) the Bus Layover Facility is used by LACMTA and other bus service operators and operations for bus layover purposes; (b) LAWA will be sharing the use of the FlyAway Service Layover Area with LACMTA and other bus service operators and operations; (c) the availability and use of the FlyAway Service Layover Area by LAWA and such other operators and operations is on a first come, first served basis. LAWA understands and agrees that the Bus Layover Facility and/or the FlyAway Service Layover Area may not be available for FlyAway Service bus layover for the entire term of this Agreement. In such event: LACMTA shall provide LAWA with written notice to terminate its use of the Bus Layover Facility and the FlyAway Service Layover Area and, at LACMTA's sole discretion, either: (1) LAWA shall discontinue its use of the Bus Layover Facility and the FlyAway Service Layover Area as soon as is reasonably practicable within ninety (90) days after its receipt of such notice, and the parties will promptly enter into an amendment to this Agreement which will eliminate LAWA's rights hereunder with respect to the Bus Layover Facility and the FlyAway Service Layover Area; or (2) LACMTA may relocate the Bus Layover Facility to an alternative location (including, but not limited to Division 20) on thirty (30) days prior written notice. LAWA shall be solely responsible for providing and obtaining an alternative bus layover area at its sole cost and expense, notwithstanding any provisions to the contrary in Section 10 or elsewhere in this Agreement; provided, however, that LACMTA will make reasonable efforts to provide LAWA with an alternative layover area capable of laying over up to two (2) FlyAway Service buses at the same time, if (i) similar efforts are being made by LACMTA at the time for other displaced users within the Bus Layover Facility, and (ii) such efforts do not require any out of pocket expense by LACMTA.

F. Restrictions on Use. LAWA shall not (a) commit waste, (b) subject the Permitted Areas and the adjoining LACMTA property to any use which would damage the same or increase risk of loss or violate any insurance coverage, (c) subject the Permitted Areas and the adjoining LACMTA property to any odor, smoke, dust, gas, substance, noise or vibration beyond that which would typically be expected from the uses allowed hereunder, (d) take any action which would constitute a nuisance or would disturb, obstruct or endanger LACMTA, any third party or the public, or (e) use or allow the Permitted Areas to be used for any unlawful purpose. LAWA shall not use the Transit Plaza (including, but not limited to, Berth #9), or the Bus Layover Facility (including, but not limited to, the FlyAway Service Layover Area) to park any FlyAway Service buses overnight or perform any repairs, maintenance or other mechanical work (except for emergency repairs) on the same. FlyAway Service patrons may park their vehicles in the Parking Garage, but vehicle repairs, maintenance and other mechanical work is not permitted

in the Parking Garage or anywhere in the Permitted Areas, LAWA shall take reasonable and appropriate measures to ensure that FlyAway Service patrons, and LAWA Employees and Contractors associated with the operation of the FlyAway Service comply with the restrictions set forth in this Section 4F.

G. Safety Compliance. LACMTA's safety rules and procedures as outlined in Rule No. 1.23 Safety in Yards and Terminals (Exhibit "G") and Terminals and Standard Operating Procedures, SOP 1.106 Personal Safety in Yards, Terminals, and other Facilities (Exhibit "H") (collectively, the "LACMTA Safety Rules") apply to the Permitted Areas. LAWA shall be responsible for communicating to all its employees the requirement to comply with the LACMTA Safety Rules. LAWA shall also be responsible for monitoring its Employees for compliance with the LACMTA Safety Rules. LACMTA shall have the right to terminate this Agreement should LAWA fail to comply with the LACMTA Safety Rules.

H. Compliance with Law. LAWA, at its expense, shall comply with: (i) all applicable federal, state, and local laws, ordinances, regulations, rules and orders with respect to the use of the Permitted Areas; and (ii) all LACMTA rules, regulations, policies and procedures delivered to LAWA (as the same may exist from time to time) with respect to the use of the Permitted Areas, including, without limitation, the LACMTA Safety Rules. LAWA shall take reasonable and appropriate measures to ensure that FlyAway Service patrons, and LAWA Employees and Contractors associated with the operation of the FlyAway Service comply with the laws, ordinances, regulations, rules, orders, policies and procedures noted in the foregoing sentence.

I. No Waiting Outside of Waiting Area. LAWA shall take reasonable and appropriate measures to ensure that its patrons waiting to board FlyAway Service buses use the Waiting Area, as opposed to the area directly adjacent to Berth #9 or other areas of the Transit Plaza, in an effort to prevent disruption of bus service by LACMTA and other operators at Berth #9 and elsewhere on the Transit Plaza.

J. FlyAway Service Schedule. LAWA may operate the FlyAway Service on up to fifteen (15) minute headways with no more than four (4) FlyAway Service buses leaving Berth #9 for Los Angeles International Airport and no more than four (4) FlyAway Service buses arriving at Berth #9 from Los Angeles International Airport during any hour of the day. LAWA may not operate the FlyAway Service at anytime at a frequency greater than that specified in the preceding sentence. Initially, LAWA intends to operate the FlyAway Service twenty four (24) hours per day/seven (7) days per week/three hundred sixty five (365) days per year, pursuant to the schedule attached hereto as Exhibit B (such schedule, as the same may be changed from time to time in accordance with the following sentence, the "FlyAway Service Schedule"). Anytime LAWA intends to change the FlyAway Service Schedule from its then current level, it shall provide LACMTA with a copy of the proposed new FlyAway Service Schedule at least fifteen (15) working days in advance of the date LAWA intends to operate under such proposed new schedule.

K. No Interference. LAWA shall not unreasonably interfere with any of LACMTA's or other bus operators or operations normal activities and shall promptly cease and rectify any such interfering activity upon discovery of the same by LAWA or upon notification of the same by

LACMTA, including, without limitation, the removal of any vehicle or equipment that might be a source of interference to LACMTA's or other's bus operations on the Transit Plaza or within the Bus Layover Facility. LACMTA, in its reasonable discretion, may push, tow or jump start any FlyAway Service bus or vehicle blocking bus or vehicle movement on the Transit Plaza or within the Bus Layover Facility.

5. Improvements, Modifications and Kiosk Services.

A. As Is, Where Is Condition. Subject to LACMTA's maintenance, repair, cleaning and janitorial obligations under Section 6, the Permitted Areas (including, but not limited to, the Kiosk and the Parking Garage) are provided to LAWA in their AS IS, WHERE IS condition as of the Effective Date, and LAWA acknowledges that: (i) its duly designated representatives have fully examined the Permitted Areas, including the Kiosk; (ii) it accepts the use and occupancy of the Permitted Areas, including the Kiosk, with full knowledge of the conditions thereof; and (iii) the Permitted Areas are suitable for the operation of the FlyAway Service as of the Effective Date.

B. Restriction on Improvements and Modifications - General. LAWA shall not make or cause to be made any improvements or modifications to the Permitted Areas, except as approved in writing by LACMTA, which approval may be reasonably withheld until LACMTA has approved LAWA-prepared plans and specifications for such improvements or modifications. All improvements and modifications to the Permitted Areas that are approved in writing by LACMTA shall be performed at LAWA's sole cost and expense. LAWA shall not proceed with any improvements or modifications within the Permitted Areas until it has received written notice to proceed from LACMTA. Subject to the terms and conditions of Section 5D, below, LACMTA shall not unreasonably delay its review of and comment on plans and specifications submitted to LACMTA by or on behalf of LAWA for LAWA desired improvements and modifications within the Permitted Areas, nor will LACMTA unreasonably withhold, condition or delay its approval of such plans and specifications or its delivery of written notice to proceed with respect to such improvements and modifications.

C. Kiosk Utilities. As of the Effective Date, the Kiosk is supplied with heating, ventilating and air conditioning (subject to cleaning, repairing and renovating the same so as to make it operational); 110 volt electrical power; a three quarter (¾) inch telephone conduit leading to/from the telephone room on the P-2 level of the Parking Structure (but no telephone service); interior lighting; a floor drain and a three quarter (¾) inch water line (the "Kiosk Utilities"). The Kiosk's heating, ventilating and air conditioning system is connected to the mechanical system in the LACMTA Headquarters Building. Electrical power to the Kiosk (including electrical power to the aforementioned heating, ventilating and air conditioning system and the Kiosk's lighting) and water service to the Kiosk are not separately metered. LACMTA shall provide the following services to the Kiosk via the Kiosk Utilities (the "Kiosk Utility Services"): (a) heating, ventilating and air conditioning service; (b) 110 volt electrical service; (c) interior lighting; and (d) water service. LAWA shall, at its sole cost and expense, obtain and install any telephone or other communication service necessary to support the FlyAway Service at the Kiosk.

D. Restriction on Improvements and Modifications in the Transit Plaza.

LAWA understands that the Transit Plaza and the Kiosk contain design elements and architectural features important to the overall aesthetic and beauty of the Transit Plaza, and that any improvement or modification of the Kiosk, any improvement added to the Transit Plaza and/or any modification of any existing improvement or element on the Transit Plaza (including the installation of any FlyAway Service Signage in accordance with Section 11, below) must consider the Transit Plaza's overall aesthetic and beauty. LACMTA's approval of any LAWLA proposed improvement or modification will be based in part on the effect such improvement or modification will have on the the overall aesthetic and beauty of the Transit Plaza and the Kiosk. Notwithstanding any other term or condition contained in this Agreement to the contrary, LACMTA's approval of any improvement or modification of the Kiosk, any improvement added o the Transit Plaza and/or any modification of any existing improvement or element on the Transit Plaza (including the installation of any FlyAway Service Signage in accordance with Section 11, below) shall be at LACMTA's sole and absolute discretion.

F. Ownership of Improvements. Any and all improvements and fixtures installed or added to the Permitted Areas pursuant to this Agreement, as well as any and all alterations or modifications of such improvements or fixtures and any other LACMTA improvements pursuant to this Agreement, shall be owned by LACMTA as of the date of such installation, addition, alteration or modification; provided that any such improvements, fixtures, modifications or alterations that are removed from the Permitted Areas pursuant to Section 9D, shall, at the time of such removal, become the property of LAWLA.

6. LACMTA Services.

A. Parking Garage Services. LACMTA shall provide lighting, security, maintenance, repair, cleaning and janitorial services to the Parking Garage. Should LAWLA desire additional service beyond the typical service provided in accordance with the preceding sentence, it shall request the same in writing from LACMTA and LACMTA shall reasonably endeavor to provide the requested service to LAWLA at LAWLA's sole cost and expense. Such additional services shall be provided upon written agreement by the parties regarding the scope of such additional services and the manner in which the additional cost and expense of the same will be paid to LACMTA.

B. Transit Plaza Services. LACMTA shall provide, at its sole cost and expense, lighting, security, maintenance, repair, cleaning and janitorial services to Berth #9, the Kiss and Ride Area, and the Waiting Area at a level of service equal to that provided in the remainder of the Transit Plaza. Should LAWLA desire additional service beyond the typical service provided in accordance with the preceding sentence it shall request the same in writing from LACMTA and LACMTA shall reasonably endeavor to provide the requested service to LAWLA at LAWLA's sole cost and expense. Such additional services shall be provided upon written agreement by the parties regarding the scope of such additional services and the manner in which the additional cost and expense of the same will be paid to LACMTA.

C. Kiosk Services. LACMTA shall provide: (a) maintenance, repair, cleaning and janitorial services to the Kiosk in accordance with the scope of services attached hereto as

Exhibit F (collectively, the "Kiosk Maintenance Services"); and (b) the Kiosk Utility Services. Should LAWA desire additional service beyond the typical service provided in accordance with the preceding sentence, it shall request the same in writing from LACMTA and LACMTA shall reasonably endeavor to provide the requested service to LAWA at LAWA's sole cost and expense. Such additional services shall be provided upon written agreement by the parties regarding the scope of such additional services and the manner in which the additional cost and expense of the same will be paid to LACMTA.

D. FlyAway Service Layover Area Services. LACMTA shall provide, at its sole cost and expense, lighting, security, maintenance, repair, cleaning and janitorial services to the FlyAway Service Layover Area at a level of service equal to that provided in the remainder of the Bus Layover Facility. Should LAWA desire additional service beyond the typical service provided in accordance with the preceding sentence it shall request the same in writing from LACMTA and LACMTA shall reasonably endeavor to provide the requested service to LAWA at LAWA's sole cost and expense. Such additional services shall be provided upon written agreement by the parties regarding the scope of such additional services and the manner in which the additional cost and expense of the same will be paid to LACMTA.

E. Additional Services. If LACMTA, in its sole and absolute discretion, determines that Kiosk Maintenance Services, Kiosk Utility Services, or any other expenses (including, but not limited to additional lighting, security, cleaning, janitorial, maintenance or repair services) beyond that typically provided to the Permitted Areas or the surrounding LACMTA property are necessary as a result of the FlyAway Service or LAWA's use and operation hereunder (the "Other FlyAway Service-Related Services"), LACMTA shall provide such services, the cost of which shall be paid by LACMTA, but shall be reimbursed to LACMTA in the manner set forth in Section 3C; provided, however, that LAWA shall not be responsible for the cost of any such additional services unless and until it receives written notification from LACMTA of the same, which notice shall be provided to LAWA fifteen (15) days prior to implementation of the Other FlyAway Service-Related Services (when practical), and shall contain an explanation of the reason why the additional services are needed and reasonable documentation evidencing the typical level of service being provided prior to the implementation of the additional services.

F. Repair of Extraordinary Damage. Notwithstanding anything to the contrary contained herein, any and all damage to the Permitted Areas or the surrounding LACMTA property caused by LAWA or its Employees, Contractors or patrons and having a repair cost in excess of ten thousand dollars (\$10,000) shall be reimbursed to LACMTA within forty-five (45) days after delivery of an invoice therefore; provided such invoice includes details regarding (a) the nature of the damage, and (b) the facts leading LACMTA to reasonably believe that such damage was caused by LAWA, its Employees, Contractors or patrons.

7. Indemnification/Limit of Liability.

A. Indemnification. LAWA shall indemnify, defend, and hold harmless LACMTA, its officers, and employees, from and against any and all claims, demands, suits, and causes of action, losses, costs, expenses (including attorney's fees) and liabilities (collectively "Claims") for death or injuries to persons and damage to property within the Permitted Areas to the extent

directly arising out of LAWA, its Employees or its Contractors' actions or negligence within the Permitted Areas.

B. Limit on Liability. Notwithstanding that LACMTA has agreed to provide certain security services under this Agreement and may elect to proceed with certain security related improvements in the Parking Garage, LACMTA shall not be liable to LAWA or its Contractors or Employees if such security services or improvements fail to prevent tortious or criminal acts of third parties.

8. Insurance. LAWA shall comply with the provisions of Exhibit D, and shall maintain, at its sole cost and expense, that insurance required to be maintained by LAWA as specified in Exhibit D. LAWA shall cause its Contractors to comply with the provisions of Exhibit D, and shall cause its Contractors to maintain, at their sole cost and expense, that insurance required to be maintained by its Contractors as specified in Exhibit D.

9. Termination.

A. General Termination Rights. Notwithstanding the provisions set forth below in Sections 9B and 9C, either party can terminate this Agreement on ninety (90) days prior written notice to the other party.

B. LACMTA Termination Rights for Failure to Perform. LACMTA may terminate this Agreement and be relieved of any further performance hereunder if LAWA fails to perform any covenant to be performed by LAWA pursuant to this Agreement at the time and in the manner stated in this Agreement; provided, however, that, except as provided in Section 9A, LACMTA may not terminate this Agreement if LAWA has cured such failure within thirty (30) days from written notice of such failure delivered by LACMTA to LAWA, and if such failure cannot be cured within such thirty (30) day period, then LACMTA shall not terminate this Agreement so long as LAWA is diligently prosecuting the cure of the failure.

C. LAWA Termination Rights for Failure to Perform. LAWA may terminate this Agreement and be relieved of any further performance hereunder if LACMTA fails to perform any covenant to be performed by LACMTA pursuant to this Agreement at the time and in the manner stated in this Agreement; provided, however, that, except as provided in Sections 9A and 10B, LAWA may not terminate this Agreement if LACMTA has cured such failure within thirty (30) days from written notice of such failure delivered by LAWA to LACMTA, and if such failure cannot be cured within such thirty (30) day period, then LAWA shall not terminate this Agreement so long as LACMTA is diligently prosecuting the cure of the failure.

D. Vacation/Removal of Improvements upon Termination. Upon the termination or expiration of this Agreement for any reason, LAWA shall immediately vacate the Permitted Areas, and upon receipt of the LACMTA Notice (defined below) LAWA shall promptly remove from the Permitted Areas all personal property, improvements, modifications or other material or items owned by LAWA or constructed or installed by or on behalf of LAWA (collectively, the "LAWA Property"), except for that LAWA Property requested to be left in place in the LACMTA Notice that LAWA determines can be reasonably accommodated, and shall restore the Permitted Areas to substantially the condition existing as of the Effective Date, ordinary wear

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and tear excepted. The LAWA Property shall include, without limitation, all FlyAway Service Signage (defined in Section 11), and all improvements and modifications to the Kiosk constructed or installed by or on behalf of LAWA. LAWA shall remove the LAWA Property at its sole cost and expense and in such a manner as to avoid damage to or defacement of the Permitted Areas or any other LACMTA property or improvements, and, in the event of any such damage or defacement, LAWA shall repair the same to the satisfaction of LACMTA, at LAWA's sole cost and expense. When removing FlyAway Service Signage that is part of an integrated, multi-purpose sign that will continue to be used by LACMTA after the relevant termination or expiration, LAWA shall take care not to remove any element of such sign that is not directly and solely related to the FlyAway Service.

Notwithstanding the foregoing, LACMTA may request in writing that LAWA not remove certain improvements, fixtures or modifications which LACMTA desires to have remain (the "LACMTA Notice"), which LACMTA Notice must be made within fifteen (15) days after the date of termination or expiration of this Agreement. LAWA hereby agrees to reasonably accommodate any such request made by LACMTA. LACMTA shall pay LAWA an agreed upon fair market value for those improvements and modifications that LAWA does not remove from the Permitted Areas at LACMTA's request, except for FlyAway Service Signage that is part of an integrated, multi-purpose sign that will continue to be used by LACMTA after the relevant termination or expiration date. The parties agree to act quickly, reasonably and in good faith in determining and agreeing upon the fair market value set forth in the preceding sentence. LACMTA agrees to pay LAWA such agreed upon fair market value within forty five (45) days after receipt of an invoice therefore from LAWA. In the event the parties cannot reach an agreement on the fair market value of a particular improvement indicated on the LACMTA Notice for which the fair market value is to be determined within thirty (30) days after delivery of such notice, LAWA shall promptly remove such item from the Permitted Area. Each improvement and modification to be removed by LAWA pursuant to this Section 9D shall be removed promptly after determination that such improvement or modification is to be removed (where such determination shall be made pursuant to this Section 9D); provided, however, that such removal (and any necessary restoration work) shall be completed no later than thirty (30) days after such determination is made. In the event LAWA fails to perform any removal and restoration work as required hereunder, LACMTA may perform the same for the account of and at the sole cost of LAWA, which cost LAWA will pay to LACMTA promptly upon receipt of an invoice for the same, provided that in no event shall such payment be made later than thirty (30) days after receipt of such invoice. No termination hereof shall release LAWA, or the legal representative, successor or assigns of LAWA, from any liability or obligation hereunder, whether of indemnity or otherwise, resulting from any acts, omissions, or events occurring prior to LAWA's vacating the Permitted Areas and returning possession thereof to LACMTA in accordance with this Section 9D.

10. Suspension.

A. LACMTA's Right to Suspend Access and Use. LACMTA may temporarily suspend access to and use of all or any portion of the Permitted Areas for operational, maintenance, repair, security, emergency or other purposes at LACMTA's discretion. LACMTA will provide LAWA with as much notice as is reasonably possible prior to any such suspension, which notice will

include: (a) the date when such suspension of access and use will commence; (b) the anticipated duration of such suspension of access and use; (c) the reason for such suspension of access and use; and (d) that portion of the Permitted Areas subject to such suspension of access and use. During such periods of suspension, LAWA will be unable to access, use or operate on that portion of the Permitted Areas to which LACMTA has suspended access and use. If, during such periods, LAWA desires or needs to continue to operate its FlyAway Service, it shall be solely responsible for the provision of the same without the use of that portion of the Permitted Areas over which access and use have been suspended; provided, however, that LACMTA will use reasonable efforts to: (i) provide a replacement site to Berth #9 for FlyAway Service bus boardings and alightings that is situated reasonably near the Transit Plaza; and (b) provide a pedestrian link from/to the Parking Garage to/from such replacement site for Berth #9 to the extent access to and use of Berth #9 is precluded as a result of a suspension of access and use hereunder. LACMTA shall not be liable for any cost or damage incurred by LAWA as a result of any suspension of access or use pursuant to this Section 10A, including, without limitation, any consequential damages resulting therefrom.

B. LAWA's Right to Terminate for Lengthy Suspensions. If a suspension of access to or use of the Kiosk, Berth #9, the Waiting Area or the Parking Garage lasts more than fourteen (14) days and LACMTA has not provided LAWA with a reasonable replacement for such suspended use and access, LAWA may terminate this Agreement immediately upon the provision of written notice to LACMTA.

11. Signs. LACMTA agrees to: (i) design and produce that directional, wayfinding and identification signage reasonably necessary to support the FlyAway Service and to limit LAWA and FlyAway Service related use of the Parking Garage and the Transit Plaza to the uses and areas specified in Section 1 of this Agreement (the "FlyAway Service Signage"); and (ii) install the FlyAway Service Signage within the Parking Garage and the Transit Plaza, all at LAWA's sole cost and expense. The parties agree that, as of the Effective Date, the FlyAway Service Signage shall be as specified in the following (collectively, the "Signage Plan"):

- A. That Statement of Work, Signage Update/FlyAway Service Signage, Metro Headquarters Parking Garage, dated 2/10/06, including the "Gateway Parking Signage" graphic examples attached thereto; and
- B. That Detailed Signage Inventory, Version 1, dated 2/15/06.

The Signage Plan may be changed: (i) by the mutual agreement of the parties; or (ii) at the sole and absolute discretion of LACMTA, to reasonably accommodate the design, architecture, use or operation of the Parking Garage or the Transit Plaza, or to accommodate applicable federal, state or local laws, statutes, ordinances, rules, regulations, orders or judgments. LACMTA shall produce and install the wayfinding and directional portion of the FlyAway Service signage detailed in the Signage Plan (as such Signage Plan may be changed pursuant to the preceding sentence) that is reasonably necessary to support the FlyAway Service, and shall install the remainder of the FlyAway Service Signage detailed in the Signage Plan (as such Signage Plan may be changed pursuant to the preceding sentence) within a reasonable period of time thereafter. Each party agrees to reasonably consider and approve changes to the

Signage Plan requested by the other party, and, during the term of this Agreement, to reasonably consider and approve: (i) the removal or modification of existing FlyAway Service Signage requested by the other party, and (ii) the installation of additional FlyAway Service Signage requested by the other party. LAWA shall not have the right to install any signage or graphics, including, without limitation, logos, banners, pennants, decals, advertisements, pictures, notices or lettering, within the Permitted Areas, the Parking Garage, the Transit Plaza, the Bus Layover Facility or the Regional Rebuild Center, except (i) as specifically approved in writing by LACMTA, or (ii) to the extent located entirely within the Kiosk and not readily visible from the public areas of the Transit Plaza.

12. Release and Indemnity for Contamination: Hazardous Substances. LAWA shall not dispose, store, place upon, use or transport to or from the Permitted Areas any Hazardous Substance, except for those Hazardous Substances contained in FlyAway Service buses and other vehicles in normal and customary amounts as is necessary for the proper operation of such buses and vehicles, and Hazardous Substances used in the normal and customary course of transit operations by LAWA and its Contractors and employees in accordance with the uses permitted hereunder.

A. Definition of Hazardous Substances. "Hazardous Substances" means any pollutant, contaminant or waste and any toxic, carcinogenic, reactive, corrosive, ignitable, flammable or infectious chemical, chemical compound or substance or otherwise hazardous wastes, toxic or contaminated substances or similar materials, including, without limitation, any quantity of asbestos, urea formaldehyde, PCBs, radon gas, crude oil or any fraction thereof, all forms of natural gas, petroleum products, by-products or derivatives, radioactive substances, methane, hydrogen sulfide or materials, pesticides, waste waters, or sludges, any of the above of which are subject to regulation, control or remediation under any Environmental Laws (as defined below).

B. Definition of Environmental Laws. "Environmental Laws" means all applicable federal, state and local laws, statutes, ordinances, rules, regulations, orders and judgments relating to the protection or clean-up of the environment, the use, treatment, storage, transportation, generation, manufacture, processing, distribution, handling or disposal of, or emission, discharge or other release or threatened release of Hazardous Substances, the preservation or protection of waterways, groundwater, drinking water, air, wildlife, plants or other natural resources, the health and safety of persons or property, or the protection of the health and safety of employees, as the same may be amended, modified or supplemented from time to time, including, without limitation: the Clean Air Act, as amended, 42 U.S.C. Section 7401 et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. Section 1251 et seq.; the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. Section 6901 et seq.; the Comprehensive Environment Response, Compensation and Liability Act of 1980, as amended (including the Superfund Amendments and Reauthorization Act of 1986, "CERCLA"), 42 U.S.C. Section 9601 et seq.; the Toxic Substances Control Act, as amended, 15 U.S.C. Section 2601 et seq.; the Occupational Safety and Health Act, as amended, 29 U.S.C. Section 651, the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. Section 11001 et seq.; the Safe Drinking Water Act, as amended, 42 U.S.C. Section 300f et seq.; the California Health and Safety Code (§ 25100 et seq., § 25249.5 et seq., § 39000 et seq.), the California Water Code (§ 13000 et seq.); all comparable state and local laws, laws of other

jurisdictions or orders and regulations; and any and all common law requirements, rules and bases of liability regulating, relating to or imposing liability or standards of conduct concerning pollution or protection of human health or the environment, as now or may at any time hereafter be in effect.

C. Release and Indemnify. LAWA releases and discharges LACMTA from any and all Claims directly related to Hazardous Substances as discussed in Section 12(A) and (B) in, under or around the Permitted Areas to the extent generated by LAWA, its Employees or its Contractors. LAWA shall defend, indemnify and hold LACMTA harmless from and against any Claims directly arising or resulting from Hazardous Substances in, under or around the Permitted Areas to the extent generated by LAWA, its Contractors or its Employees during the performance of activities pursuant to this Agreement. Should LAWA generate Hazardous Substances within, on or around the Permitted Areas, it shall do the following at its sole cost, but only to the extent generated by LAWA, its Employees or its Contractors:

- (a) Notify LACMTA within 24 hours or as soon thereafter as is reasonably possible after the Hazardous Substances are discovered. The notice shall describe generally the nature and estimated quantity of Hazardous Substances discovered and identify potential risks posed to the public, the Employees, Contractors, LACMTA, and the environment.
- (b) Promptly do whatever is prudent and thereafter do whatever is required by any regulatory agency, actually asserting jurisdiction over the Hazardous Substances (including, but not limited to, any required investigation, study, response, removal, or remediation), pursuant to any applicable laws, regulations, ordinances and rules to protect the public, the Employees, Contractors, LACMTA, and the environment from potential risks posed by the Hazardous Substances generated by LAWA or its Employees or its Contractors.

13. Inspection. LACMTA may enter upon and inspect the Permitted Areas at any or all times.

14. Assignment. LAWA shall not assign its interest under this Agreement without first securing prior written consent of LACMTA.

15. Severability. No waiver of any breach of any covenant, condition or stipulation hereunder shall be taken to be a waiver of any succeeding breach of the same covenant, condition or stipulation. In the event of default, either party may also pursue those remedies available to it under the laws or judicial decisions of the State of California.

16. Notices. All notices and other communications contemplated hereunder shall be in writing and shall be delivered by one or more of the following methods:

- (a) personally delivered to the applicable addressee set forth below (including, but not limited to, service by professional messenger service or recognized overnight delivery service), in which case it shall be deemed received upon delivery,

provided that such delivery is confirmed by a written receipt signed on behalf of the receiving party;

(b) mailed, postage prepaid, to the applicable addressee set forth below via the United States Postal Service's certified mail, return receipt requested, in which case it shall be deemed received upon actual receipt by the receiving party.

The addresses for the parties for receipt of all notices and other communications contemplated in this Agreement are as follows:

TO LACMTA: Los Angeles Metropolitan Transportation Authority
One Gateway Plaza, 13th Floor (MS 99-18-4)
Los Angeles, CA 90012-2952
ATTN: Velma C. Marshall

WITH A COPY TO:

Los Angeles Metropolitan Transportation Authority
One Gateway Plaza, 13th Floor (MS 99-18-3)
Los Angeles, CA 90012-2952
ATTN: Alexander E. Kalamaros

TO LAWA: Los Angeles World Airports
1 World Way
Los Angeles, CA 90009-2216
ATTN: Debbie Bowers

WITH A COPY TO:

Los Angeles World Airports
1 World Way
Los Angeles, CA 90009-2216
ATTN: Cynthia Guldry, Chief of Airport Planning

~~Los Angeles World Airports~~
City Attorney's Office, Airport Division
1 World Way
P.O. Box 92216
Los Angeles, CA 90009-2216
ATTN: Ray Ilgunas, General Counsel

Either party may change its address for receipt of notices and communications hereunder by giving written notice of the same to the other party in accordance with the provisions of this Section 16.

17. Entire Agreement. This Agreement is the entire agreement between the parties with respect to the subject matter contained herein.

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18. Amendments. No modification or amendment of this Agreement shall be binding upon either party unless in writing and executed by both parties. This Agreement shall not be amended or modified by oral agreement or understanding between the parties or by any acts or conduct of the parties.

19. Breach and Cure. Any breach by LAWA of the terms and conditions of this Agreement, or failure to keep, observe or perform any obligation, agreement, covenant, term or condition on its part herein contained or failure to pay any amount due hereunder when due shall constitute a "Breach" hereunder. Upon the occurrence of a Breach, LAWA shall have until the latter of the following dates ("Cure Date") to cure such Breach: (i) the date occurring thirty (30) days after LAWA's receipt of a written notice from LACMTA with respect to such Breach ("Notice to Cure"), if such Breach can reasonably be cured within such thirty (30) day period, or (ii) the date occurring at the end of such reasonable period of time as is necessary to cure such Breach, if such Breach cannot reasonably be cured within such thirty (30) day period; provided that, in each case, LAWA promptly commences to cure such Breach upon receipt of the Notice to Cure and thereafter makes diligent and reasonable efforts to cure such Breach. LAWA's failure to cure a Breach by the Cure Date, failure to promptly commence to cure a Breach upon receipt of the Notice to Cure or failure to make diligent and reasonable efforts to cure such Breach thereafter, shall constitute a "Default" hereunder.

20. Default and Remedies. In the event of a Default, LACMTA shall have all rights and remedies provided by law or equity, and, in addition, all of the following contractual remedies, which LACMTA may pursue at its option:

- (a) LACMTA may cure such Default and perform any necessary or appropriate corrective work to accomplish the same, all at LAWA's expense, which LAWA agrees to pay to LACMTA promptly upon demand therefore, or
- (b) LACMTA may, with or without further written notice or demand, immediately terminate this Agreement, which termination shall automatically terminate LAWA's rights under this Agreement.

Termination shall not relieve LAWA from its obligation to pay any sums it is required to pay under this Agreement as of the date of termination, or from any claim for damages previously accrued or then-accruing against LAWA up to the date of termination. Any failure or delay by LACMTA to exercise any right it may have by reason of a Breach or Default shall not (1) operate as a waiver of the such Breach or Default or any subsequent or other Breach or Default under this Agreement, (2) constitute or be deemed a modification of this Agreement, or (3) prevent the exercise of any right LACMTA may have hereunder.

21. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. This Agreement shall not be binding unless and until executed by each party hereto.

SIGNATURE BLOCKS

IN WITNESS WHEREOF, the Parties hereto have executed this AGREEMENT as of the Effective Date.

APPROVED AS TO FORM:
CARMEN A. TRUTANICH,
City Attorney

Date: February 15, 2017
By: [Signature]
Deputy/Assistant City Attorney

CITY OF LOS ANGELES,
A municipal corporation

By: [Signature]
Executive Director
Department of Airports

By: [Signature]
Name: Samson Munoz
Title: Deputy Executive Director

LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION
AUTHORITY,
A public agency

By: [Signature]
Signature
Roger Moliere
Print Name

[SEAL]

Chief, Real Property Management & Development
Print Title

APPROVED AS TO FORM:
JOHN F. KRATTL,
Acting County Counsel

By: [Signature]
Date: 2/14/17
By: [Signature]
Deputy: DATE

Attest:

By: _____
Name: _____
Title: _____

Exhibit O

Exhibit A-1

Depiction of the Transit Plaza

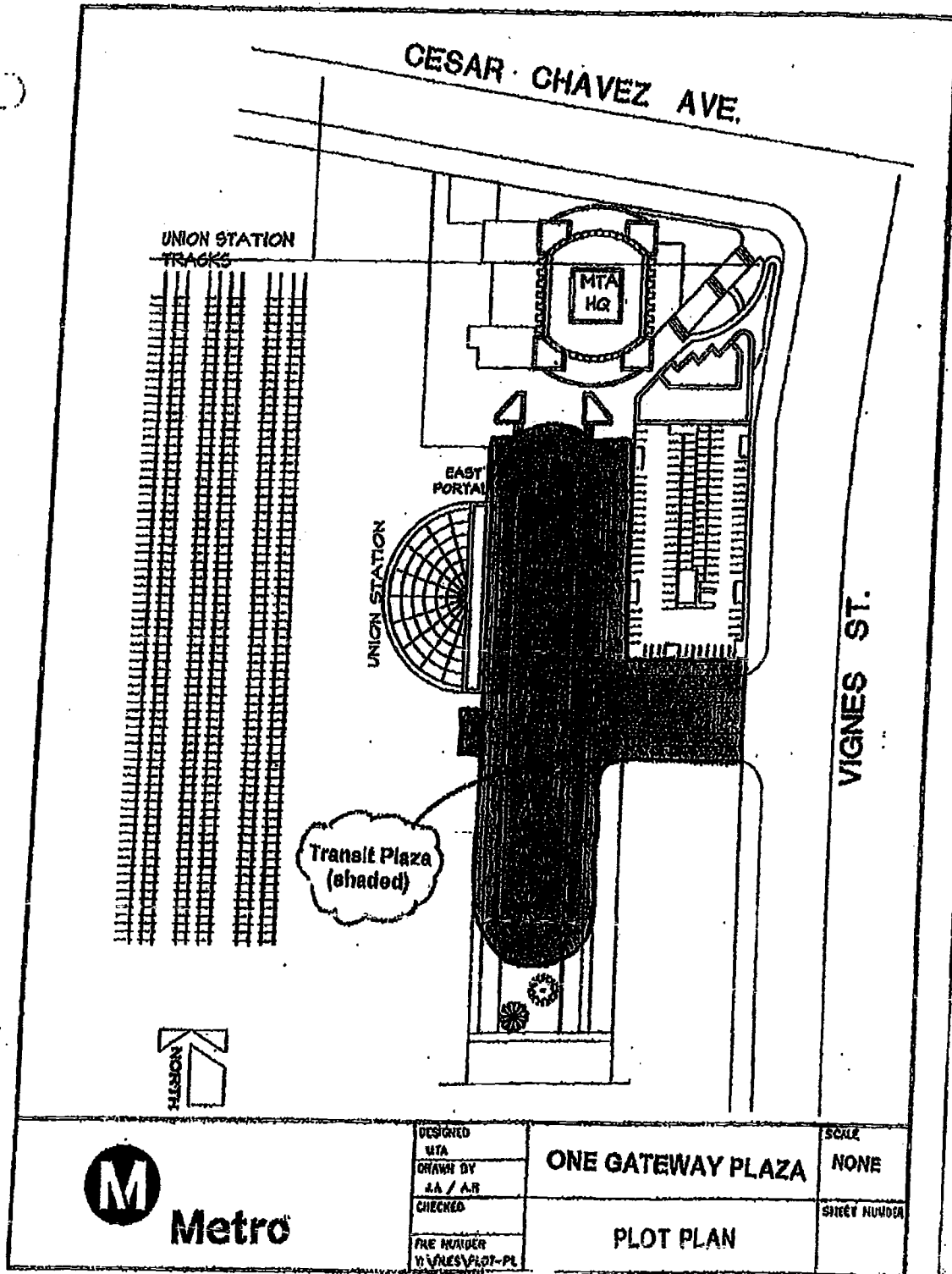
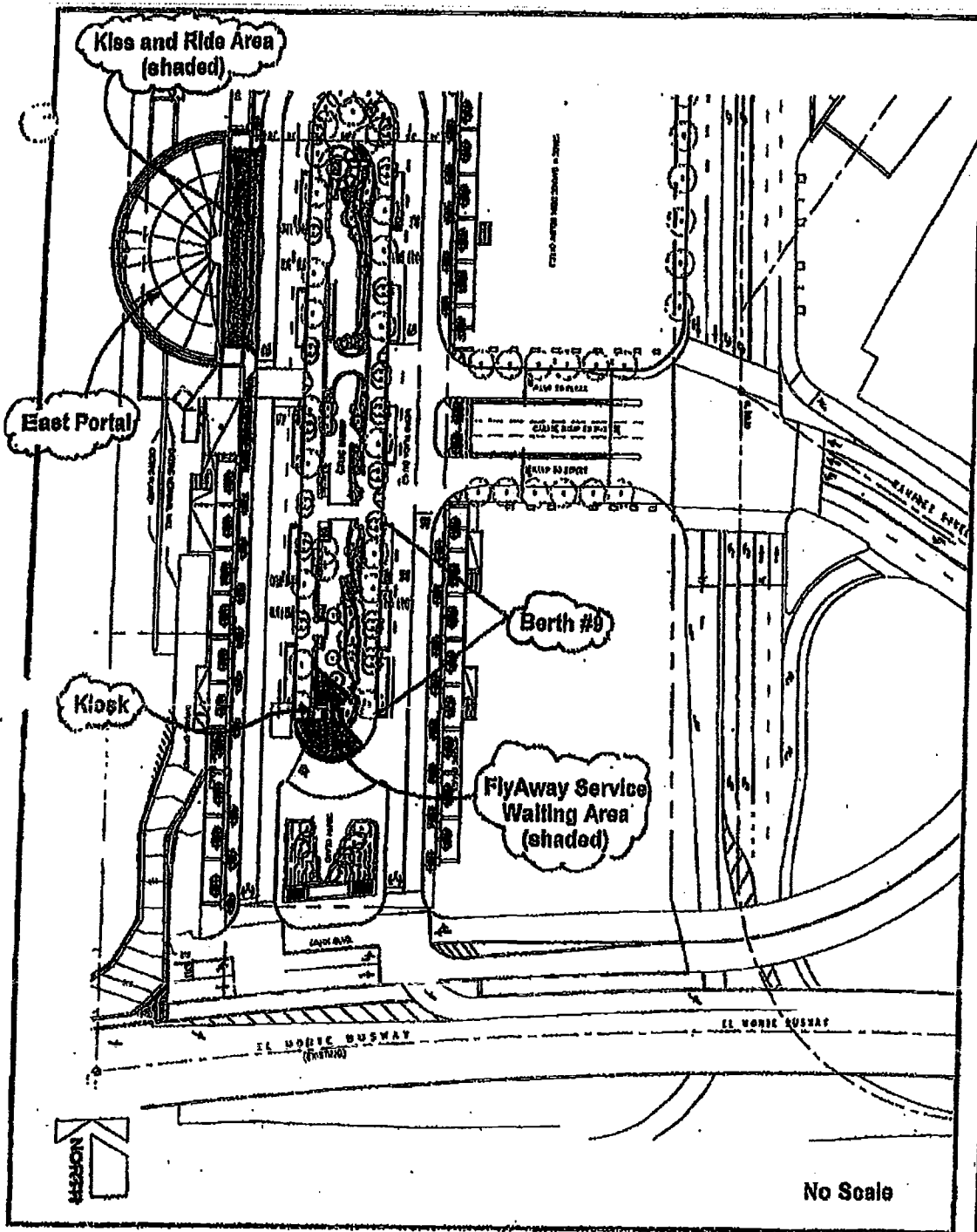


Exhibit A-1

Exhibit O

Exhibit A-2

Depletion of the Kiosk, Waiting Area, Berth #2 and the Kiss and Ride Area



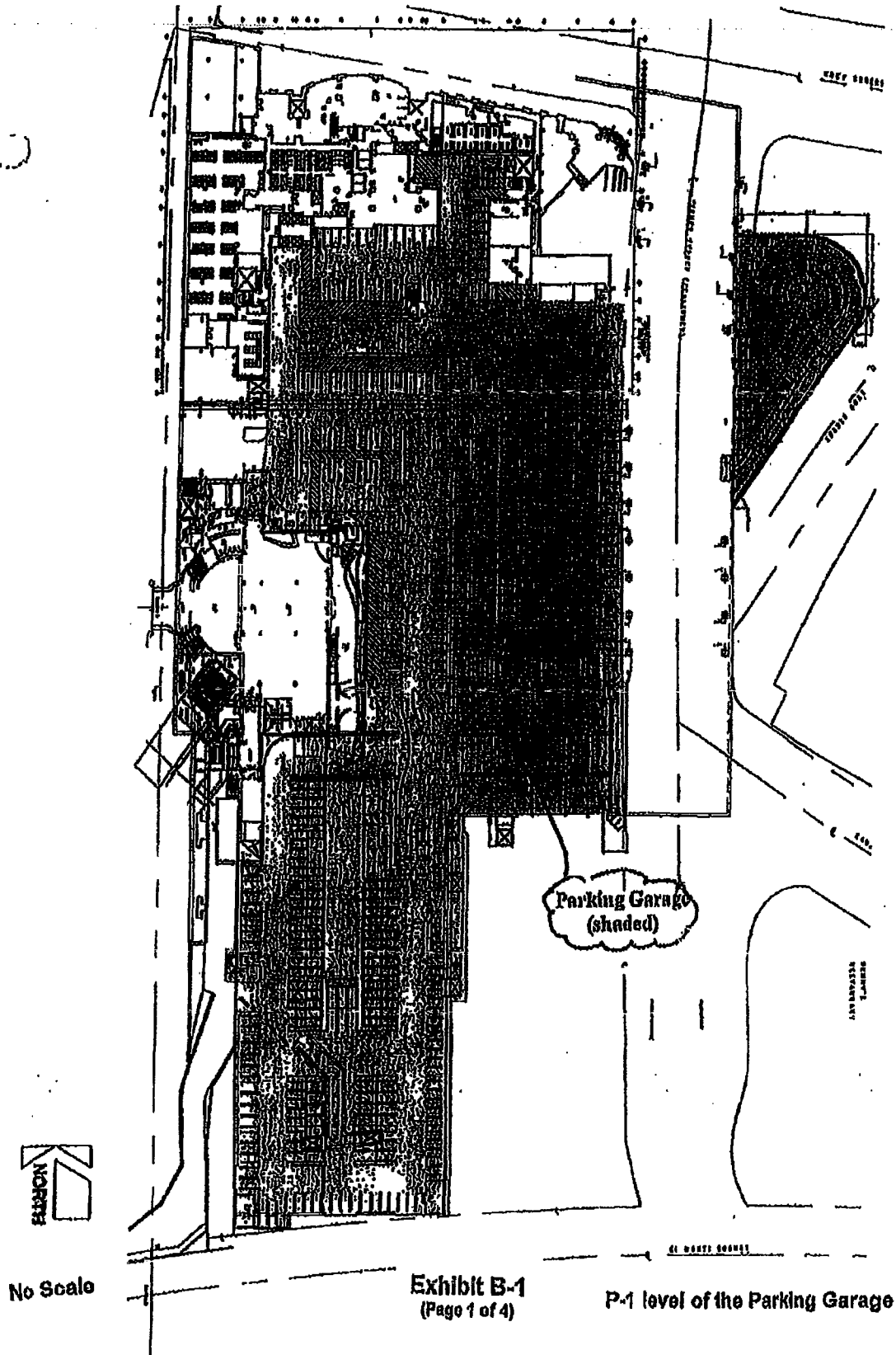
Metro

Exhibit A-2

Exhibit O

Exhibit B-1

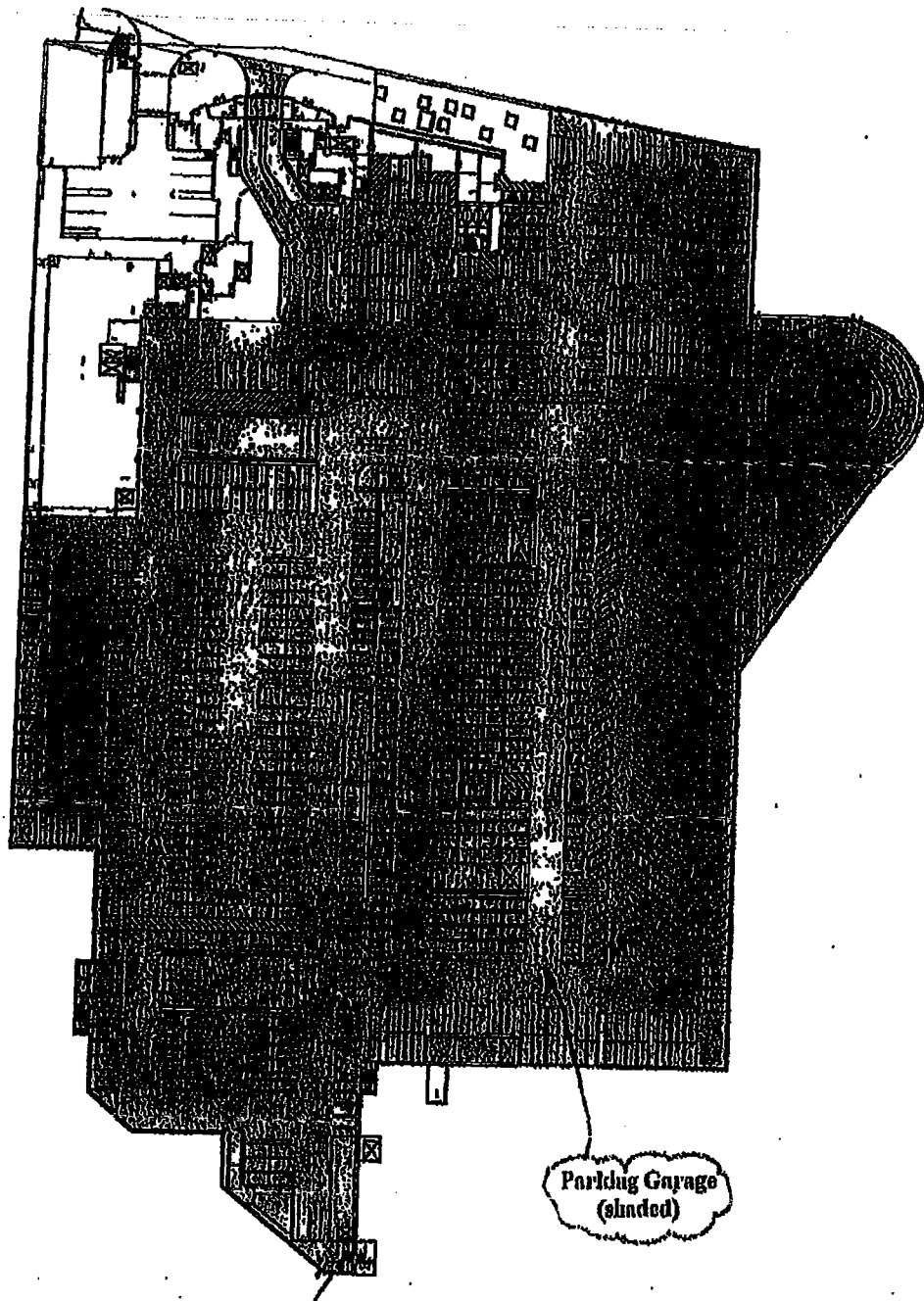
Depiction of the Parking Garage



No Scale

Exhibit B-1
(Page 1 of 4)

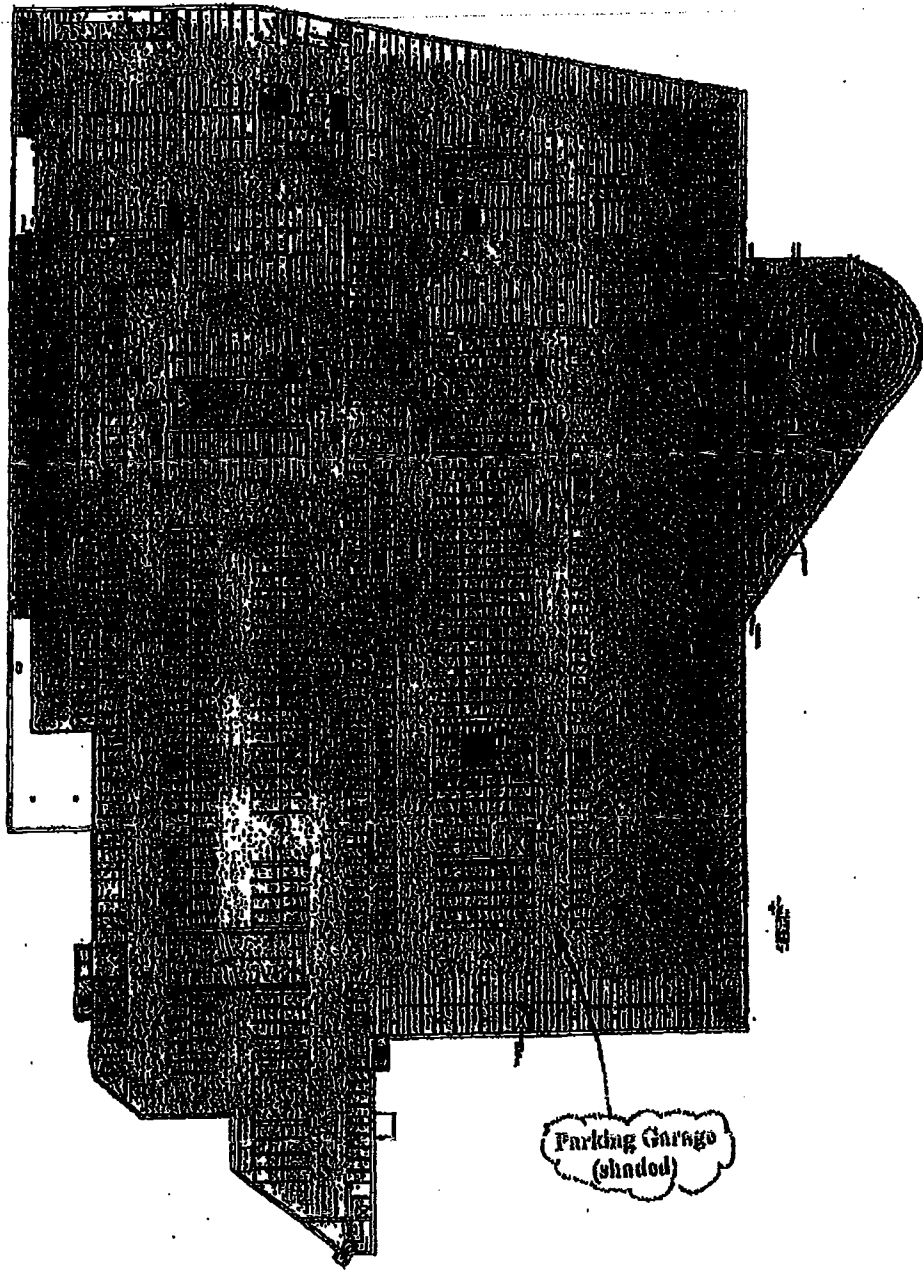
P-1 level of the Parking Garage



No Scale

Exhibit B-1
(Page 2 of 4)

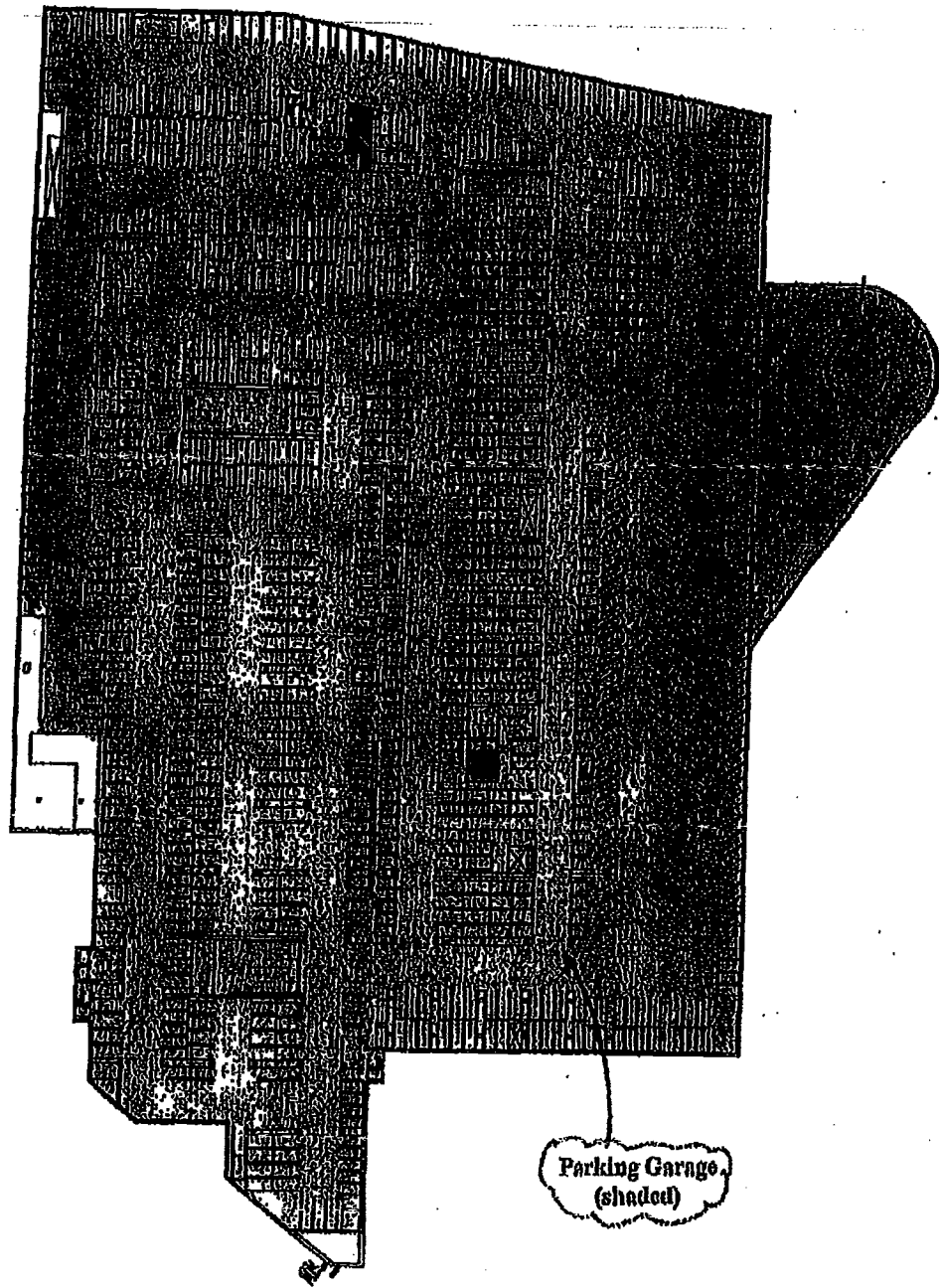
P-2 level of the Parking Garage



No Scale

Exhibit B-1
(Page 3 of 4)

P-3 level of the Parking Garage



No Scale

Exhibit B-1
(Page 4 of 4)

P-4 level of the Parking Garage

Exhibit O

Exhibit B-2

Depletion of the FlyAway Service Restroom

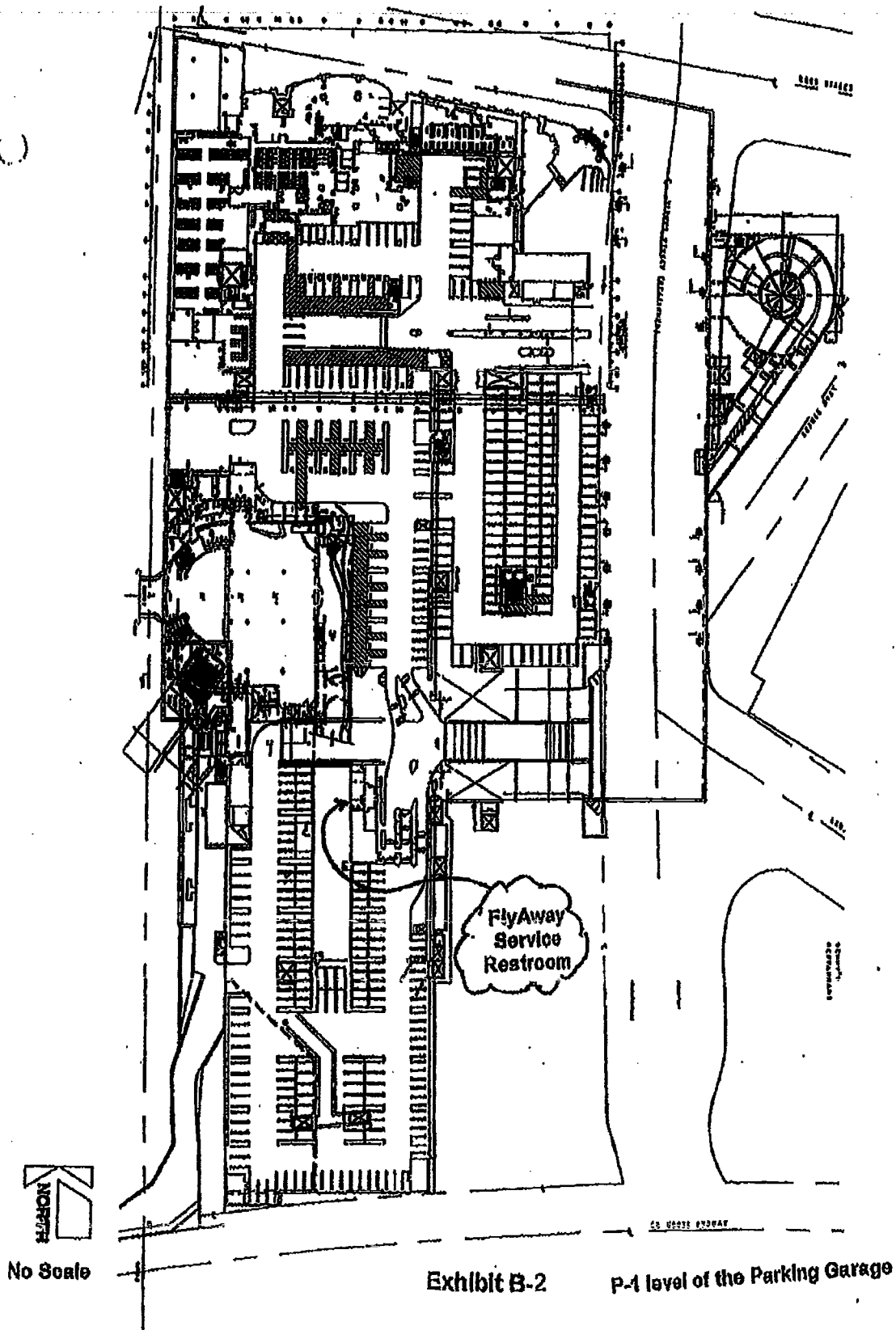


Exhibit B-2

P-4 level of the Parking Garage

Exhibit C

Depiction of The Bus Layover Facility

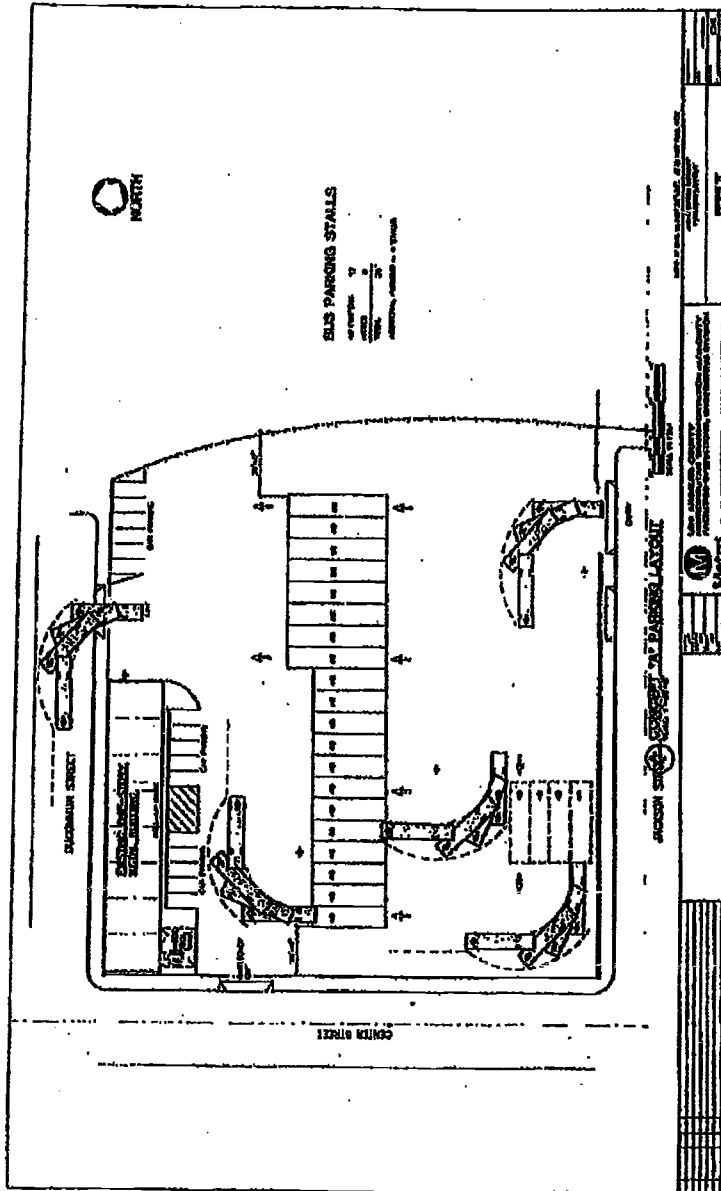


Exhibit D

INSURANCE REQUIREMENTS

LAWA shall procure and maintain, at its sole cost and expense, for the duration of the Agreement, insurance against Claims and Losses for injuries to persons and damage to property within the Permitted Areas which may arise from the actions or negligence of LAWA, its Contractors and/or employees. LAWA shall also ensure that each of its Contractors procure and maintain, at their sole cost and expense, for the duration of any of their respective contracts relating to the FlyAway Service or the Permitted Areas, insurance against Claims and Losses for injuries to persons and damage to property which may arise from the actions or negligence of such Contractors, and/or their respective agents, representatives, employees, contractors and subcontractors. The insurance coverage to be provided by LAWA and its Contractors, as described above, shall meet the specifications set forth in this Exhibit D.

Minimum Scope of Insurance (Check all applicable boxes)

Coverage shall be at least as broad as:

- ☒ Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
- ☒ Insurance Services Office Form No. CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).
- ☒ Worker's Compensation insurance as required by the State of California and Employer's Liability insurance.
- ☐ Course of Construction insurance form providing coverage for "all risks" of loss.
- ☐ Property insurance against all risks of loss to any licensee improvements or betterments.
- ☐ Insurance Services Office Railroad Protective Liability, or, alternatively, removal of all excluded coverage for work conducted in and around rail lines or subway systems from each of the policies required hereunder.
- ☐ Contractor's Pollution Liability with coverage for:
 - a. bodily injury, sickness, disease, mental anguish or shock sustained by any person, including death;
 - b. property damage including physical injury to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically injured or destroyed;
 - c. defense, including costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such compensatory damages; and
 - d. losses caused by pollution conditions that arise from the operations of the contractor described under the scope of services of this contract.

Minimum Limits of Insurance (Check all applicable boxes)

Limits of liability shall be no less than:

- ☒ General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- ☒ Automobile Liability: \$10,000,000 per accident for bodily injury and property damage.
- ☒ Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
- ☐ Course of Construction: Completed value of the project.
- ☐ Property Insurance: Full replacement cost with no coinsurance penalty provision.
- ☐ Railroad Protective Liability: \$2,000,000 per occurrence, if all exclusions to coverage for work conducted in and around rail lines or subway systems is not removed from each of the policies required hereunder. Aggregate limit shall apply separately to this project/location or the aggregate limit shall be twice the required per occurrence limit.
- ☐ Contractors Pollution Liability: \$1,000,000 per occurrence/\$2,000,000 annual aggregate.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and be approved by LACMTA in writing. At the option of LACMTA, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects LACMTA, its affiliates, employees, officers, partners, directors, commissioners, agents, board members, successors and assigns; or LAWA or the Contractor (as applicable) shall procure a bond guaranteeing payment of losses, and related investigations, claims administration and defense expenses.

Other Insurance Provisions

1. The general liability policies are to contain, or be endorsed to contain, coverage for (a) blanket contractual liability; (b) premises; (c) bodily injury, including death; (d) property damage; (e) personal injury; and (f) products, product liability, and completed operations.
2. The automobile liability policies are to contain, or be endorsed to contain, coverage for liability (including bodily injury and property damage) arising out of ownership, maintenance, or use of automobiles owned, leased, hired or borrowed by LAWA and/or its Contractors
3. None of the coverage required herein shall contain any special limitations on the scope of protection afforded to LACMTA, its affiliates, employees, officers, partners, directors, commissioners, agents, board members, successors and assigns.

4. Except for the required workers' compensation coverage, the insurance coverage required herein shall be primary insurance as respects LACMTA, its affiliates, employees, officers, partners, directors, commissioners, agents, board members, successors and assigns.
5. Except for LACMTA's workers' compensation coverage, any insurance or self-insurance maintained by LACMTA, its affiliates, employees, officers, partners, directors, commissioners, agents, board members, successors and assigns shall be excess of the insurance coverage required herein and shall not contribute with it.
6. Any failure to comply with reporting or other provisions of the policies required hereunder including breaches of warranties shall not affect coverage provided to LACMTA, its affiliates, employees, officers, partners, directors, commissioners, agents, board members, successors and assigns.
7. The insurance coverage required herein shall apply separately to each insured and additional insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
8. Each insurance policy required herein shall be endorsed to state that such insurance shall not be suspended, voided, canceled, or reduced in coverage or in limits, until thirty (30) days after LACMTA has been given written notice of the same by certified mail, return receipt requested.
9. All general liability and automobile liability insurance policies shall include LACMTA, its affiliates, employees, officers, partners, directors, commissioners, agents, board members, successors and assigns as additional insureds. All workers' compensation and employer's liability insurance policies shall include a waiver of subrogation against LACMTA, its affiliates, employees, officers, partners, directors, commissioners, agents, board members, successors, assigns and insurers.
10. Course of construction policies shall contain the following provisions:
 - A. LACMTA shall be named as loss payee.
 - B. The insurer shall waive all rights subrogation against LACMTA.

Acceptability of Insurers

All insurance required hereunder shall be written by companies licensed to do business in California and admitted as carriers in California. Such insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-:VII at the time such insurance is put into place or is renewed, unless otherwise approved in writing by LACMTA.

Verification of Coverage

LAWA shall furnish LACMTA with original endorsements and certificates of insurance evidencing the insurance coverage required to be maintained by LAWA. At the request of LACMTA, LAWA shall furnish LACMTA with original endorsements and certificates of insurance evidencing the insurance coverage required to be maintained by LAWA's Contractors.

All endorsements and certificates required hereunder must be signed by a person authorized by the insurer to bind coverage on its behalf, and must be kept current and up to date. All such endorsements and certificates must be received and approved by the LACMTA prior to LAWA's or any of its Contractors' entry onto the Permitted Areas, or exercise of any of their respective rights under the Agreement.

Payment of Premiums

LAWA and its Contractors (as applicable) shall pay, when due, all premiums and assessments on all required insurance coverage hereunder.

Audit

Compliance with the insurance requirements set forth herein by LAWA and its Contractors shall be subject to audit review by LACMTA.

Notification of Incidents

Within three (3) business days after LAWA obtains knowledge of the occurrence of any accidents or incidents which could give rise to a claim under any of the insurance policies required hereunder, LAWA shall notify LACMTA of such accident or incident.

Modification of Insurance Requirements

LAWA acknowledges that over the term of the Agreement, the insurance market may change such that certain coverage set forth herein will no longer be available, other coverage not set forth herein will become prudent business practice, and/or the limits of liability set forth herein will no longer provide LACMTA with adequate protection. As such, LAWA hereby agrees to modify the insurance coverage hereunder at any time LACMTA reasonably deems such coverage to no longer be consistent with prudent risk management practices as the same relate to the risks arising as a result of the Agreement and LAWA's uses and rights thereunder, taking into account then-existing insurance market conditions and utilizing reasonable business judgment. LAWA agrees to act reasonably with respect to any reasonable request from LACMTA to alter the insurance obligations set forth herein.

Exhibit E

FlyAway Service Schedule

LAX FlyAway at Union Station			
Schedule			
(as of November 2011)			
Depart Union Station			
Pasadena Transit Plaza			
Monday - Friday			
12:00 am	7:30 am	12:30 pm	6:30 pm
1:00 am	8:10 am	1:30 pm	7:30 pm
2:00 am	8:50 am	2:30 pm	8:30 pm
3:00 am	9:30 am	3:30 pm	9:30 pm
4:00 am	10:30 am	4:30 pm	10:30 pm
5:00 am	11:30 am	5:30 pm	11:30 pm
Saturday - Sunday			
12:00 am	7:30 am	1:00 pm	6:30 pm
1:00 am	8:30 am	2:00 pm	7:30 pm
2:00 am	9:30 am	3:00 pm	8:30 pm
3:00 am	10:30 am	4:00 pm	9:30 pm
4:00 am	11:30 am	5:00 pm	10:30 pm
5:00 am	12:30 pm	6:00 pm	11:30 pm
6:00 am	1:00 pm	7:00 pm	12:00 pm
7:00 am	12:30 pm	8:00 pm	11:30 pm

Exhibit F

**Kiosk Maintenance, Repair, Cleaning and Janitorial
Scope of Services**

A. Cleaning and Janitorial Services:

1. Daily Services (to be performed seven (7) days per week, including holidays, between 9pm and 3am):

- (a) Sweep the floor
- (b) Empty the trash
- (c) Clean and polish the shelf affixed to the exterior on the south-facing side
- (d) Dust all interior areas, furniture and fixtures (with a treated cloth)

2. Weekly Services (to be performed on Saturdays, including on holidays, between 9pm and 3am):

- (a) Mop the floor
- (b) Clean the windows (inside and out)
- (c) Spot clean the exterior
- (d) Remove gum and other adhesive material from the exterior
- (e) Spot clean all furniture as is necessary
- (f) Damp wipe with disinfectant-treated cloth all telephones, including dials
- (g) Spot clean all doors, door frames, wall equipment and light switches

3. Monthly Services (to be performed on Saturdays, between 9pm and 3am):

- (a) Vacuum off ceiling and wall air supply and exhaust diffusers or grilles
- (b) Wash doors and frames (interior)

4. Quarterly Services (to be performed on Saturdays, between 9pm and 3am)

- (a) Clean all horizontal and vertical surfaces not reached in daily and weekly cleaning, including light fixtures lenses and lamps
- (b) Damp wash diffusers, vents, grilles and other such items, including surrounding wall or ceiling areas that are soiled
- (c) Clean exterior

5. Annual Services (to be performed on Saturdays, between 9pm and 3am):

- (a) Clean any discoloration of ceilings caused by improper maintenance of HVAC. (Ordinary wear and tear and aging accepted.)

A. Maintenance and Repair Services:

- 1. Maintenance and Repair Services are to be performed in a timely manner, as needed.

Exhibit G

Excerpt from LACMTA Safety Rules and Procedures:
General Rules, Section 1.23, Safety in Yards and Terminals

1.23 Safety in Yards and Terminals

Operators must be alert and take the necessary precautions to ensure their personal safety and the safety of others while on Metro property. An approved reflective safety vest must be worn at all times when walking in the division yard or any terminal. The safety vest may not be worn while operating any Metro bus. (See SOP 1.106 & 3.116)

Exhibit H

Excerpt from LACMTA Safety Rules and Procedures:
General Procedures, Section 1.106, Personal Safety in Yards, Terminals,
and Other Facilities

**1.106 Personal Safety in Yards, Terminals,
and Other Facilities**

To avoid pedestrian accidents in division yards, terminals and other facilities, adhere to the following yard safety instructions:

When Driving:

- Enter and exit yards, terminals, or other facilities only at the appropriately marked entrances and exits.
- Make a complete stop at all stop signs, stop lines and crosswalks if they are occupied
- Adhere to the 8 MPH maximum speed limit, or the posted speed limit. (slower speeds may be warranted due to inclement weather or yard conditions)
- Use headlights between sunset and sunrise or when visibility is poor
- Drive cautiously and watch for moving vehicles and/or pedestrians

When Parking:

- Park vehicles within the marked lanes
- Keep crosswalks clear
- Watch for persons walking in the yard or facility
- Park only in authorized locations

When Walking:

- Wear a reflective safety vest at all times in the yard or terminal (not while operating a vehicle)
- Walk cautiously, never run
- Be alert for moving vehicles
- Cross yard or terminal only in designated pedestrian crosswalks when possible, if necessary to walk between parked vehicles or when alighting from a vehicle, be cautious and look in both directions before stepping out
- Stay out of open traffic lanes when walking through parking areas (See Rule 1.23, 6.13 & SOP 3.116)

ALTERNATIVE FUEL VEHICLE REQUIREMENT PROGRAM (LAX ONLY)

I. Definitions.

The following capitalized terms shall have the following meanings. All definitions include both the singular and plural form.

“Airport Contract” shall mean a contract awarded by LAWA and pertaining to LAX, and subcontracts of any level under such a contract.

“Airport Contractor” shall mean (i) any entity awarded an Airport Contract, and subcontractors of any level working under an Airport Contract; (ii) any contractors that have entered into a contract with an Airport Lessee to perform work on property owned by LAWA and pertaining to LAX, and any subcontractors working in furtherance of such a contract; and (iii) any contractor that have entered into a contract with an Airport Licensee to perform work pertaining to LAX, and any subcontractors working under such a contract.

“Airport Lessee” shall mean any entity that leases or subleases any property owned by LAWA and pertaining to LAX.

“Airport Licensee” shall mean any entity issued a license or permit by LAWA for operations that pertain to LAX.

“Alternative-Fuel Vehicle” shall mean a vehicle that is not powered by petroleum-derived gasoline or diesel fuel. Alternative-Fuel Vehicles include, but are not limited to, vehicles powered by compressed or liquefied natural gas, liquefied petroleum gas, methanol, ethanol, electricity, fuel cells, or other advanced technologies. Vehicles that are powered with a fuel that includes petroleum-derived gasoline or diesel are Alternative-Fuel Vehicles only if the petroleum-derived energy content of the fuel is no more than twenty percent (20%) of the total energy content of the fuel. Vehicles powered by dual fuel technologies are Alternative-Fuel Vehicles only if no more than twenty-percent (20%) of the fuel used by the engine comes from a petroleum-derived fuel. Vehicles powered by fuels that are derived from sources other than petroleum, but that can be used in conventional spark or combustion-ignition engines, are Alternative-Fuel Vehicles.

“CARB” shall mean the California Air Resources Board.

“Comparable Emissions Vehicle” shall mean a vehicle powered by an engine certified by CARB operating on petroleum-derived gasoline or diesel fuel that has criteria pollutant emissions less than or equal to a comparable alternative fuel engine.

“Covered Vehicles” is defined in Section II below.

“EPA” shall mean the United States Environmental Protection Agency.

EXHIBIT P

"Independent Third Party Monitor" shall mean a person or entity empowered by LAWA to monitor compliance with and/or implementation of particular requirements in this policy.

"LAWA" shall mean Los Angeles World Airports.

"LAX" shall mean Los Angeles International Airport.

"Least-Polluting Available Vehicle" shall mean a vehicle that (i) is determined by an Independent Third Party Monitor to be (x) commercially available, (y) suitable for performance of a particular task, and (z) certified by CARB or EPA to meet the applicable engines emission standard in effect at the time of purchase; and (ii) is equipped with a retrofit device that reduces NOx emissions by at least twenty-five percent (25%) and reduces particulate matter by at least eighty-five percent (85%). Where more than one vehicle meets these requirements for a particular task, LAWA, working with the Independent Third Party Monitor, will designate as the Least-Polluting Available Vehicle the vehicle that emits the least amount of criteria air pollutants.

"Operator" shall mean any Airport Contractor, Airport Lessee, or Airport Licensee.

II. Covered Vehicles. The requirements under this Attachment shall apply to all on-road vehicles, including trucks, shuttles, passenger vans, and buses that are 8,500 lbs gross vehicle weight rating or more and are used in operations related to LAX ("**Covered Vehicles**").

III. Conversion Schedule.

- A. By January 31, 2010, fifty percent (50%) of the Covered Vehicles operated by an Operator shall be Alternative-Fuel Vehicles or Comparable Emissions Vehicles.
- B. By January 31, 2015, one hundred percent (100%) of the Covered Vehicles operated by an Operator shall be Alternative-Fuel Vehicles or Comparable Emissions Vehicles.

IV. Least-Polluting Available Vehicles. In cases where an Operator cannot comply with the requirements established pursuant to Section III above because neither Alternative-Fuel Vehicles nor Comparable Emissions Vehicles are commercially available for performance of particular tasks, LAWA will instead require Operators to use Least-Polluting Available Vehicles for such tasks. An Independent Third Party Monitor will determine on an annual basis whether Alternative-Fuel Vehicles or Comparable Emissions Vehicles are commercially available to perform particular tasks, and, in cases where Alternative-Fuel Vehicles are not commercially available for performance of a particular task, will identify the Least-Polluting Available Vehicle for performance of that task.

V. Written Reports. Operator shall complete and submit to LAWA the vehicle information required on the reporting form accessible on-line at <https://sbo.lawa.org/altfuel> on a semi-annual basis. The reporting form may be amended from time to time by LAWA.

EXHIBIT P