

TOWN OF DAVIE

TOWN COUNCIL AGENDA REPORT

TO: Mayor and Councilmembers

FROM/PHONE: Herb Hyman/797-1016

SUBJECT: Resolution

AFFECTED DISTRICT: n/a

TITLE OF AGENDA ITEM: A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH FIRST VEHICLE SERVICES FOR VEHICLE MAINTENANCE SERVICES.

REPORT IN BRIEF: The Town Council approved the selection committee's recommendation of First Vehicle Services to perform vehicle maintenance services and authorized staff to negotiate an agreement by Resolution R-2002-281. The contractor operates out of the Town's facility and works only on Town owned vehicles. The initial contract is a five (5) year agreement.

PREVIOUS ACTIONS: Resolution R-2002-281 authorized staff to negotiate a contract.

CONCURRENCES: This contract was negotiated by a committee that included the Procurement Manager, the Assistant Town Administrator, the Director of Public Work/Capital Projects, and one representative each of the Police and Fire Departments.

FISCAL IMPACT:

Has request been budgeted? yes

If yes, expected cost: \$886,659.00

Account Name: Vehicle Maintenance-Contractual Repairs Account

Additional Comments: Not applicable

RECOMMENDATION(S): Motion to approve the resolution.

Attachment(s):

Two (2) copies of master agreement

RESOLUTION NO. _____

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH FIRST VEHICLE SERVICES FOR VEHICLE MAINTENANCE SERVICES.

WHEREAS, the Town Council approved the selection of First Vehicle Services to provide vehicle maintenance services by Resolution R-2002-281 ; and

WHEREAS, the Town's staff negotiated a contract with First Vehicle Services as directed by the resolution; and

WHEREAS, after review, the Town Council authorizes the Mayor to execute a contract with First Vehicle Services.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA:

SECTION 1. The Town Council authorizes the Mayor to execute a contract with First Vehicle Services for vehicle maintenance services which is attached hereto and identified as Attachment "A".

SECTION 2. The initial term is five (5) years.

SECTION 3. This resolution shall take effect immediately upon its passage and adoption.

PASSED AND ADOPTED THIS _____ DAY OF _____, 2003

MAYOR/COUNCILMEMBER

Attest:

TOWN CLERK

APPROVED THIS _____ DAY OF _____, 2003

FLEET MANAGEMENT AND MAINTENANCE AGREEMENT

THIS CONTRACT, made this 1 day of December, 2002, by and between The Town of Davie; hereinafter referred to as "Town," and **FIRST TRANSIT, INC., d/b/a FIRST VEHICLE SERVICES**, a Delaware corporation with its principal place of business at One Centennial Plaza, 705 Central Avenue, Suite 500, Cincinnati, Ohio, 45202, hereinafter referred to as "Contractor";

WHEREAS, the Town currently maintains approximately 722 pieces of equipment and vehicles;
NOW, THEREFORE, the Town and the Contractor, for the consideration stated herein, agree as follows:

SECTION 1 - DEFINITIONS

1.01 Abnormal Use - Shall mean the damage or degradation of a vehicle resulting from deliberate actions or omission other than normal wear and tear of the user, or use of a vehicle other than as intended or specified by the manufacturer.

1.02 Contractor - Shall mean First Transit, Inc., d/b/a First Vehicle Services at 705 Central Avenue, Suite 500, Cincinnati, Ohio, 45202.

1.03 Contracting Officer - Shall mean the Town's Administrator, or the official designated by him or her in writing to represent the Town in connection with all work, responsibilities, and obligations under this Contract, including, but not limited to, coordination with the Contractor's representative regarding priority of repairs and maintenance and purchasing of equipment.

1.04 Town - Shall mean Town of Davie, or its authorized and legal representatives.

1.05 PM - Shall mean preventive maintenance as described in Contractor's proposal and referred to in Section 11.02 subparagraph B.

1.06 Attachment A - Shall mean the fleet list referred to as Attachment A in the Town's RFP.

1.07 Downtime - Shall mean the number of hours or days a vehicle or piece of equipment ("Unit") is unavailable for use due to a need for authorized repair or preventative maintenance work. For vehicles dropped off at the Facility for a PM or repair the downtime will begin at the time the vehicle is dropped off at the Facility during normal business hours on the day the PM is scheduled or repair is required. If the vehicle is dropped off when the location is closed the downtime will begin at the beginning of the next business day. If a vehicle is dropped off at the Facility for a PM other than the day the vehicle is scheduled the downtime calculation will not be used. The Contractor will commit to completing all unscheduled PM's within four (4) days. Downtime ends when the department to which the Unit is assigned is notified that the Unit is available for service. Downtime does not include excessive time delays caused by outside vendors utilized to complete repair work that cannot be completed on site by first vehicle services staff. In order to exclude outside vendor repair time from the downtime computation FVS staff must get a repair time quote. If the quoted amount of time will not allow the vehicle to return to service within the downtime limit the Town Staff liaison must be contacted. In this situation downtime will not include excessive time at an outside vendor's facility.

1.08 Facility - Facility shall mean the land and buildings known as Maintenance Facility, which is located at 6911 SW 45th Street, Davie, FL. 33314.

1.09 Fleet - Shall mean all or such portion of the Units listed in Attachment A (a net total of 722 vehicles and pieces of equipment) as the context may require, and any Units that may be added to the Fleet. Additions to the Fleet shall require additional Compensation pursuant to the terms of Section 5.

1.10 Fleet Manager - Shall mean the Town official who manages the acquisition, maintenance, assignment and disposition of the Town's Fleet, under the direction of the Town's Administrator.

1.11 Good Fleet Management Practice - Shall mean that fleet management practice generally recognized as customary and reasonable in the fleet maintenance industry.

1.12 Obsolete Inventory - Shall mean parts, which cannot be installed on any Unit in the fleet, which is described in Attachment A.

1.13 Performance Bond - Shall mean the form of security furnished by the Contractor as a guarantee that the Contractor will reasonably execute the work in substantial accordance with the terms of the Contract Documents.

1.14 Personnel Costs - Shall mean and include wages, salaries, fringe benefits, payroll taxes, drug testing, licensing, educational reimbursement, mechanic and management incentive program costs, overtime costs and any other labor cost whatsoever associated with the workforce.

1.15 Subcontractor - Shall mean and include any agent, including any independent contractor of Contractor or any other person retained or used by Contractor who is not an officer, employee, or representative of Contractor to provide any services and to fulfill any obligation in connection with this Contract.

1.16 Surety - Shall mean the party who is bound with and for the Contractor to ensure the payment of all lawful debts pertaining to and for the acceptable performance of the Contract.

1.17 Unit - Shall mean and include heavy and light equipment, trucks, cars, and other vehicles owned, leased or operated by the Town and initially consists of 722 vehicles and pieces of equipment listed in Attachment A, collectively known as the "Fleet". The Town may at any time amend the list of Units on Attachment A upon written notification to Contractor and subject to the provisions of Section 5.

1.18 Unusual Costs - Shall mean items not covered by this Contract, which occur through no fault of Contractor pursuant to the provisions of Section 5.

1.19 Unresolved Controversy, Claim or Dispute - Shall be handled according to the provisions of Section 3.08.

1.20 Utility - Shall include, but shall not be limited to, electric, gas, water and local telephone calls.

1.21 Waste - Shall mean and include any matter, whether solid, liquid or gaseous, which is generated by Contractor during its performance of the Contract and which Contractor desires to dispose or abandon.

SECTION 2 – CONTRACT

2.01 The Contract consists of this Contract and all appendices and amendments thereto, the Request for Proposal and Contractor's Proposal ("Contract Documents,") which are hereby incorporated by reference herein. In addition, this Contract shall consist of all mutually agreed amendments subsequent hereto. In the event a conflict arises between this Contract and the other Contract Documents, the terms of this Contract, as amended, will control.

SECTION 3 - CONTRACTOR'S RELATION TO TOWN

3.01 Contractor as Independent Contractor - The Contractor is in all respects an independent contractor of the Town and not an agent, servant or employee of the Town. This Contract specifies the scope of services but the precise and exact method to be employed to accomplish the work shall be the sole responsibility of the Contractor.

3.02 Subcontracting - Contractor may subcontract services subject to the approval of the Town, and such approval shall not be unreasonably denied.

3.03 Town Representative - Unless otherwise provided in this Contract, the Contracting Officer or his designee is hereby authorized to act on behalf of the Town as to all matters relating to this Contract and/or the services being performed hereunder.

3.04 Inspection of Work - The Contractor shall furnish the Contracting Officer or his or her written designee with every reasonable opportunity for determining whether or not the work is performed in accordance with the requirements of the Contract. The Contracting Officer shall appoint qualified persons to inspect the Contractor's operations, equipment and service, and Contractor shall permit these written designees to make such inspections at a reasonable time and place upon reasonable prior notice to Contractor. The designees shall be permitted to review and inspect work as it progresses, make recommendations to the Contractor, approve and disapprove work and act on behalf of the Contracting Officer during daily operations, but not so as to interfere with Contractor's performance of duties hereunder.

3.05 Term of Contract - The term of this Contract shall be for sixty (60) months commencing on December 1, 2002 and ending November 30, 2007. The parties shall begin good faith negotiations for the Target Price each year at least (90) days prior to the anniversary date of the contract. The Target Price increase, for any year renewal, shall not exceed the Cost/Price Index (CPI-U) for the Motor Vehicle and Maintenance Index for the prior year with the exception of the labor budget.

3.06 Right to Require Performance - The failure of the Town or the Contractor at any time to require performance by the Town or the Contractor of any provisions hereof shall in no way affect the right of the Town or the Contractor thereafter to enforce same. No waiver by the Town or the Contractor of any breach of any provision hereof be taken or held to be a waiver of any succeeding breach of such provision or as a waiver of any provision itself.

3.07 Resolution of Disputes - In the event of any Unresolved Controversy, Claim or Dispute as to the services and work performed or to be performed by Contractor, or the construction or operation of or rights and liabilities of the parties under this Contract, the following procedures shall be invoked:

(a) First Stage – The Town's Fleet Manager, or his designee, and Contractor's General Manager will identify, discuss and attempt to resolve any and all issues. Most such issues will be resolved in the course of their regular meetings. In situations where these individuals do not reach agreement, either party may reduce their dispute to writing and the other party must respond in writing to the dispute within 14 calendar days. Should the aggrieved party remain unsatisfied with the resolution, they shall forward a package of the written dispute resolution documents as described in the Second Stage.

(b) Second Stage – An aggrieved party wishing to appeal a First Stage dispute decision, within fourteen (14) days after receipt of the First Stage decision, shall forward a complete package of the written dispute package ("First Stage Dispute Package") to the following two (2) individuals: The Town's Administrator and the Contractor's Region Manager. Upon receipt of the First Stage Dispute Package, these individuals will use good faith efforts to resolve the dispute and shall, within thirty (30) days issue a written agreement which either reflects a resolution of the dispute or, failing agreement on a resolution, sets forth written position statements of each

party. Disputes that are resolved at the Second Stage level will be passed back to the Fleet Manager and General Manager for execution. Disputes which are not resolved at the Second Stage or which have otherwise exceeded the thirty (30) day resolution period shall be forwarded to the Third Stage of Dispute Resolution.

(c) Third Stage – Within fourteen (14) days after a Second Stage decision, or after expiration of the thirty (30) day Second Stage decision period, a complete Second Stage Decision Package shall be forwarded to the following two (2) individuals: The representative of the Town designated by the Town's Administrator and the representative for the Contractor designated by the Senior Vice President. Upon receipt of the Second Stage Dispute Package, these individuals will use good faith efforts to reach resolutions and commit their understanding to writing within thirty (30) calendar days. Disputes that are resolved at this level will be passed back to the Contract Liaison and General Manager for execution.

Both parties reserve their legal rights to address unresolved issues in a court of competent jurisdiction in Broward County, Florida. The prevailing party to any resulting judgment shall be entitled to an award of all reasonable attorney's fees, paralegal expenses, interest and court costs incurred by such prevailing party against the losing party including reasonable appellate attorney fees, interest and taxable costs.

3.09 Transfer of Operations - In the event this Agreement is terminated at any time, the Contractor agrees to surrender peacefully the Facility, and the Town agrees to pay the Contractor in full for all outstanding invoices, for all non-obsolete inventory and for all work and reimbursable expenses through the termination before the Contractor leaves the Facility.

3.10 Investigations - The Contractor shall cooperate with the Town on any investigation related to any Unit in the Fleet. Such investigation may, by way of example, but without limitation, include an inquiry into the nature, cause, and extent of any accident, fire, or other defect, failure or break down of any Unit in the Fleet.

3.11 Extraordinary Occurrences - It is agreed that in no event shall the Contractor be liable or responsible to the Town or to any other persons for damages resulting from deficiencies or delays in the work herein provided for, where such deficiencies or delays result from Acts of God, fire, labor disputes

and or strikes of sole source suppliers, or any other natural act or circumstance totally beyond the control of the Town or Contractor.

SECTION 4 - TOWN'S RESPONSIBILITIES TO CONTRACTOR

4.01 Lease - The Town shall lease to the Contractor the Town designated Facilities for the charge of one-dollar (\$1.00) per year for the term of the Contract.

4.02 Town Owned Equipment - The Town will provide, under the aforementioned annual lease rate in Section 4.01, all of the Town owned equipment, tools, and furniture currently located in the Facilities. The Town shall, without cost to Contractor, repair and replace the Town Owned Equipment as necessary, provided that any repairs or replacement is not necessitated by the negligence or willful act of Contractor or its agents or subcontractors.

4.03 Facilities - The Town shall, without cost to Contractor, provide all necessary permits, certifications and inspections, maintain the interior, exterior and infrastructure of the improvements to the Facilities and shall diligently make necessary repairs and/or renovations, provided that any maintenance or repair is not necessitated by the negligence or willful act of Contractor or its agents or subcontractors. The Facilities will include telephones on the Town telephone system. Long distance charges will be the responsibility of the Contractor.

4.04 Utilities - The Town shall furnish all utilities to the Facilities at no cost to Contractor.

4.05 Files - The Contractor shall supply the Town with all available hard copy files of the history of the Units in the fleet upon request.

4.06 Access - Unless otherwise stated herein, the Town shall provide reasonable access to all Units, which are identified in Attachment A.

SECTION 5 - COSTING METHODOLOGY

5.01 Target Price - The "Target Price," which shall be the Contractor's operating budget for each year of this Contract, shall include the following cost items:

- (a) Personnel costs;

- (b) Parts/supplies/outside services;
- (c) Overhead expenses;
- (d) Corporate administrative expense and management fees;
- (e) Capital Expenditures.

The Target Price for the initial year hereof is Eight Hundred Eighty Six Thousand Six Hundred and Fifty Nine dollars (\$886,659). The Target Price attached hereto as Attachment B. The Target Price may be adjusted during the course of the Contract based upon the criteria set forth herein, Section 3.05.

5.02 Personnel Costs - Shall mean and include wages, salaries, fringe benefits, payroll taxes, licensing, educational reimbursement, mechanic and management incentive program costs, overtime costs and any other labor cost whatsoever associated with the workforce.

5.03 Parts/Supplies/Outside Services - Contractor shall charge the Town for parts, supplies or subcontracted services at the actual price paid by Contractor with no markup whatsoever

5.04 Overhead Expenses - All overhead expenses will be charged to the Town as they are incurred, at Contractor's net cost without mark-up. These costs include all overhead expenses associated with the operation of the Facility and performance of the Contract. Examples of such expenses may include, but is not limited to, office supplies, miscellaneous shop supplies, training, drug testing, insurance, employee recruitment, taxes and assessments, MVA and other background checks, location business travel, uniforms, computer costs, copying costs, etc.

5.05 Corporate Administrative Expense and Management Fees - Line items in the Target Price for corporate administrative expense and management fees will be charged each accounting period to the Town. These items shall be subject to negotiations for each year pursuant to Section 3.05 and 5.11 herein. Corporate administrative costs and fees for each year are a percentage of the Target Price and these items are not subjected to documentation.

5.06 Capital Expenditures - The Contractor shall not make any expenditures for Shop Equipment or other capital equipment without the written consent of the Contracting Officer and shall notify the Contracting Officer of the proposed capital expenditure costs for any extension term not less than sixty (60) days prior to the expiration of the initial or any extension term of this Contract.. Any and

- (b) Parts/supplies/outside services;
- (c) Overhead expenses;
- (d) Corporate administrative expense and management fees;
- (e) Capital Expenditures.

The Target Price for the initial year hereof is Eight Hundred Eighty Six Thousand Six Hundred and Fifty Nine dollars (\$886,659). The Target Price attached hereto as Attachment B. The Target Price may be adjusted during the course of the Contract based upon the criteria set forth herein, Section 3.05.

5.02 Personnel Costs - Shall mean and include wages, salaries, fringe benefits, payroll taxes, licensing, educational reimbursement, mechanic and management incentive program costs, overtime costs and any other labor cost whatsoever associated with the workforce.

5.03 Parts/Supplies/Outside Services - Contractor shall charge the Town for parts, supplies or subcontracted services at the actual price paid by Contractor with no markup whatsoever

5.04 Overhead Expenses - All overhead expenses will be charged to the Town as they are incurred, at Contractor's net cost without mark-up. These costs include all overhead expenses associated with the operation of the Facility and performance of the Contract. Examples of such expenses may include, but is not limited to, office supplies, miscellaneous shop supplies, training, drug testing, insurance, employee recruitment, taxes and assessments, MVA and other background checks, location business travel, uniforms, computer costs, copying costs, etc.

5.05 Corporate Administrative Expense and Management Fees - Line items in the Target Price for corporate administrative expense and management fees will be charged each accounting period to the Town. These items shall be subject to negotiations for each year pursuant to Section 3.05 and 5.11 herein. Corporate administrative costs and fees for each year are a percentage of the Target Price and these items are not subjected to documentation.

5.06 Capital Expenditures - The Contractor shall not make any expenditures for Shop Equipment or other capital equipment without the written consent of the Contracting Officer and shall notify the Contracting Officer of the proposed capital expenditure costs for any extension term not less than sixty (60) days prior to the expiration of the initial or any extension term of this Contract.. Any and

all Shop Equipment expenditures of Contractor for Units or other capitalized items which have been submitted and approved as a separate line item in the Contractor's written estimate for the upcoming year, in connection with the services and work to be provided by Contractor hereunder, shall be included in the Target Price, pursuant to the terms of this Contract, based on the following:
The Contractor's General Manager shall prepare a list of capital expenditures and present it to the Town each contract anniversary date. Any approved items shall be billed to the Town as a non-target expense or the town may purchase the expenditures directly.

5.07 Additional Reimbursable Items (Non-Target Costs) - The following are examples of items that shall be directly reimbursable by the Town to the Contractor outside of the Target Price:

- (a) Used Vehicle Additions – Costs incurred for all initial applicable inspections and/or emissions, and repairs required to bring any used vehicles added during the course of the contract, up to current fleet standards;
- (b) Costs incurred for Unit repairs necessitated as a result of demonstrated abnormal use, vandalism, theft, and accident damage during the life of the Contract;
- (c) Unscheduled repairs on fuel equipment, including, but not limited to, any capital repairs;
- (d) Costs for fuel other than the fuel already purchased by the Town.
- (e) Costs for repair work (in addition to Section 4.03) of the Facility which is necessary for the continuing of safe operations;
- (f) Costs incurred by Contractor to repair or replace major components, or refurbishments of any Units that are being used by Town beyond the Agreed upon life cycle as identified in APWA published guidelines.
- (g) Costs incurred by Contractor to repair, replace or maintain any Units and non-rolling stock equipment not included in Attachment A or agreed to by both party's.
- (h) Costs incurred by Contractor for any agreed capital expenditures that are not included in the Target Price;
- (i) Costs incurred by Contractor as a result in changes of the law regarding Unit maintenance, repair, replacement or retrofitting during the life of the Contract;
- (j) Costs incurred by Contractor to replace or repair Shop Equipment pursuant to Section 13.02 or to acquire additional Shop Equipment.

(k) All applicable taxes relating to the Contractor's performance of the Contract;

(l) Cost incurred by Contractor to modify or retrofit Units from its original design or purchase.

(m) Cost incurred for consumable wear items such as plow blades, brushes, and grinding teeth.

5.08 Directed Work - The Contracting Officer may direct the Contractor to perform additional tasks under this Contract. The Contractor shall perform such assignments in accordance with an agreed upon schedule and level of effort. Labor costs associated with such assignments shall be invoiced to the Town at a cost of \$30 per hour. Parts and supplies and any services performed by other than Contractor shall be invoiced to the Town at cost without mark-up. The directed labor cost of \$30 per hour does not apply to services rendered to outside agencies. In these instances, a separate agreement will be mutually negotiated.

5.09 Cost Incentive Formula - In addition to the Contractor's costs and fee, the Contractor shall receive 100% of any aggregate annual savings to the Town on the Target Price for each contract year with the exception of the labor budget. Aggregate annual savings shall be defined as the difference between the twelve (12) month actual cost to the Town and the amount of the Target Price as stated in Section 5.01. In the event actual aggregate annual costs to the Town exceed the target price the contractor will be solely responsible for those costs.

5.10 Performance Standards - The Contractor agrees to meet minimum performance standards.

(1) The contractor shall be measured based on the following performance standard categories:

- (a) Average repair downtime per vehicle type;
- (b) Maximum repair downtime per vehicle type.

(2) Vehicle types shall be classified as follows:

- (a) Fire Equipment - pumpers, ladder trucks, emergency equipment;
- (b) Passenger - automobiles and pick-up trucks;
- (c) Heavy Equipment - dump trucks, motor graders;

(d) Small equipment – equipment with two (2) cylinders or less.

(3) The following chart shall be used to assess the Contractors performance regarding fleet downtime.

<u>Vehicle Type</u>	<u>Downtime Average</u>	<u>Downtime Maximum</u>
Fire	3 days	6 days
Passenger	2 days	4 days
Heavy	3 days	6 days
Small	3 days	5 days

(4) Exemptions for exceeding the performance standards as stated above must be documented by the Contractor. The Town and the Contractor will discuss exemptions monthly. Exemptions may include but not be limited to the following reasons:

- (a) Parts availability;
- (b) Manufacturers warranty and re-calls;
- (c) Acts of God and state of emergency's;
- (d) Non-contract repairs;
- (e) Outside service repairs.

(5) The Contractor shall provide the Town a discount off of the monthly invoice for exceeding the performance standards as described above if they do not have a valid documented exemption. Each category and class shall be calculated and tracked separately. The discount shall be calculated as follows:

- (a) \$250 for the first time the Contractor fails to meet the performance standard;
- (b) \$350 for the second time the Contractor fails to meet the performance standard;
- (c) \$500 for any additional time the Contractor fails to meet the performance standard.

(6) The cumulative affect of the Contractor performance standard shall be reset each anniversary date of the contract.

(7) Performance standards will begin after the Contractor installs new fleet maintenance software. The new software is scheduled to be fully operational at the end of March 2003. This includes a thirty (30) day testing period.

5.11 Annual Meetings - At least one annual meeting shall be conducted between the Town and the Contractor to review Contractor's performance and discuss the Contractor's cost of doing business under the performance of the Contract.

5.12 Monthly Meeting - The Fleet Manager shall hold monthly user meetings wherein the user and Contractor will discuss issues requiring resolution. The Contractor shall be required to attend and present all data pertinent to issues on equipment/vehicles, which require resolution.

5.13 Unusual Costs

(a) Annual Adjustments - Pursuant to Section 5.11, the Target Price, including Contractor's fee, shall be adjusted for the second and subsequent years of the Contract to take into account increases in the cost of doing business. In the event the parties are unable to reach a mutual agreement on an adjustment to the Target Price prior to the expiration of the then Contract year, the Contractor shall have the right to terminate this Contract, upon thirty (30) days written notice to the Town. Changes to the Contract resulting from the annual adjustment shall be documented in a Contract amendment.

(b) Changes in the Size or Mix of the Fleet - The Target Price may be adjusted to correspond to increases or decreases in the fleet size or the type of equipment in each class if such changes are at least five percent (5%) (+/-) of the original fleet size and type or the most recent amendment providing an adjustment to the Target Price based upon changes in the size or mix of the fleet. These adjustments shall be made annually based upon the actual fleet size and shall not be limited by the Cost/Price Index (CPI).

(c) Other Unusual Costs - Contractor shall be entitled to reimbursement from the Town on the basis of unusual changes in Contractor's cost of doing business. The amount of any adjustment pursuant to this Section shall be determined by mutual agreement.

5.14 Services during Emergencies - The Contractor shall be responsible to mobilize the shop and provide reasonable services whenever the Contracting Officer determines there to be an emergency situation that is outside the normal operating hours of the shop. The Contractor understands that such circumstances may include floods, hurricanes, or other emergencies declared by the Town, the State or the Federal Government. The Contractor will bill separately to the Town, costs associated with such

emergency situations including wages for Contractor employees working outside normal operating hours at the rate of \$30 per hour.

SECTION 6 - INVOICING AND PAYMENT

6.01 Accounting Period – In each quarter, there shall be two (2) accounting periods of four (4) weeks each and one (1) accounting period of five (5) weeks.

6.02 Invoice – Invoicing shall be prepared by the 10th workday of the month following the actual contracted work. It shall consist of an invoice outlining one twelfth (1/12) of the target amount with complete back-up attached and an invoice for authorized , approved non-target expenses with complete back-up attached. These invoices shall be payable in full within 15 days.

6.03 Payment upon Termination - Payments by the Town of the invoices described in Section 6.02 will be retained by Contractor and credited to the Town's account at the time of the last billing made by Contractor upon termination of services by Contractor. Last billing shall include parts and supplies identified in Section 13.04.

6.04 Unpaid Balance – All invoices submitted by Contractor pursuant to this Agreement shall be paid by The Town in accordance with the Florida Prompt Payment Act.

SECTION 7 - AUDITING PROCEDURES

7.01 Access to Books and Records - The authorized representatives of the Town shall have access, at all reasonable times and upon prior notice to the Contractor's General Manager, to all of the Contractor's non-privileged receipts and invoices pertaining to work under the Contract, for the purpose of auditing and verifying costs of work. The Town will be granted access to such records at all reasonable times during the Contract period.

SECTION 8 - PERSONNEL

8.01 General - Contractor shall have the responsibility for selecting personnel to perform the services to be provided hereunder. Contractor agrees to offer employment to all qualified personnel subject to Contractor's employment needs and each employee meeting the employment requirements of Contractor including, but not limited to:

- (a) Successful completion of a drug test;
- (b) Satisfactory results of a criminal background investigation of the potential employee (no employee with a known felony conviction will be offered employment);
- (c) Demonstration that the potential employee is physically qualified and capable of performing the routine functions required by the job, including successful completion of a Department of Transportation physical examination for all maintenance technicians.
- (d) The Contractor shall maintain the ASE Blue Seal Certification at the Facility. The Contractor shall also staff two (2) EVT certified technicians.

8.02 Personnel Changes - All personnel additions or reductions shall be subject to the approval of the Contracting Officer, which shall not be unreasonably withheld.

8.03 Benefits Program - The Contractor's benefit programs shall be used for Contractor's employees. In the event the Contractor wishes to introduce new benefit programs not previously included in the Target Price, and such benefit programs involve unusually high costs, the Contractor shall obtain the Town's prior written approval. Town approval shall not be unreasonably withheld.

8.04 Town Benefits - The Contractor's employees shall not claim any Town rights or benefits as a condition of their employment in the performance of this Contract.

8.05 Compliance with Laws - The Contractor shall not knowingly fail to comply with applicable Federal, State and Town laws relating to wages, hours, health, and safety.

8.06 No Solicitation/No Hire - The Town recognizes Contractor has made substantial investments of time, money and training of its employees, and further recognizes it is a material inducement for Contractor to enter into this Agreement to preserve its relationship with its employees. Therefore, during the term of this Agreement and for a period of one (1) year thereafter, Town agrees it

shall not solicit for employment for like duties, nor shall it employ, any of Contractor's employees for like duties, or former employees who worked for Contractor during the term of this Agreement.

SECTION 9 - QUALITY OF SERVICE

9.01 General - The direction and supervision of fleet management and Unit maintenance service shall be by competent certified personnel, and the Contractor shall devote sufficient time and supervision to the operation to assure performance in accordance with Good Fleet Management Practice.

9.02 Cooperation of Contractor Required - Both the Contractor and the Town shall cooperate in every reasonable way in order to facilitate the progress of the work outlined under this Contract.

9.03 Guarantee of Performance - The Contractor shall furnish a surety bond in accordance to the requirements found in the RFP, if any is so required.

9.04 Compliance with Laws and Regulations - The parties hereby agree to comply with all applicable Federal, State and Town laws and regulations. Each party shall indemnify, defend and hold harmless the other party, their respective officers, officials, representatives, and employees against any claim or liability arising from or based on the willful and knowing violation of any such law, regulation, ordinance, order or decree, whether by the indemnifying party or their respective employees during the term of this Contract.

SECTION 10 - INSURANCE

10.01 Worker's Compensation - The Contractor shall, during the term of this Contract, provide and maintain Worker's Compensation Insurance and Employer's Liability Insurance with the following limits of liability:

Worker's Compensation	Statutory
Employer's Liability:	Minimum \$1,000,000 combined single limit

10.02 Commercial General Liability - The Contractor shall, during the term of this contract, provide and maintain Commercial General Liability Insurance, including protection for liability arising out of premises, operations, independent contractors, products/completed operations and contractual. Such insurance coverage shall also extend to liability arising out of test-driving or pick-up and delivery of Town owned Units by Contractor's employees. The policy shall be endorsed to provide for personal injury liability. The contractual coverage must specify that it covers the Hold Harmless Agreement, which is a part of this Contract. The limits of liability shall be as follows:

Bodily Injury Liability:	\$250,000 each person
	\$1,000,000 each occurrence
Property Damage Liability:	\$1,000,000 each occurrence

The combined single limit per occurrence shall be less than \$1,000,000.

10.03 Comprehensive Automobile Liability - The Contractor shall, during the term of this Contract, provide and maintain Comprehensive Automobile Liability Insurance for any Units used to manage and maintain the fleet, including protection for liability arising out of owned, non-owned and hired Units. The policy shall be endorsed to provide contractual coverage for the Hold Harmless Agreement. The Hold Harmless Agreement is part of the Contract of liability and shall be as follows:

Bodily Injury Liability:	\$250,000 each person
	\$1,000,000 each occurrence
Property Damage Liability:	\$1,000,000 each occurrence

The combined single limit per occurrence shall be less than \$1,000,000.

10.04 Garage Keeper's Legal Liability - The Contractor shall, during the term of this Contract, provide and maintain Garagekeeper's Liability Insurance. The minimum limits of liability shall be \$1,000,000 per occurrence, with \$250 deductibles for collision and comprehensive.

10.05 Hold Harmless Agreement - Contractor shall indemnify, defend and hold harmless the Town, its agents, servants and employees, from and against any and all claims and damages of every kind, for injury to or death of any person or persons and for damage to or loss of property, arising out of or resulting from the willful acts of Contractor in its performance of this Contract during the term hereof. The Town shall indemnify, defend and hold harmless Contractor, its agents, servants and employees, from and against any and all claims and damages of every kind, for injury to or death of any person or

persons and for damage to or loss of property, arising out of or resulting from the willful acts of the Town, its agents, servants or employees in its performance of this Contract during the term hereof.

10.06 Certificate of Insurance - The Contractor shall furnish the Town, prior to the start of any operations under this Contract, satisfactory proof of insurance required with an insurance company qualified to do business in the state in which the Facility is located. These insurance policies must not be canceled or changed without Ninety (90) days prior written notice to the Town. Lack of notice or cancellation of the policy will be deemed a breach of the Contract by the Contractor, and the Contractor will receive written notice of such breach by the Town and shall have thirty (30) days to cure the breach.

SECTION 11 - SCOPE OF SERVICE

11.01 General - The Contractor shall provide services as set forth in its proposal for the Units described in Attachment A.

11.02 Repairs and Preventive Maintenance Program - A preventive maintenance program will be established for the Fleet as required in the RFP and as set forth in Contractor's proposal. The preventive maintenance program will be designed in accordance with recognized Good Fleet Management Practices, including normal vehicle design life guidelines, and will meet the terms and conditions necessary to comply with the original equipment manufacturers (OEM) specifications, warranties and recommendations. A thorough visual inspection of each vehicle will be performed as part of each preventive maintenance service and action taken on every deficiency identified before the vehicle is released. A copy of each inspection sheet will be made available to the user when vehicle is released. The preventive maintenance work performed will be generally as follows, but subject to change as required or suggested by the Contractor.

(a) Specific repairs shall be made as required in accordance with Good Fleet Management Practice.

(b) Preventive maintenance programs, to achieve optimum results, will vary from category to category and within categories of Units. Therefore, the work performed shall be generally as described in the Request for Proposal and the Contractor's Proposal.

(c) Repairs and preventive maintenance shall adhere to a priority schedule as developed by the Contractor and the Town to ensure the availability of essential equipment. The priority schedule will be

provided by the Town or adopted as recommended in the Contractor's Proposal. The priority schedule may be amended as necessary.

(d) The Contractor has the obligation to notify Unit users as follows:

- (1) Provide a written schedule to each division/agency once per year, and,
- (2) Notify each user the week before service as a reminder.

The Town shall be obligated to transport each Unit with the appropriate paperwork to the garage area of the facility, during normal business hours, the day of service. The Contractor shall be obligated to provide the scheduled service on the day scheduled. Failure of the Town to provide the vehicle for service will result in the vehicle service being completed on an unscheduled basis. Failure of any delivery for service will result in written notification to the Contracting Officer.

(e) The Contractor will continue to perform a preventive maintenance program on every piece of equipment in the Fleet delivered to the Facility in accordance with the established preventive maintenance schedule and correct any deficient vehicles.

(f) D.O.T. Requirements - The Contractor must perform required D.O.T. inspections on all Town commercially rated equipment and place required inspection stickers on these vehicles annually, to conform to D.O.T. regulations.

11.03 Emergency Road Service - The Contractor shall make provisions to handle the 24-hour, 365 days a year, emergency road service calls from its facility for Units identified in Attachment A. During normal working hours, both emergency calls and towing shall receive prompt response. Contractor will take reasonable measures to have persons available to handle Unit breakdowns swiftly and expediently at all times, including night and weekend hours when the garage is closed.

Towing of Town owned vehicles requiring service will be handled as follows:

(a) - During normal working hours the Contractor will respond within thirty minutes, if the vehicle is within The Towns limits. The contractor will make a determination whether it is feasible and or mutually cost effective to repair the vehicle on the road or to have the vehicle towed to the location for repairs.

(b) - After hour road calls will be handled within an hour of such call. The Contractor will respond to the scene of all road calls involving fire or other essential emergency equipment requiring immediate action. Non- emergency vehicles and or situations may be towed in to the location to be repaired during normal business hours.

11.04 Courtesy Motor Pool – The Contractor shall be responsible for maintaining Motor Pool vehicles if provided by the Town and as required by the RFP, if any.

11.05 Quick Fix - Contractor shall provide a Quick Fix service form on repairs that require less than one (1) hour's worth of work to effect when the vehicle user elects to wait for the vehicle. EVT technicians working on fire equipment at the time a vehicle arrives at the location for a quick fix will only be used if there are no other technicians available or at the discretion of the General Manager. Vehicles repaired under the Quick Fix service will be considered priority. The following are the priorities as agreed to by both party's;

- 1- Fire Department emergency apparatus
- 2- Police Department
- 3 - All other Town vehicles

11.06 Warranty - The Contractor provides no warranties hereunder, however, if required by the RFP, the Contractor shall administer all manufacturer warranties for both Units and parts that are associated with maintenance and repair of the fleet described in Attachment A. The Contractor will seek authorization from various vehicle and equipment manufacturers to perform warranty work on Town equipment. The equipment manufacturer will reimburse such work directly to the Town, and the Town will be held harmless from payment for such work. The Town shall credit payments and adjustments received by the Contractor for warranty work to the Target Price.

11.07 Re-repair - The Contractor shall monitor, track, and identify re-repair services as set forth in Contractor's proposal, and shall make such information available to the Town.

11.08 Subcontract Work – The Contractor may subcontract services provided for by the Contract to subcontractors which have been pre-approved by the Town. Town approval shall not be unreasonably withheld. Subcontract work shall be limited to work that can be most efficiently and cost effectively performed by subcontractors, including, but not limited to, body work, painting, glass replacement, transmission sealing and repair, and radiator work. All work subcontracted shall be

periodically reviewed by the Contractor to assure that such work can be best performed by subcontractors.

11.09 Waste - The Contractor shall be responsible for properly and lawfully storing and disposing of all waste generated by the Contractor in the performance of its obligations under this Contract. Contractor will use best efforts and practices for disposal of all waste in accordance with all currently applicable Federal, State and Town laws and regulations.

(a) Training - Contractor shall provide training and management to each of its employees who work with any hazardous or toxic materials both with respect to the safe use and handling of said materials, and the proper storage, treatment and disposal of the materials.

(b) Disposal Costs - All hauling and disposal costs shall be paid by the Contractor for any wastes not properly segregated, especially where improper handling by Contractor causes wastes to be unacceptable at the incinerator, landfill or usual recycling programs.

11.10 Other Services - The Contractor will also provide the following services as set forth in the Contractor's proposal, as required, as part of the Target Price:

(a) Processing of accident repairs, (e.g., obtaining appraisals, processing invoices for payment, and inspection of completed work, etc.);

(b) New vehicle prep and decommissioning and assistance at auction;

(c) Priority repair of critical Units;

(e) Assistance in writing or developing equipment specifications;

(f) On-the-job training for all employees.

(g) Mechanic certification and training program as agreed to by the party's semi-annually

(h) Assistance in administering the program of permanently assigned Units;

(i) Vehicle storage and administration;

(j) Costing recommendations related to replacement versus remanufacture or rebuilding of equipment;

(k) Other services within the scope of Unit maintenance and management, (e.g., tire mounting, wheel balancing, support of technical investigations, data processing input, etc.);

(l) Vehicle retirement and/or decommissioning of a Unit shall be coordinated with the Contracting Officer for compliance with any applicable law.

11.11 Hours of Operation - The Contractor shall operate the repair Facility from 7am to 7pm, Monday through Friday and on Saturday from 8am to 5pm.

11.12 Holidays - Contractor shall observe the Town's holiday schedule. The Contractor may observe no holidays, which do not conform to the Town's designated holiday schedule. Emergency service shall be provided on all holidays.

11.13 Small Equipment - Small equipment are identified as a unit with two (2) cylinders or less. Small equipment units will have \$100 contract expenditure cap per contract year. The price will be adjusted annually based on the renewal increase percent of this contract or by mutual agreement.

11.14 Heavy and Mid-size Generators - The contractor will be responsible for all fluids, filters, hoses and belts of original installed equipment. Any repairs to the engine or electrical parts will be billed to the Town as directed work.

SECTION 12 - RECORDS

12.01 Management Report - Subject to change, from time-to-time, the Contractor will use a computerized record-keeping system capable of providing information including the following:

- (a) Itemized costs for each accounting period;
- (b) Total maintenance cost to date;
- (c) Maintenance cost per Unit, per period;
- (d) Number of shop orders, time to process, and entry to completion of work on the Unit;
- (e) Number of road breakdowns;
- (f) Number of Units receiving preventive maintenance service;
- (g) Downtime for various categories of Units as designated by the Town;
- (h) Inventory levels;
- (i) Re-repair by Unit.

Contractor will provide to the Contracting Officer for each accounting period a report on its operations during the period, as well as reports for all Units in the Fleet. The Town and the Contractor shall mutually agree upon the information to be included in the report. Cost for the computerized record keeping system will be borne by the Contractor as part of the Target Price.

12.02 General Records and Files - To assure that both the Contractor and the Town have an accurate, up-to-date record of maintenance and repairs on each Unit in the Fleet, and for billing on those Units, the Contractor shall establish and maintain the records listed below.

(a) History Folder - A History Folder shall be provided for each Town Unit. This folder shall serve to keep all work orders in the same location and shall include pertinent data such as Unit year, model, make and serial numbers.

(b) Preventive Maintenance Records - The Contractor shall provide a preventive maintenance schedule and appropriate inspection forms for each level of service. The mechanic doing the preventive maintenance on each Unit at the specified intervals must complete the inspection forms. The completed forms will be kept with the repair orders for that Unit in the History Folder.

(c) Work Orders - A work order must be written for each Unit that the Contractor services. Jobs requiring re-repair must be so designated on the work order. Work orders will be sequentially numbered. Each work order must be kept in sequence and accounted for. One (1) copy will be provided to the Town's Contracting Officer. The Contractor's copy must be kept in the Unit History Folder.

(d) Time Cards - Time cards or other appropriate time recording records shall be maintained by the Contractor for all hourly employees and will be kept on file at the facility for two (2) years. The Contractor shall ensure that the cards are kept in order and that each person punches his or her own card.

(e) Payroll Time Sheets - The Contractor shall provide payroll time sheets for all employees at the Facility. These records must be kept in accordance with all Town, State and Federal regulations.

(f) Transmittals - Weekly transmittals must be kept by the Contractor for all expenses incurred other than payroll. The Contractor will use a series of codes to identify specific expenditures.

(g) Miscellaneous Records - Other records and forms may be used by the Contractor as deemed necessary, subject to Town approval.

12.03 Weekly Reports – After the Contractor has updated the current Fleet Tracker System with Customer First (Scheduled to convert system in February 2003) the Contractor will prepare a report upon request. This report will outline the previous week's activity. This report will be in memorandum format and will include but not be limited to:

- (a) Listing of Units not delivered for a scheduled PM. The listing shall include the assignee's name and department, if known;
- (b) Discovery of abnormal use by a vehicle user in excess of normal wear and tear;
- (c) Repair activity;
- (d) Units out-of-service for more than seven (7) days;
- (e) Number of work orders completed;
- (f) A summary detailing the cost of Units repaired.

12.04 Department Head Report – The Contractor shall make available a consolidated monthly management report to be delivered to the Town's user meeting on the second Thursday of the month. The Contractor shall provide training to The Town's Department heads and or liaisons on report writing. The one (1) page report shall include, but not be limited to:

- (a) Actual target cost compared to the Target Price for the month and cumulative totals for the contract year;
- (b) Quality incentives in each performance area subjected to reward/liquidated damages for the month and cumulative totals for the contract year;
- (c) Non-target cost such as accidents for the month and cumulative totals for the contract year;
- (d) Number of work orders;
- (e) Number of road calls;
- (f) Number of PM s completed/scheduled;
- (g) Downtime by category and total;
- (h) Cumulative records of sub-contracted work;
- (i) Total labor hours expended;
- (j) Total parts costs;
- (k) Problem/accident summary.

12.05 Annual Report - Shall be provided as outlined in Contractor's proposal.

SECTION 13 - FACILITY EQUIPMENT AND INVENTORY

13.01 Building and Maintenance - Work is to be performed at the Facility, which will be leased for one (1) dollar to the Contractor for its use during the term of this Contract. The Facility shall remain the property of the Town. The Town shall be responsible for utility costs, except for long distance telephone calls, and for all necessary repairs, maintenance (excluding light housekeeping, janitorial cleaning and supplies), permits, inspections, certifications, renovations and replacements to the Facility and all systems and components thereof.

13.02 Shop Equipment - The Town shall provide Shop Equipment in accordance with the Town's Asset Inventory List, as determined by an audit conducted jointly by the parties prior to the commencement of operations hereunder. At the commencement of operations hereunder, Contractor shall determine which Town supplied equipment is useable and non-obsolete and Contractor shall be obligated to maintain such equipment in its condition when entrusted to Contractor, reasonable wear and tear excepted. The Town agrees to promptly replace, at its cost, any Town equipment rendered unserviceable due to normal wear and tear. *Repairs to equipment will be the responsibility of the Town unless; the Contractor damaged equipment.*

The Contractor shall provide the Town with information regarding Mitchell on Demand and or All-Data. Should the Town decide to approve either system the Contractor shall purchase the system and invoice the cost to the Town as non-contract.

13.03 Additional Shop Equipment - The Contractor may purchase additional Shop Equipment if necessary to maintain the Good Fleet Management Practice. The decision to purchase additional equipment shall be made by mutual agreement of the Contractor and Town, taking into account cost of equipment, depreciation and interest schedules. Any such equipment purchased by the Contractor shall be reimbursed pursuant to Section 5.07(j) unless the Town and Contractor agree to incorporate as a capital purchase tied to the Target Price per Section 5.06. Depreciation and interest costs for any equipment purchased shall be listed separately and included as separate line items in the Contractor's invoice documentation. Any equipment purchased by the Contractor pursuant to this Section shall be

purchased by the Town should this Contract be terminated at any time, including at the end of this Term of this Agreement. The price the Town will pay is Contractor's original cost less depreciation and such invoices for such prices will be paid pursuant to Section 6 of this Contract.

For the purpose of computing depreciation, all equipment will be considered as having been purchased on the first day of the month following the month in which the equipment actually has been purchased. For example, equipment purchased on June 1, or June 29, shall be considered for purposes of depreciation as having been purchased on July 1.

The Contractor shall furnish the Town a written report certifying the description, serial number, cost and date of purchase of any equipment purchased. Any additional equipment purchased by Contractor shall be included as an attachment to this Contract entitled "Additional Equipment Inventory." The Contractor shall also furnish written reports in like manner of any equipment traded or otherwise disposed of. In the event a decision to purchase additional equipment is made after the approval of the Contractor's Target Price, then the depreciation and interest cost for such equipment shall be treated as Additional Reimbursable items.

13.04 Parts Inventory – The Contractor shall continue to be responsible for maintaining the inventory. Within thirty (30) days prior to the termination of the Contract, Contractor and the Town shall jointly undertake a closing inventory of all parts and supplies, which shall establish the value of the inventory based on Contractor's acquisition cost. The Township will purchase the Contractor's inventory of parts and supplies. Payment will be made within ten (10) days of the joint closing inventory.

During the term of this Contract or any extension hereof, the Town shall have the obligation to notify the Contractor of new Unit purchases and Unit retirements at least ninety (90) days prior to the anticipated delivery or retirement date so that inventory levels can be adjusted and potential obsolete parts sold. In any cases where the Town has given no notice to Contractor, the parts in question shall not be deemed obsolete.

The contractor shall have in inventory at least one tire of each size for the vehicles in the fleet.

SECTION 14 - SECURITY

14.01 The Contractor shall be responsible for damage or loss of vehicles and equipment that occur due to the gross negligence of Contractor.

SECTION 15 - TERMINATION BY DEFAULT

15.01 Remediation; Deficiencies - In the event the Town determines that there are material deficiencies in the essential services or work to be provided by the Contractor hereunder, the Town will notify Contractor in writing of such deficiencies. Within thirty (30) working days of receipt of such notice, Contractor will correct or take reasonable steps to correct the deficiencies identified, including, if necessary, increasing the work force, tools and equipment, or modifying the policies and procedures used by Contractor in performing services pursuant to this Contract. If the Contractor fails to correct any material deficiencies within sixty (60) working days of such notification, the Town may declare the Contractor in default of this Contract.

15.02 Termination - The Town may terminate this Agreement if the Contractor becomes insolvent. Either party may terminate this Contract for default by giving the other party written notice thereof, specifying with particularity each such default. The party in default shall have sixty (60) days termination notice.

15.03 Non-liability of Contractor - Except with respect to defaults of subcontractors, the Contractor will not be liable for any excess costs if the failure to perform the Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of a cause beyond the control of both the Contractor and the subcontractor, and without the fault or negligence of either of them, the Contractor will not be liable for any excess costs for failure to perform, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required delivery schedule.

15.04 Excuse - If, after notice of termination of this Contract under the provisions of this clause, it is determined for any reason that the Contractor was not in default or that the default was excusable under the provisions of this clause, the rights and obligations of the parties will be those provided in the "Termination for Convenience" clause hereof. Failure to agree to any such adjustment will be considered a dispute concerning a question of fact within the meaning of Section 3.09.

15.05 Rights and Remedies - The rights and remedies of the Town provided in this clause will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

SECTION 16 - TERMINATION FOR CONVENIENCE

16.01 Upon termination for convenience, (defined as termination for any of the reasons set forth in Section 15) the Town shall pay the Contractor the following amounts:

- (a) Costs, expenses, and fees for supplies and services performed under the Contract;
- (b) Costs, expenses and fees incurred in the terminated portion of the work (the Contractor is not entitled to anticipatory profit or consequential damages), less amounts paid or to be paid for accepted supplies or performed services;
- (c) Reasonable costs of litigating, settling, and paying claims arising out of the termination of subcontracts and orders (these costs must not include costs paid in accordance with subparagraph (b) of this paragraph);
- (d) The reasonable cost of the Contractor including accounting, clerical, and other expenses reasonably necessary for the preparation of supporting data to calculate the amounts due Contractor as a result of the Town's termination for convenience. In addition, the Contractor is due cost related to reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of property allocable to the terminated portion of this Contract.
- (e) Payment for all parts and product inventory, less obsolete;
- (f) All other reasonable costs or payments incurred by or due to the Contractor.

SECTION 17 - LICENSES

17.01 The Contractor will be responsible for obtaining any necessary professional licenses and permits for complying with any applicable Federal, State, Municipal and Town laws, codes, and regulations in connection with the performance of any services in connection with this Contract, and it will be responsible for all damage to persons or property that occurs or is a result of its fault or negligence. The Contractor will take proper safety and health precautions to protect the Town, the public, and the property of others.

SECTION 18 - NOTICES AND COMMUNICATIONS

18.01 Any written notice to be given hereunder by either party to the other party shall be effected by certified mail, return receipt requested.

Notice to the Contractor shall be sufficient if made or addressed to the Senior Vice President, First Vehicle Services, One Centennial Plaza, 705 Central Avenue, Suite 300, Cincinnati, Ohio 45202.

Notice to the Town shall be sufficient if made or addressed to Town's Administrator and the Town's Procurement Manager at 6591 Orange Drive, Davie, Florida 33314-3399.

Either party may change the address for notice to it by giving written notice of such change in accordance with the provisions of this Section.

SECTION 19 - ENTIRE AGREEMENT

19.01 The Contract, the RFP and the Contractor's proposal ("Contract Documents") contain the entire agreement and understanding between the Town and the Contractor. There are no additional promises or terms other than as contained in Contract Documents. This Contract may not be modified except in writing signed by the parties or by their authorized representatives.

SECTION 20 - AMENDMENTS

20.01 Amendments to this Contract may be made in writing duly executed by the parties, and in accordance with Town rules and regulations and other applicable laws and ordinances.

SECTION 21 - APPLICABLE LAWS

21.01 This Contract shall be governed exclusively by the laws and the courts of the state or commonwealth where the Facility is located.

SECTION 22 - NONDISCRIMINATION

22.01 The Contractor agrees that it shall not in any manner discriminate against, intimidate, or prevent the employment of any person, or on being hired, prevent or conspire to prevent any person from the performance of work under this Contract on account of age, sex, race, creed or color or in knowing violation of any Federal, State, Municipal or Town law or regulation.

SECTION 23 - NON-APPROPRIATION

23.01 Town reasonably believes that funds can be obtained sufficient to make all Contract payments due during the term of the Contract. Town hereby agrees that it will do all things lawfully within its power to obtain and maintain funds from which Contract payments may be made, including making provisions for such payments to the extent necessary in each annual budget submitted for the purpose of obtaining funding, and using its bona fide best efforts to have such portion of the budget approved.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first written above.

FIRST TRANSIT, INC.,

TOWN OF DAVIE

d/b/a **FIRST VEHICLE SERVICES**

By: J. Michael Bloss

By: _____

Printed Name: J. Michael Bloss

Printed Name: _____

Title: Senior V.P.

Title: _____

Attest:

Attest:

By: _____

By: _____

ATTACHMENT A:

Attachment A – Shall mean the fleet list referred to as Attachment A in the Town's RFP.

ATTACHMENT B

LABOR COST	\$ <u>488,013</u>
PARTS AND SUPPLIES	\$ <u>270,000</u>
OVERHEAD EXPENSES	\$ <u>39,980</u>
SUBTOTAL TARGET PRICE	\$ <u>797,993</u>
ADMINISTRATIVE EXPENSES	\$ <u>44,333</u>
MANAGEMENT/SERVICE FEE	\$ <u>44,333</u>
TOTAL TARGET PRICE	\$ <u>886,659</u>

- MARK-UP FOR PARTS AND SUPPLIES ON DIRECTED WORK 0 %
- HOURLY LABOR RATE FOR DIRECTED WORK \$ 30

- HOURLY LABOR RATE FOR EMERGENCY WORK AFTER NORMAL HOURS OF
OPERATION (SECTION 11.11) \$ 30

ATTACHMENT C

UNIT LIFE CYCLE

CATEGORY		CLASS		ABREV	Years	Usage
Light	1	DUMP TRUCK	1	DUMP	8	100,000
	1	FLAT BED TRUCK	2	FLTBD	8	100,000
	1	MOTORCYCLE	3	CYCLE	6	60,000
	1	PICKUP TRUCK	4	PCKUP	8	90,000
	1	SCOOTER, ATV'S	5	SCOOT	4	60,000
	1	SEDAN	6	SEDAN	6	90,000
	1	UTILITY TRUCK	7	UTIL	8	100,000
	1	VAN	8	VAN	8	90,000
	1	4X4 SPORT UTILITY	9	4X4	8	90,000
Police Patrol	2	MARKED	1	MARKD	2	100,000
	2	UNMARKED	2	UNMRK	4	100,000
	2	MOTORCYCLE	3	CYCLE	4	60,000
	2	MOTORCYCLE HARLEY	4	HARLE	6	90,000
Police Take Home	3	MARKED	1	MARKD	8	100,000
	3	UNMARKED	2	UNMRK	8	100,000
Medium	4	BACKHOE	1	BKHOE	8	
	4	DUMP TRUCK	2	DUMP	8	120,000
	4	FLAT BED TRUCK	3	FLTBD	8	120,000
	4	FORKLIFTS	4	FRKLT	6	
	4	LOADER (SMALL)	5	LOADR	8	
	4	TRACTOR	6	TRCTR	7	
	4	TRACTOR W/MOWER	7	TRMOW	6	
	4	TRENCHER (SMALL)	8	TRNCH	6	
	4	LG RIDING MOWER	9	RIDMO	6	
	4	LEAF VAC	A	LEAFV	4	
	4	WRECKER/TOW TRUCKS	B	WRECK	8	
	Heavy	5	AERIAL UNIT	1	AERAL	10
5		CRANE	2	CRANE	10	
5		DUMP TRUCK	3	DUMP	9	120,000

CATEGORY		CLASS		ABREV	Years	Usage
	5	FLAT BED TRUCK	5	FLTBD	9	120,000
	5	GRADER	6	GRADR	9	
	5	HIGHWAY STRIPER	7	STRPR	10	
	5	LOADER (LARGE)	8	LOADR	9	
	5	SEMI-TRACTOR	9	SEMIT	10	180,000
	5	WATER TRUCK	A	WATER	9	120,000
	5	ASPHALT PAVERS	B	PAVER	6	
	5	ROLLERS	C	ROLLR	8	
	5	WRECKER/TOW TRUCKS	D	WRECK	9	
Heavy Special	6	CRAWLER TRACTOR	1	CRAWL	10	
	6	DRAGLINE	2	DRAGL	10	
	6	EARTH MOVER	3	EARTH	10	
	6	BULLDOZER	4	DOZER	12	
	6	COMPACTOR	5	CMPCT	4	
	6	SCRAPER	6	SCRPR	8	
	6	ROCK CRUSHER	7	ROCKC	8	
	6	SEWER EDUCTOR	8	SEWER	10	
	6	STREET SWEEPER	9	SWEEP	6	
	6	MOBILE DRILLRIG	A	DRILR	8	
	6	VIBRATORY ROLLER	B	ROLLR	6	
	6	ASPHALT GRINDER	C	GRIND	6	
	6	TUB GRINDER	D	TUBGR	6	
Garbage						
	7	FRONT LOADER	1	FRONT	8	
	7	REAR LOADER	2	REAR	7	
	7	SIDE LOADER MANUAL	3	SIDEM	7	
	7	SIDE LOADER AUTOMATED	4	SIDEA	6	
	7	TRANSFER TRAILER	5	TRFTR	8	
Fire & Rescue						
	8	AERIAL LADDER	1	AIRLD	8	
	8	AMBULANCE	2	AMBUL	6	
	8	CRASH TRUCK	3	CRASH	6	
	8	LADDER TRUCK	4	LADDR	12	
	8	PUMPER	5	PUMPR	12	
	8	RESCUE	6	RSCUE	8	
	8	SNORKLE	7	SNORK	8	
CATEGORY		CLASS		ABREV	Years	Usage
	8	TANKERS	B	TANKR	8	
	8	BRUSH TRUCKS	C	BRUSH	8	

	8	COMMAND UNITS	D	COMMD	12
	8	BOATS	E	BOATS	6
Misc. Small Equip.	9	BRUSH CHIPPER	1	BRCHP	6
	9	CEMENT SAW	2	CESAW	4
	9	CHAIN SAW	3	CHSAW	4
	9	COMPRESSOR	4	CMPRS	6
	9	SMALL GENERATOR	5	GNRTR	6
	9	LEAF BLOWER	6	LEAF	4
	9	LINE STRIPER	7	LNSTR	8
	9	SMALL RIDING MOWER	8	MOWM	4
	9	PUMP	9	PUMP	4
	9	STEAM CLEANER	A	STEAM	4
	9	STUMP CUTTER	B	STUMP	4
	9	SMALL TRAILER	C	TRALR	6
	9	WALKING MOWER	D	MOWW	4
	9	WEED EATER	E	WEEDE	4
	9	WELDER	F	WELDR	6
	9	GOLF CART ELECTRIC	G	CARTE	4
	9	BUSH HOG	H	BUSH	4
	9	MISC BOATS	I	MISCB	6
	9	MISCELLANEOUS	Z	OTHER	4
Generators	B	MEDIUM 15KW -60	1	MEDIM	6
	B	HEAVY 60KW-200K	2	HEAVY	8
	B	SPECIAL > 200KW	3	SPECL	8
	B	MISCELLANEOUS	Z	OTHER	
Trailers	D	HEAVY TRAILERS	1	HVYTR	6
	D	SPECIAL TRAILER	2	SPCTR	6
	D	AIR COMPRESSOR	3	COMTR	6
	D	MISCELLANEOUS	Z	OTHER	6