



**\*\*\*SPECIAL MEETING\*\*\***

**RTA BOARD AGENDA**

**Wednesday, August 7, 2019 at 8:30 AM  
BOARD OF SUPERVISORS' CHAMBERS  
COUNTY GOVERNMENT CENTER**

**1055 Monterey Street, San Luis Obispo, California 93401**

**RTA Special Meeting will immediately follow SLOCOG Board Meeting, start time  
will be approximately 10:30 a.m.**

The *AGENDA* is available/posted at: <http://www.slorta.org>

**President: Fred Strong**

**Vice President: John Peschong**

Board Members:

John Peschong (First District – SLO County)  
Bruce Gibson (Second District – SLO County)  
Adam Hill (Third District – SLO County)  
Lynn Compton (Fourth District – SLO County)  
Debbie Arnold (Fifth District – SLO County)  
Jimmy Paulding (Arroyo Grande)

Heather Moreno (Atascadero)  
Jeff Lee (Grover Beach)  
Robert Davis (Morro Bay)  
Fred Strong (Paso Robles)  
Ed Waage (Pismo Beach)  
Andy Pease (San Luis Obispo)

Individuals wishing accessibility accommodations at this meeting under the Americans with Disabilities Act (ADA) may request such accommodations to aid hearing, visual, or mobility impairment (including Limited English Proficiency [LEP]) by contacting the RTA offices at 781-4833. Please note that 48 hours advance notice will be necessary to honor a request.

**FLAG SALUTE**

**CALL MEETING TO ORDER, ROLL CALL**

**PUBLIC COMMENT:** The Board reserves this portion of the agenda for members of the public to address the San Luis Obispo Regional Transit Authority Board on any items not on the agenda and within the jurisdiction of the Board. Comments are limited to three minutes per speaker. The Board will listen to all communication, but in compliance with the Brown Act, will not take any action on items that are not on the agenda.

**A. INFORMATION AGENDA**

None

**B. ACTION AGENDA**

None

**C. CONSENT AGENDA:** (Roll Call Vote) the following items are considered routine and non-controversial by staff and will be approved by one motion if no member of the RTA or public wishes an item be removed. If discussion is desired by anyone, the item will be removed from the consent agenda and will be considered separately. Questions of clarification may be made by RTA Board members, without the removal of the item from the Consent Agenda. Staff recommendations for each item are noted following the item.

- C-1 Amendment to Service Agreement with KNN Financial (Approve)
- C-2 Request for Credit Rating (Approve)
- C-3 Revisions to the RTA Title VI Policy (Approve)
- C-4 Purchase Replacement Engine (Approve)

**D. CLOSED SESSION: – CONFERENCE WITH LEGAL COUNSEL:** It is the intention of the Board to meet in closed session concerning the following items:  
Initiation of litigation pursuant to subdivision (c) of Section 54956.9. One case.

**E. BOARD MEMBER COMMENTS**

Next regularly-scheduled RTA Board meeting on September 4, 2019

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**AUGUST 7, 2019**

**STAFF REPORT**

**AGENDA ITEM:** C-1

**TOPIC:** Amendment to Agreement for Municipal Advisory Services with KNN Public Finance

**PRESENTED BY:** Geoff Straw

**STAFF RECOMMENDATION:** Authorize Executive Director to execute an Amendment to the Agreement for Municipal Advisory Services with KNN Public Finance

**BACKGROUND/DISCUSSION:**

On September 25, 2018, the RTA was awarded a Department of Transportation grant to help fund the new RTA Bus Garage facility that is currently in design. The amount awarded was \$6.285 million, which was the largest grant amount awarded in California and was made possible by a unique community partnerships between the RTA, SLOCOG, CAPSLO, and the City and County of San Luis Obispo. As a reminder, the new facility is needed because we have outgrown the current facility and the lease expires in February 2022.

Staff is also working with the County Auditor and County consultants to develop funding strategies to fund the remaining balance of the project. As part of that process, at the November 7, 2018 RTA Board meeting, an initial contract with KNN Public Finance was approved in order to help staff with evaluating funding alternatives. KNN was selected due to their partnership with the County of San Luis Obispo. As noted during the July 10, 2019 RTA Board meeting, staff is working with KNN to explore along with other financing options, the Transportation Infrastructure Finance and Innovation Act (TIFIA) program.

As part of the process to evaluate and pursue TIFIA, additional resources have been needed. Although this results in an increase in charges, the additional cost savings TIFIA provides far outweigh these costs. In determining if the RTA should move forward with continuing the services agreement with KNN, staff reviewed the services provided to date and is pleased with the progress and result.

**Staff Recommendation**

Staff requests the Board's concurrence to authorize the Executive Director to execute an amendment to the agreement for municipal advisory services with KNN Public Finance.

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**Amendment to Agreement for  
Municipal Advisory Services**

THIS AMENDMENT TO AGREEMENT, is being entered into as of the 7th day of August, 2019 by and between the SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY, hereinafter "Agency" and KNN PUBLIC FINANCE, a California Limited Liability Company, hereinafter "KNN".

**WITNESSETH**

WHEREAS, the original agreement was executed on November 7, 2018; and

WHEREAS, the Agency and KNN mutually wish to amend the agreement,

NOW, THEREFORE, the Agency and KNN agree as follows:

1. Exhibit B, **Transaction Scope of Services**, is hereby deleted in its entirety and replaced with new Exhibit B, **Transaction Scope of Services**, attached hereto and incorporated herein by reference.
2. Exhibit C, **Fee Schedule**, is hereby deleted in its entirety and replaced with new Exhibit C, **Fee Schedule**, attached hereto and incorporated herein by reference.
3. Exhibit D, **Federal Procurement Clauses**, is hereby added to the Agreement, attached hereto and incorporated by reference.

All remaining terms of the Agreement not affected by this Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the day and year first above written.

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SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
A Public Entity in the State of California

By \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form and legal effect:

By: \_\_\_\_\_  
Agency Counsel

Date: \_\_\_\_\_

KNN PUBLIC FINANCE, LLC

By \_\_\_\_\_  
David Leifer, Senior Managing Director

Date: \_\_\_\_\_

**Exhibit B**  
**Transaction Scope of Services**

The Agency may require the Contractor to provide municipal advisory services in connection with a debt issuance during the term of the Agreement, including, but not limited to the following:

**Pre-Transaction**

1. Review and analyze Agency historical and projected financial information – farebox revenues, expenditures, security pledge, debt coverage ratios.
2. Develop a cash flow model consistent with TIFIA creditworthiness requirements.
3. Assist the Agency in structuring the borrowing through cash flow modeling and analyses.
4. Evaluate the proposed credit structure and carefully consider RTA's future operational and borrowing flexibility.
5. Confirm debt sizing assumptions and financing needs based on cash flow model development.
6. Further diligence borrowing alternatives if a TIFIA loan does not materialize – public bond offering or private placement.
7. Provide Agency staff with municipal bond market and transaction training, as requested.

**Transaction Execution**

1. Coordinate activities of financing team members and representatives of the Agency.
2. Analyze TIFIA loan structure on a standalone basis or in tandem with a private placement borrowing to ensure the lowest cost of funds.
3. Analyze bond structures (independent from the underwriter) that will be most attractive to bond market participants and will result in the best bond pricing for the Agency.
4. Prepare debt service analysis (independent from the underwriter) for a proposed public market bond offering including analyses under alternative market scenarios.
5. Provide Agency staff with training and or regular updates on key issues relating to the proposed bond structure or alternative borrowing (i.e. TIFIA).
6. Assist in review of all financing and legal documents – balancing market requirements and the Agency's ongoing flexibility.
7. Assist in negotiations of legal covenants and security pledge with TIFIA and

private placement banks, as needed.

8. Assist in ensuring full and complete disclosure in the Agency's Preliminary Official Statement.
9. Develop rating agency strategy and approach. Prepare rating agency presentation and accompany Agency staff to rating agency meetings.
10. Assist Agency in presenting the financing to the Board, as requested.
11. Monitor tax-exempt market conditions; make recommendations regarding timing of the pricing.
12. Advise regarding method of sale, as needed.
13. Evaluate potential cost effectiveness of credit enhancement.
14. For a negotiated sale, review fees proposed by underwriter(s) to ensure consistency with market comparable and make recommendations about composition of underwriting syndicate as well as syndicate policies (i.e., liabilities, retentions, etc.) to ensure the proper incentives are structured to result in the lowest cost of funds for the Agency.
15. For a negotiated sale, provide pricing oversight to ensure a transparent process and the best result for the Agency, including the following activities:
  - a) analysis of relevant/recent pricing comparable;
  - b) outreach to non-manager underwriter desks to ensure proposed pricing is consistent with market environment;
  - c) negotiation with the senior underwriter to ensure final pricing yields are consistent with demand for the Refunding Bonds.
16. Assist the Agency and the financing team in arranging for the execution of financing documents and in the closing of the financing.
17. Review and provide updates to the Agency's debt policy to ensure compliance with SB 1029 prior to issuance and Agency official duties.
18. Prepare a post-sale closing memorandum.
19. Provide advice about post issuance compliance requirements (i.e., arbitrage rebate, continuing disclosure, reporting to State Treasurer's Office, etc.)

**Exhibit C  
Fee Schedule**

- 1) For services rendered in connection with **Exhibit A** of this document, (General “On-Call” Municipal Advisory Scope of Services), and **Exhibit B** of this document, (Transaction Scope of Services: Pre-Transaction), Contractor will be compensated no more than twelve thousand dollars (\$12,000.00).

Payments for services performed by KNN, pursuant to this contract, shall be at the following list of hourly rates per hour by positions. KNN’s hourly rates may be subject to annual increases not to exceed 3% per year. Agency shall pay contractor within thirty (30) calendar days from the date invoice was received from Agency.

Managing Director/Senior Vice President:	\$325 per hour
Director:	\$310 per hour
Vice President:	\$295 per hour
Assistant Vice President:	\$275 per hour
Associate:	\$250 per hour
Analyst:	\$195 per hour

- 2) For services rendered in connection with **Exhibit B** of this document (Transaction Scope of Services: Transaction Execution), KNN will be compensated based upon fixed transaction fees.

Fixed transaction fees will be dependent upon the final plan of finance and structure of the transaction (i.e. bonds, TIFIA, private placement), which would be paid from transaction proceeds at closing if the anticipated offering is completed. Below we provide proposed fixed fee ranges under different plan of finance alternatives assuming a new money tax-exempt borrowing with a total par amount of approximately \$15 million, which closes by June 30, 2020.

Option 1: TIFIA Only	\$75,000 - \$85,000
Option 2: Private Placement* (in conjunction with TIFIA)	\$15,000 - 20,000
Option 3: Public Bond Offering	\$90,000 - 95,000

\*Depending on nature of private placement transaction, regulatory restrictions may require that the Authority hire a placement agent, which would have a modest fee in addition to the KNN fee above or if the RTA identifies the lender then the Authority could proceed with just KNN, so long as KNN fees are charged on an hourly basis for the

private placement component. In any event, KNN's municipal advisory services for a private placement transaction, would not exceed \$20,000 (fixed or hourly).

- 3) KNN also shall be paid for reasonably incurred out of pocket expenses, including travel, conference calls, printing, data services, and other reimbursable expenses.

**Exhibit E**  
**Federal Procurement Clauses**

**1. ACCESS TO RECORDS AND REPORTS**

- a. Record Retention. The Contractor will retain, and will require its subcontractors of all tiers to retain, complete and readily accessible records related in whole or in part to the contract, including, but not limited to, data, documents, reports, statistics, sub-agreements, leases, subcontracts, arrangements, other third party agreements of any type, and supporting materials related to those records.
- b. Retention Period. The Contractor agrees to comply with the record retention requirements in accordance with 2 C.F.R. § 200.333. The Contractor shall maintain all books, records, accounts and reports required under this contract for a period of at not less than three (3) years after the date of termination or expiration of this contract, except in the event of litigation or settlement of claims arising from the performance of this contract, in which case records shall be maintained until the disposition of all such litigation, appeals, claims or exceptions related thereto.
- c. Access to Records. The Contractor agrees to provide sufficient access to FTA and its contractors to inspect and audit records and information related to performance of this contract as reasonably may be required.
- d. Access to the Sites of Performance. The Contractor agrees to permit FTA and its contractors access to the sites of performance under this contract as reasonably may be required.

**2. CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT**

The Contractor agrees:

- a. It will not use any violating facilities;
- b. It will report the use of facilities placed on or likely to be placed on the U.S. EPA "List of Violating Facilities;"
- c. It will report violations of use of prohibited facilities to FTA; and
- d. It will comply with the inspection and other requirements of the Clean Air Act, as amended, (42 U.S.C. §§ 7401 – 7671q); and the Federal Water Pollution Control Act as amended, (33 U.S.C. §§ 1251-1387).

### 3. CIVIL RIGHTS LAWS AND REGULATIONS

The AGENCY is an Equal Opportunity Employer. As such, the AGENCY agrees to comply with all applicable Federal civil rights laws and implementing regulations. Apart from inconsistent requirements imposed by Federal laws or regulations, the AGENCY agrees to comply with the requirements of 49 U.S.C. § 5323(h) (3) by not using any Federal assistance awarded by FTA to support procurements using exclusionary or discriminatory specifications.

Under this Agreement, the Contractor shall at all times comply with the following requirements and shall include these requirements in each subcontract entered into as part thereof.

- a. Nondiscrimination. In accordance with Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability, or age. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.
- b. Race, Color, Religion, National Origin, Sex. In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e et seq., and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. chapter 60, and Executive Order No. 11246, "Equal Employment Opportunity in Federal Employment," September 24, 1965, 42 U.S.C. § 2000e note, as amended by any later Executive Order that amends or supersedes it, referenced in 42 U.S.C. § 2000e note. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, national origin, or sex (including sexual orientation and gender identity). Such action shall include, but not be limited to, the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.
- c. Age. In accordance with the Age Discrimination in Employment Act, 29 U.S.C. §§ 621-634, U.S. Equal Employment Opportunity Commission (U.S. EEOC) regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6101 et seq., U.S. Health and Human Services regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance," 45 C.F.R. part 90, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

- d. Disabilities. In accordance with section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 et seq., the Architectural Barriers Act of 1968, as amended, 42 U.S.C. § 4151 et seq., and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against individuals on the basis of disability. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

#### **4. DISADVANTAGED BUSINESS ENTERPRISE (DBE)**

For all DOT-assisted contracts, each FTA recipient must include assurances that third party contractors will comply with the DBE program requirements of 49 C.F.R. part 26, when applicable. The following contract clause is required in all DOT-assisted prime and subcontracts: The Contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Contractor shall carry out applicable requirements of 49 C.F.R. part 26 in the award and administration of DOT-assisted contracts. Failure by the Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

- a. Withholding monthly progress payments;
- b. Assessing sanctions;
- c. Liquidated damages; and/or
- d. Disqualifying the contractor from future bidding as non-responsible. 49 C.F.R. § 26.13(b).

Further, recipients must establish a contract clause to require prime contractors to pay subcontractors for satisfactory performance of their contracts no later than 30 days from receipt of each payment the recipient makes to the prime contractor. 49 C.F.R. § 26.29(a). Finally, for contracts with defined DBE contract goals, each FTA recipient must include in each prime contract a provision stating that the contractor shall utilize the specific DBEs listed unless the contractor obtains the recipient's written consent; and that, unless the recipient's consent is provided, the contractor shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE. 49 C.F.R. § 26.53(f) (1).

As an additional resource, recipients can draw on the following language for inclusion in their federally funded procurements.

#### Overview

It is the policy of the AGENCY and the United States Department of Transportation ("DOT") that Disadvantaged Business Enterprises ("DBEs"), as defined herein and in the Federal regulations

published at 49 C.F.R. part 26, shall have an equal opportunity to participate in DOT-assisted contracts. It is also the policy of the AGENCY to:

- a. Ensure nondiscrimination in the award and administration of DOT-assisted contracts;
- b. Create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
- c. Ensure that the DBE program is narrowly tailored in accordance with applicable law;
- d. Ensure that only firms that fully meet 49 C.F.R. part 26 eligibility standards are permitted to participate as DBEs;
- e. Help remove barriers to the participation of DBEs in DOT assisted contracts;
- f. To promote the use of DBEs in all types of federally assisted contracts and procurement activities; and
- g. Assist in the development of firms that can compete successfully in the marketplace outside the DBE program.

This Contract is subject to 49 C.F.R. part 26. Therefore, the Contractor must satisfy the requirements for DBE participation as set forth herein. These requirements are in addition to all other equal opportunity employment requirements of this Contract. The AGENCY shall make all determinations with regard to whether or not a Bidder/Offeror is in compliance with the requirements stated herein. In assessing compliance, the AGENCY may consider during its review of the Bidder/Offeror's submission package, the Bidder/Offeror's documented history of non-compliance with DBE requirements on previous contracts with the AGENCY.

#### Contract Assurance

The Contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Contractor shall carry out applicable requirements of 49 C.F.R. part 26 in the award and administration of DOT-assisted contracts. Failure by the Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the AGENCY deems appropriate.

#### DBE Participation

For the purpose of this contract, the AGENCY will accept only DBEs who are:

- a. Certified, at the time of bid opening or proposal evaluation, by the [certifying agency or the Unified Certification Program (UCP)]; or

- b. An out-of-state firm who has been certified by either a local government, state government or Federal government entity authorized to certify DBE status or an agency whose DBE certification process has received FTA approval; or
- c. Certified by another agency approved by the AGENCY.

### DBE Participation Goal

The DBE participation goal for this contract is set at 5.1%. This goal represents those elements of work under this contract performed by qualified Disadvantaged Business Enterprises for amounts totaling not less than 5.1% of the total contract price. Failure to meet the stated goal at the time of proposal submission may render the Bidder/Offeror non-responsive.

### Proposed Submission

Each Bidder/Offeror, as part of its submission, shall supply the following information:

- a. A completed DBE Utilization Form (see below) that indicates the percentage and dollar value of the total bid/contract amount to be supplied by Disadvantaged Business Enterprises under this contract.
- b. A list of those qualified DBEs with whom the Bidder/Offeror intends to contract for the performance of portions of the work under the contract, the agreed price to be paid to each DBE for work, the contract items or parts to be performed by each DBE, a proposed timetable for the performance or delivery of the contract item, and other information as required by the DBE Participation Schedule (see below). No work shall be included in the Schedule that the Bidder/Offeror has reason to believe the listed DBE will subcontract, at any tier, to other than another DBE. If awarded the contract, the Bidder/Offeror may not deviate from the DBE Participation Schedule submitted in response to the bid. Any subsequent changes and/or substitutions of DBE firms will require review and written approval by the AGENCY.
- c. An original DBE Letter of Intent (see below) from each DBE listed in the DBE Participation Schedule.
- d. An original DBE Affidavit (see below) from each DBE stating that there has not been any change in its status since the date of its last certification.

### Good Faith Efforts

If the Bidder/Offeror is unable to meet the goal set forth above (DBE Participation Goal), the AGENCY will consider the Bidder/Offeror's documented good faith efforts to meet the goal in determining responsiveness. The types of actions that the AGENCY will consider as part of the Bidder/Offeror's good faith efforts include, but are not limited to, the following:

- a. Documented communication with the AGENCY's DBE Coordinator (questions of IFB or RFP requirements, subcontracting opportunities, appropriate certification, will be addressed in a timely fashion);
- b. Pre-bid meeting attendance. At the pre-bid meeting, the AGENCY generally informs potential Bidder/Offeror's of DBE subcontracting opportunities;
- c. The Bidder/Offeror's own solicitations to obtain DBE involvement in general circulation media, trade association publication, minority-focus media and other reasonable and available means within sufficient time to allow DBEs to respond to the solicitation;
- d. Written notification to DBEs encouraging participation in the proposed contract; and
- e. Efforts made to identify specific portions of the work that might be performed by DBEs.

The Bidder/Offeror shall provide the following details, at a minimum, of the specific efforts it made to negotiate in good faith with DBEs for elements of the contract:

- a. The names, addresses, and telephone numbers of DBEs that were contacted;
- b. A description of the information provided to targeted DBEs regarding the specifications and bid proposals for portions of the work;
- c. Efforts made to assist DBEs contacted in obtaining bonding or insurance required by the Bidder or the Authority.

Further, the documentation of good faith efforts must include copies of each DBE and non-DBE subcontractor quote submitted when a non-DBE subcontractor was selected over a DBE for work on the contract. 49 C.F.R. § 26.53(b) (2) (VI). In determining whether a Bidder has made good faith efforts, the Authority may take into account the performance of other Bidders in meeting the contract goals. For example, if the apparent successful Bidder failed to meet the goal, but meets or exceeds the average DBE participation obtained by other Bidders, the Authority may view this as evidence of the Bidder having made good faith efforts.

#### Administrative Reconsideration

Within five (5) business days of being informed by the AGENCY that it is not responsive or responsible because it has not documented sufficient good faith efforts, the Bidder/Offeror may request administrative reconsideration. The Bidder should make this request in writing to the AGENCY's DBE Coordinator. The DBE Coordinator will forward the Bidder/Offeror's request to a reconsideration official who will not have played any role in the original determination that the Bidder/Offeror did not document sufficient good faith efforts.

As part of this reconsideration, the Bidder/Offeror will have the opportunity to provide written documentation or argument concerning the issue of whether it met the goal or made adequate good faith efforts to do so. The Bidder/Offeror will have the opportunity to meet in person with the assigned reconsideration official to discuss the issue of whether it met the goal or made adequate good faith efforts to do so. The AGENCY will send the Bidder/Offeror a written decision on its reconsideration, explaining the basis for finding that the Bidder/Offeror did or did not meet the goal or make adequate good faith efforts to do so. The result of the reconsideration process is not administratively appealable to the Department of Transportation.

#### Termination of DBE Subcontractor

The Contractor shall not terminate the DBE subcontractor(s) listed in the DBE Participation Schedule (see below) without the AGENCY's prior written consent. The AGENCY may provide such written consent only if the Contractor has good cause to terminate the DBE firm. Before transmitting a request to terminate, the Contractor shall give notice in writing to the DBE subcontractor of its intent to terminate and the reason for the request. The Contractor shall give the DBE five days to respond to the notice and advise of the reasons why it objects to the proposed termination. When a DBE subcontractor is terminated or fails to complete its work on the contract for any reason, the Contractor shall make good faith efforts to find another DBE subcontractor to substitute for the original DBE and immediately notify the AGENCY in writing of its efforts to replace the original DBE. These good faith efforts shall be directed at finding another DBE to perform at least the same amount of work under the contract as the DBE that was terminated, to the extent needed to meet the contract goal established for this procurement. Failure to comply with these requirements will be in accordance with Section 8 below (Sanctions for Violations).

#### Continued Compliance

The AGENCY shall monitor the Contractor's DBE compliance during the life of the contract. In the event this procurement exceeds ninety (90) days, it will be the responsibility of the Contractor to submit quarterly written reports to the AGENCY that summarize the total DBE value for this contract. These reports shall provide the following details:

- DBE utilization established for the contract;
- Total value of expenditures with DBE firms for the quarter;
- The value of expenditures with each DBE firm for the quarter by race and gender;
- Total value of expenditures with DBE firms from inception of the contract; and
- The value of expenditures with each DBE firm from the inception of the contract by race and gender.

Reports and other correspondence must be submitted to the DBE Coordinator with copies provided to the RTA Executive Director. Reports shall continue to be submitted quarterly until final payment is issued or until DBE participation is completed.

The successful Bidder/Offeror shall permit:

- The AGENCY to have access to necessary records to examine information as the AGENCY deems appropriate for the purpose of investigating and determining compliance with this provision, including, but not limited to, records of expenditures, invoices, and contract between the successful Bidder/Offeror and other DBE parties entered into during the life of the contract.
- The authorized representative(s) of the AGENCY, the U.S. Department of Transportation, the Comptroller General of the United States, to inspect and audit all data and record of the Contractor relating to its performance under the Disadvantaged Business Enterprise Participation provision of this contract.
- All data/record(s) pertaining to DBE shall be maintained as stated in Section 1 of this contract.

#### Sanctions for Violations

If at any time the AGENCY has reason to believe that the Contractor is in violation of its obligations under this Agreement or has otherwise failed to comply with terms of this Section, the AGENCY may, in addition to pursuing any other available legal remedy, commence proceedings, which may include but are not limited to, the following:

- Suspension of any payment or part due the Contractor until such time as the issues concerning the Contractor's compliance are resolved; and
- Termination or cancellation of the contract, in whole or in part, unless the successful Contractor is able to demonstrate within a reasonable time that it is in compliance with the DBE terms stated herein.

#### **5. EMPLOYEE PROTECTIONS**

The Contractor shall comply with all federal laws, regulations, and requirements providing wage and hour protections for non-construction employees, in accordance with 40 U.S.C. § 3702, Contract Work Hours and Safety Standards Act, and other relevant parts of that Act, 40 U.S.C. § 3701 et seq., and U.S. DOL regulations, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (also Labor Standards Provisions Applicable to Non-construction Contracts Subject to the Contract Work Hours and Safety Standards Act)," 29 C.F.R. part 5.

The Contractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three (3) years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such

records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid.

Such records maintained under this paragraph shall be made available by the Contractor for inspection, copying, or transcription by authorized representatives of the FTA and the Department of Labor, and the Contractor will permit such representatives to interview employees during working hours on the job.

The Contractor shall require the inclusion of the language of this clause within subcontracts of all tiers.

## **6. ENERGY CONSERVATION**

The Contractor agrees to comply with mandatory standards and policies relating to energy efficiency, which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

## **7. GOVERNMENT-WIDE DEBARMENT AND SUSPENSION**

The Contractor shall comply and facilitate compliance with U.S. DOT regulations, "Nonprocurement Suspension and Debarment," 2 C.F.R. part 1200, which adopts and supplements the U.S. Office of Management and Budget (U.S. OMB) "Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," 2 C.F.R. part 180. These provisions apply to each contract at any tier of \$25,000 or more, and to each contract at any tier for a federally required audit (irrespective of the contract amount), and to each contract at any tier that must be approved by an FTA official irrespective of the contract amount. As such, the Contractor shall verify that its principals, affiliates, and subcontractors are eligible to participate in this federally funded contract and are not presently declared by any Federal department or agency to be:

- a. Debarred from participation in any federally assisted Award;
- b. Suspended from participation in any federally assisted Award;
- c. Proposed for debarment from participation in any federally assisted Award;
- d. Declared ineligible to participate in any federally assisted Award;
- e. Voluntarily excluded from participation in any federally assisted Award; or
- f. Disqualified from participation in any federally assisted Award.

By signing and submitting its bid or proposal, the bidder or proposer certifies as follows: The certification in this clause is a material representation of fact relied upon by the AGENCY. If it is later determined by the AGENCY that the bidder or proposer knowingly rendered an erroneous certification, in addition to remedies available to the AGENCY, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The bidder or proposer agrees to comply with the requirements of 2 C.F.R. part

180, subpart C, as supplemented by 2 C.F.R. part 1200, while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

## **8. LOBBYING RESTRICTIONS**

The undersigned certifies, to the best of his or her knowledge and belief, that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

## **9. NO GOVERNMENT OBLIGATION TO THIRD PARTIES**

The Agency and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this contract and shall not be subject to any obligations or liabilities to the Agency, Contractor or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract. The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by the FTA. It is

further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

## **10. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS AND RELATED ACTS**

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

The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. chapter 53, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5323(I) on the Contractor, to the extent the Federal Government deems appropriate.

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

## **11. RECYCLED PRODUCTS**

The Contractor agrees to provide a preference for those products and services that conserve natural resources, protect the environment, and are energy efficient by complying with and facilitating compliance with Section 6002 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6962, and U.S. Environmental Protection Agency (U.S. EPA), "Comprehensive Procurement Guideline for Products Containing Recovered Materials," 40 C.F.R. part 247.

## **12. SAFE OPERATION OF MOTOR VEHICLES**

### Seat Belt Use

The Contractor is encouraged to adopt and promote on-the-job seat belt use policies and programs for its employees and other personnel that operate company-owned vehicles,

company-rented vehicles, or personally operated vehicles. The terms “company-owned” and “company-leased” refer to vehicles owned or leased either by the Contractor or AGENCY.

### Distracted Driving

The Contractor agrees to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messaging while using an electronic device supplied by an employer, and driving a vehicle the driver owns or rents, a vehicle Contractor owns, leases, or rents, or a privately-owned vehicle when on official business in connection with the work performed under this agreement.

## **13. TERMINATION**

### Termination for Convenience (General Provision)

The AGENCY may terminate this contract, in whole or in part, at any time by written notice to the Contractor when it is in the AGENCY’s best interest. The Contractor shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim to AGENCY to be paid the Contractor. If the Contractor has any property in its possession belonging to AGENCY, the Contractor will account for the same, and dispose of it in the manner AGENCY directs.

### Termination for Default [Breach or Cause] (General Provision)

If the Contractor does not deliver supplies in accordance with the contract delivery schedule, or if the contract is for services, the Contractor fails to perform in the manner called for in the contract, or if the Contractor fails to comply with any other provisions of the contract, the AGENCY may terminate this contract for default. Termination shall be effected by serving a Notice of Termination on the Contractor setting forth the manner in which the Contractor is in default. The Contractor will be paid only the contract price for supplies delivered and accepted, or services performed in accordance with the manner of performance set forth in the contract. If it is later determined by the AGENCY that the Contractor had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of the Contractor, the AGENCY, after setting up a new delivery of performance schedule, may allow the Contractor to continue work, or treat the termination as a Termination for Convenience.

### Opportunity to Cure (General Provision)

The AGENCY, in its sole discretion may, in the case of a termination for breach or default, allow the Contractor [an appropriately short period of time] in which to cure the defect. In such case, the Notice of Termination will state the time period in which cure is permitted and other appropriate conditions.

If Contractor fails to remedy to AGENCY's satisfaction the breach or default of any of the terms, covenants, or conditions of this contract within ten days after receipt by Contractor of written notice from AGENCY setting forth the nature of said breach or default, AGENCY shall have the right to terminate the contract without any further obligation to Contractor. Any such termination for default shall not in any way operate to preclude AGENCY from also pursuing all available remedies against Contractor and its sureties for said breach or default.

#### Waiver of Remedies for any Breach

In the event that AGENCY elects to waive its remedies for any breach by Contractor of any covenant, term or condition of this contract, such waiver by AGENCY shall not limit AGENCY's remedies for any succeeding breach of that or of any other covenant, term, or condition of this contract.

#### Termination for Convenience (Professional Contracts)

The AGENCY, by written notice, may terminate this contract, in whole or in part, when it is in the AGENCY's interest. If this contract is terminated, the AGENCY shall be liable only for payment under the payment provisions of this contract for services rendered before the effective date of termination.

#### Termination for Default (Supplies and Service)

If the Contractor fails to deliver supplies or to perform the services within the time specified in this contract or any extension, or if the Contractor fails to comply with any other provisions of this contract, the AGENCY may terminate this contract for default. The AGENCY shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of the default. The Contractor will only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner or performance set forth in this contract. If, after termination for failure to fulfill contract obligations, it is determined that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the AGENCY.

### **14. VIOLATION AND BREACH OF CONTRACT**

#### Rights and Remedies of the AGENCY

The AGENCY shall have the following rights in the event that the AGENCY deems the Contractor guilty of a breach of any term under the contract.

- a. The right to take over and complete the work or any part thereof as agency for and at the expense of the Contractor, either directly or through other contractors;
- b. The right to cancel this contract as to any or all of the work yet to be performed;

- c. The right to specific performance, an injunction or any other appropriate equitable remedy; and
- d. The right to money damages.

#### Rights and Remedies of Contractor

Inasmuch as the Contractor can be adequately compensated by money damages for any breach of this contract, which may be committed by the AGENCY, the Contractor expressly agrees that no default, act or omission of the AGENCY shall constitute a material breach of this contract, entitling Contractor to cancel or rescind the contract (unless the AGENCY directs Contractor to do so) or to suspend or abandon performance.

#### Remedies

Substantial failure of the Contractor to complete the Project in accordance with the terms of this Agreement will be a default of this Agreement. In the event of a default, the AGENCY will have all remedies in law and equity, including the right to specific performance, without further assistance, and the rights to termination or suspension as provided herein. The Contractor recognizes that in the event of a breach of this Agreement by the Contractor before the AGENCY takes action contemplated herein, the AGENCY will provide the Contractor with sixty (60) days written notice that the AGENCY considers that such a breach has occurred and will provide the Contractor a reasonable period of time to respond and to take necessary corrective action.

#### Disputes

Disputes arising in the performance of this contract that are not resolved by agreement of the parties shall be decided in writing by the authorized representative of AGENCY's Deputy Director. This decision shall be final and conclusive unless within ten days from the date of receipt of its copy, the Contractor mails or otherwise furnishes a written appeal to the Executive Director. In connection with any such appeal, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the Executive Director shall be binding upon the Contractor and the Contractor shall abide by the decision.

In the event that a resolution of the dispute is not mutually agreed upon, the parties can agree to mediate the dispute or proceed with litigation. Notwithstanding any provision of this section, or any other provision of this contract, it is expressly agreed and understood that any court proceeding arising out of a dispute under the contract shall be heard by a Court de novo and the court shall not be limited in such proceeding to the issue of whether the Authority acted in an arbitrary, capricious or grossly erroneous manner.

Pending final settlement of any dispute, the parties shall proceed diligently with the performance of the contract, and in accordance with the AGENCY's direction or decisions made thereof.

#### Performance during Dispute

Unless otherwise directed by AGENCY, Contractor shall continue performance under this contract while matters in dispute are being resolved.

#### Claims for Damages

Should either party to the contract suffer injury or damage to person or property because of any act or omission of the party or of any of its employees, agents or others for whose acts it is legally liable, a claim for damages therefor shall be made in writing to such other party within a reasonable time after the first observance of such injury or damage.

#### Remedies

Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the AGENCY and the Contractor arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State in which the AGENCY is located.

#### Rights and Remedies

The duties and obligations imposed by the contract documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the AGENCY or Contractor shall constitute a waiver of any right or duty afforded any of them under the contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

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**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
AUGUST 7, 2019  
STAFF REPORT**

**AGENDA ITEM:** C-2

**TOPIC:** Request for Credit Rating

**ACTION:** Approve

**PRESENTED BY:** Geoff Straw, Executive Director

**STAFF RECOMMENDATION:** Authorize the Executive Director to Request Credit Rating from Moody's

**BACKGROUND/DISCUSSION:**

As noted during the July 10, 2019 RTA Board meeting, staff is currently exploring, along with other financing options, the Transportation Infrastructure Finance and Innovation Act (TIFIA) program for funding to address the funding shortfall for the bus maintenance facility at 253 Elks Lane. One of the items needed to move forward with TIFIA, or a public bond, is a credit rating.

There are 4 rating agencies in the municipal market – Moody's, S&P, Fitch, and Kroll. All would certainly satisfy the TIFIA rating requirements, but if for some reason TIFIA didn't come to fruition, we would issue a public bond. A public bond offering would also only require one rating (like TIFIA), but if only one rating, investors are sensitive to which one is utilized. A single Moody's or S&P rating would be acceptable – Fitch and Kroll would not. Because we may pursue TIFIA or a public bond, it is best that we use a rating agency that could satisfy either borrowing. For this reason, only Moody's and S&P credit rating options were explored.

There are a number of different "products" that the rating agencies offer. For both Moody's and S&P, the "product" that would best fit TIFIA needs is the "indicative" rating process that provides a preliminary gauge of your rating through a letter and then a formal rating/report is delivered upon pricing/closing on the borrowing (TIFIA or public bonds). Fees for the approach are as follows:

1. Moody's: Total rating fee is \$22,000. 75% of the rating fee (\$16,500) is due when the indicative rating letter is provided (approximately September). The indicative fee would be applied as a credit to the formal rating on the TIFIA or public bond such that the remaining 25% (\$5,500) would be due upon closing on the offering.

2. S&P: Total rating fee is \$33,000. At the time the indicative rating letter is provided (approximately September), \$15,000 would be due. A portion of the indicative fee would applied as a credit to the formal rating on the TIFIA or public bond (\$10,000 of the \$15,000), such that the balance of the rating fee due upon closing on the offering would be \$23,000.

While Moody's has a slightly higher upfront cost of \$16,500 versus the S&P \$15,000, Moody's total cost (\$22,000) is lower by \$16,000 as compared to S&P (\$33,000). Additionally, Moody's has a pretty firm grasp of transit agencies and the security structure, as the provided credit ratings for Gold Coast Transit District and Victor Valley Transit Authority utilized Moody's. Attached is the credit opinion that Moody's provided to Gold Coast Transit District.

**STAFF RECOMMENDATION:**

Authorize the Executive Director to request a credit rating from Moody's at a cost not to exceed \$22,000.

## CREDIT OPINION

18 August 2016

New Issue

Rate this Research >>

### Contacts

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# Gold Coast Transit District, CA

New Issue - Moody's assigns A2 rating to Gold Coast Transit District, CA COPs; outlook stable

## Summary Rating Rationale

Moody's Investors Service has assigned an A2 rating to the Gold Coast Transit District (GCTD or the district), CA's Certificates of Participation (Transit Facilities Project). The A2 rating reflects healthy coverage of maximum annual debt service (MADS) of 3 times by a narrow pledge of farebox revenues, an adequate 2.0 times additional bonds test and a stable and growing local economy.

## Credit Strengths

- » Steady growth in pledged farebox revenues, ridership, service area economy
- » Establishment as a transit district promotes financial flexibility and enhances liquidity

## Credit Challenges

- » Bus systems, such as that of the district, have lower farebox recovery ratios than rail
- » The district has a high dependency on federal and state grants that can be delayed

Exhibit 1

### Steady growth in ridership



Source: District financial statements

## Rating Outlook

The stable outlook reflects a stable and growing economy that supports ridership growth and our belief that the district's finances will continue to improve.

## Factors that Could Lead to an Upgrade

- » Stronger job and population trends and higher transit utilization
- » Lower dependency on intergovernmental assistance to fund operations

## Factors that Could Lead to a Downgrade

- » Deterioration of either the pledged farebox revenues or other operating revenues
- » Strain on GCTD's operations or liquidity caused by delayed grants or other factors

## Key Indicators

Exhibit 2

Fiscal Year	2011	2012	2013	2014	2015
Annual Ridership (000)	3,354	3,476	3,566	3,818	3,909
Farebox Recovery Ratio	20%	20%	19%	19%	21%
Net Debt/Revenues	0.0	0.0	0.0	0.0	0.0
Days Cash on Hand	56	124	78	117	234

Source: District financial statements

## Recent Developments

Recent developments are incorporated into the detailed rating considerations.

## Detailed Rating Considerations

### Size and Market Position

GCTD's ridership has steadily improved over the last decade to 4.0 million riders as of fiscal 2015 from 3.4 million in fiscal 2006. The improvement is a reflection of the steadily growing service area of [Ventura County](#) (issuer rating Aaa stable). The Ventura County Naval Base, with 19,000 personnel, anchors the local economy, which also benefits from a strong biotech and pharmaceutical industry as in [Amgen, Inc.](#) (Baa1 stable). Moody's Analytics projects the region to be an above-average performer over the long-term, supported by a diverse industrial base, a budding tech sector and an advantageous location. Income levels in the area are generally higher than national and state averages, which is indicative of ability to pay fares.

The service area population of 375,000 as of 2015, also steadily growing, is relatively small compared to other rated transit agencies. The lack of a multi-modal system, GCTD solely provides bus and paratransit service, makes the district less essential compared to other rated transit agencies that are the sole providers of transit in large metropolitan regions.

### Financial Flexibility and Metrics

GCTD's farebox recovery ratio, calculated as total fare revenues divided by operating expenditures, was 21% in fiscal 2015 and declined to 16% in fiscal 2016 on an unaudited basis. While relatively low for a rated transit agency, GCTD's farebox recovery ratio reflects the bus service that it provides. Transit agencies with a rail component are typically able to recoup a larger portion of their expenses from fares. Buses typically serve a lower income demographic that has a greater set of alternatives for the shorter distances covered. The decline in GCTD's farebox recovery ratio in 2016 was driven by a decline in ridership and increase in operating expense.

As with most transit agencies, GCTD relies on government subsidies. Despite the decline in fare revenue in fiscal 2016, GCTD's operating grants, 79% of revenues, increased, leaving it in a better fiscal position than it was the year prior. We view overdependence

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on [www.moody's.com](http://www.moody's.com) for the most updated credit rating action information and rating history.

on governmental subsidies as a credit challenge because of transits' limited flexibility to adjust for subsidy shortfalls. Since becoming a transit district in fiscal 2014, the GCTD now receives state funds directly rather than through the local jurisdictions, which we view as a significant improvement in that the district is more isolated from the financial stresses at the local government level.

Inclusive of all grants and subsidies, GCTD earned \$4 million more in revenues than it spent in fiscal 2016, on an unaudited basis. We expect GCTD to continue to post strong financial results in line with healthy 24% fiscal 2015 operating margins that have not dipped below 22% over the past three years.

Since fiscal 2015, California transits' Federal Transit Administration (FTA) operating grants have been delayed amid ongoing litigation between the US Department of Labor (DOL) and the [State of California](#) (Aa3 stable) over public pension reform legislation enacted in 2013. Despite a federal district court ruling that found it erred in its actions and DOL's subsequent decision to drop its appeal of that outcome, some transits have not received their grants, including Gold Coast Transit. In January, a judge granted motion to enforce the order. The GCTD expects to receive upheld federal transit grants in the next two months.

The ongoing DOL litigation presents liquidity risk for GCTD, especially because it plans to use its federal grants to pay debt service. That disruption is somewhat mitigated by several factors. Liquidity is adequate. GCTD has covenanted to use all legally available funds to pay debt service if necessary. Additionally, GCTD has significant managerial and financial flexibility to adjust if the federal funds are not received, including making service cuts or increasing fares.

#### LIQUIDITY

At the end of fiscal 2015, GCTD had \$12 million in cash, equal to 234 days cash on hand, nearly double its liquidity position a year before. The district maintains a \$1 million line of credit with [MUFG Union Bank, N.A.](#) (A1(cr)/P-1(cr)), which renews annually in August. It has not had to draw on that source of external liquidity.

#### Debt and Legal Covenants

##### DEBT STRUCTURE

GCTD has no outstanding debt. The lease agreement for this issuance provides adequate legal provisions. A portion of proceeds will cash fund a debt service reserve fund (subject to the traditional 3-prong test). If monies from the debt service reserve fund are used to cure any deficiency, GCTD must replenish the fund within 12 months of the deficiency date. The Certificates of Participation have an additional bonds test of 2 times farebox revenues to MADS for any 12 month period within 18 months before any additional issuance. Fiscal 2015 debt service coverage by net revenues are 5.4 times, which include excess LTF funds remaining after payment of operations and assuming the entire expected amount of debt is issued.

Fiscal 2015 farebox revenues and legally available revenues provide 3.1 times and 13 times MADS coverage, respectively. GCTD expects that the FTA Section 5307 funds will provide reimbursement for 80% of each payment due under the lease agreement. GCTD will fund the remaining 20% from certain LTF and STA revenues of the District available under the lease agreement and, if such amounts are not sufficient, from farebox revenues. Unaudited fiscal 2016 results indicate a decline in farebox revenues, in part due declines in ridership, which brought pledged revenue coverage of MADS to 2.6 times, which remains healthy.

##### DEBT-RELATED DERIVATIVES

The district is not party to any debt-related derivatives.

##### PENSIONS AND OPEB

#### Operating Environment and Governance

The district was established on July 1, 2014, as a California transit district. Prior to being created as a California transit district, the District was a joint powers agency established in 1973 by agreement among the Cities of Ojai, Oxnard, Port Hueneme and San Buenaventura through the merger of the Ventura Transit City Lines and the Oxnard Municipal Bus Lines; the County of Ventura joined the agency in 1977.

As a district, GCTD now receives state funds directly instead of having member jurisdictions allocate their share of the District's budget. This insulates the district from the financial stresses of the member jurisdictions and will improve the district's liquidity and control over its own finances. GCTD has a five-member board of directors representing the member jurisdictions.

## Legal Security

The transaction is part of a lease/leaseback structure between GCTD and the California Transit Finance Corporation, a nonprofit that solely exists to facilitate the financing of transit-related projects. Pursuant to the lease agreement, GCTD legally pledges farebox revenues, but covenants to use all legally available revenues for lease payments, which include Local Transportation Funds (LTF), a 0.25% sales tax dedicated to transportation that is apportioned to GCTD, State Transportation Assistance (STA) funds, FTA Section 5307 Grants, and farebox revenues. The legal pledge is relatively narrow compared to our other rated enterprise mass transit entities.

## Use of Proceeds

Proceeds from the issuance will contribute a portion of the financing of a new \$52 million administration and operations facility in Oxnard, CA on a 15-acre site that will replace the current, smaller bus facility. The remaining costs will be paid by grants and by GCTD.

## Obligor Profile

Gold Coast Transit District provides 22 bus routes on a fleet of 56 buses and 24 paratransit vehicles to the cities of Ojai, Oxnard, Port Hueneme, Ventura and the unincorporated areas of Ventura County. GCTD is the largest public transportation operator in Ventura County. All vehicles are powered by clean natural gas supplied by an on-site CNG fueling station.

## Methodology

The principal methodology used in this rating was Global Mass Transit Enterprises Methodology published in February 2015. Please see the Ratings Methodologies page on [www.moody.com](http://www.moody.com) for a copy of this methodology.

## Ratings

Exhibit 3

### Gold Coast Transit District, CA

Issue	Rating
Certificates of Participation (Transit Facilities Project)	A2
Rating Type	Underlying LT
Sale Amount	\$22,000,000
Expected Sale Date	09/12/2016
Rating Description	Lease Rental: Appropriation

Source: Moody's Investors Service

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REPORT NUMBER 1038957

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**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**  
**AUGUST 7, 2019**  
**STAFF REPORT**

**AGENDA ITEM:** C-3

**TOPIC:** Revise Title VI Plan

**PRESENTED BY:** Geoff Straw, Executive Director

**STAFF RECOMMENDATION:** Approve the Revised Title VI Policy Statement and Plan

**BACKGROUND/DISCUSSION:**

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving Federal financial assistance. Specifically, Title VI provides that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance" (42 U.S.C. Section 2000d).

The RTA Title VI Policy was originally adopted by the RTA Board in September 2010 and updated in May 2019. Since that time, staff has received feedback from the Federal Transit Administration (FTA) requesting various revisions to the plan.

In order to outline the requested changes staff is including a clean version of the revised plan and a version that includes the tracked changes information. The two items that have changed that are not redlined are the addition of the table of contents and references to RTA instead of San Luis Obispo Regional Transit Authority throughout the document.

**Staff Recommendation**

Approve the revised Title VI Policy Statement and Plan as presented, including ratification of the Resolution in Appendix J.

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179 Cross Street, Suite A  
San Luis Obispo, CA 93401  
(805) 781-4472 Fax (805) 781-1291  
[www.slorta.org](http://www.slorta.org)

## **SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

### **TITLE VI PLAN**

**ADOPTED: May 1, 2019**  
**(Revised August 7, 2019)**

**AUGUST 1, 2019 – JULY 31, 2021**

#### **Contact Information:**

**Tania Arnold**  
**Deputy Director/Chief Financial Officer**  
**Office: 805.781.4397**  
[tarnold@slorta.org](mailto:tarnold@slorta.org)

The Regional Transit Authority is a Joint Powers Agency serving residents and visitors of:  
Arroyo Grande Atascadero Grover Beach Morro Bay Paso Robles Pismo Beach San Luis Obispo and The County of San  
Luis Obispo

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# TITLE VI PLAN

## I. PLAN STATEMENT

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving Federal financial assistance. Specifically, Title VI provides that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance" (42 U.S.C. Section 2000d).

The San Luis Obispo Regional Transit Authority (RTA) is committed to ensuring that no person is excluded from participation in, or denied the benefits of its transit services on the basis of race, color, or national origin, as protected by Title VI in Federal Transit Administration (FTA) Circular 4702.1.B.

This plan was developed to guide the RTA in its administration and management of Title VI-related activities.

**Title VI Coordinator Contact information:  
Deputy Director/Chief Financial Officer  
San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A  
San Luis Obispo, California 93401**

## II. TITLE VI INFORMATION DISSEMINATION

Title VI information posters is prominently and publicly displayed in the RTA facility and on their revenue vehicles (a copy is in Appendix I). The name of the Title VI coordinator is available on the RTA website, at [www.slorta.org](http://www.slorta.org) . Additional information relating to nondiscrimination obligation can be obtained from the RTA Title VI Coordinator.

Title VI information is disseminated to the RTA employees annually via the Employee Education form (see Appendix A) in payroll envelopes. This form reminds employees of the RTA's policy statement, and of their Title VI responsibilities in their daily work and duties.

During New Employee Orientation, new employees are informed of the provisions of Title VI, and the RTA's expectations to perform their duties accordingly.

All employees have been provided a copy of the Title VI Plan and are required to sign the Acknowledgement of Receipt (see Appendix B).

### **III. SUBCONTRACTS AND VENDORS**

All subcontractors and vendors who receive payments from the RTA where funding originates from any federal assistance are subject to the provisions of Title VI of the Civil Rights Act of 1964 as amended.

Written contracts shall contain non-discrimination language, either directly or through the bid specification package which becomes an associated component of the contract.

### **IV. RECORD KEEPING**

The Title VI Coordinator has maintained permanent records, which include, but are not limited to, signed acknowledgements of receipt from the employees indicating the receipt of the RTA's Title VI Plan, copies of Title VI complaints or lawsuits and related documentation, and records of correspondence to and from complainants, and Title VI investigations if any.

### **V. TITLE VI COMPLAINT PROCEDURES**

#### **How to file a Title VI Complaint?**

The complainant may file a signed, written complaint up to thirty (30) days from the date of the alleged discrimination. The complaint should include the following information:

- Your name, mailing address, and how to contact you (i.e., telephone number, email address, etc.)
- How, when, where and why you believe you were discriminated against. Include the location, names and contact information of any witnesses.
- Other information that you deem significant.

The Title VI Complaint Form (see Appendix C) may be used to submit the complaint information. The complaint may be filed in writing with the RTA at the following address:

**Title VI Coordinator  
Deputy Director/Chief Financial Officer  
San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A  
San Luis Obispo, California 93401**

NOTE: The RTA encourages all complainants to certify all mail that is sent through the U.S. Postal Service and/or ensure that all written correspondence can be tracked easily. For complaints originally submitted by facsimile, an original, signed copy of the complaint must be mailed to the Title VI Coordinator as soon as possible, but no later than 30 days from the alleged date of discrimination. This form is also available on the RTA website.

### **What happens to the complaint after it is submitted?**

All complaints alleging discrimination based on race, color or national origin in a service or benefit provided by the RTA will be directly addressed by the RTA. The RTA shall also provide appropriate assistance to complainants, including those persons with disabilities, or who are limited in their ability to communicate in English. Additionally, the RTA shall make every effort to address all complaints in an expeditious and thorough manner.

1. A letter of acknowledging receipt of complaint will be mailed within thirty (30) days (Appendix D). Please note that in responding to any requests for additional information, a complainant's failure to provide the requested information may result in the administrative closure of the complaint.
2. The RTA will advise the US Department of Transportation within thirty (30) days of receipt of the allegations. The following information will be included in the notification:
  - a. Name, address and phone number of the complainant
  - b. Names(s) and address(es) of the alleged discriminating official(s)
  - c. Basis of the complaint (i.e. race, color or national origin)
  - d. Date when the alleged discrimination took place
  - e. Date when complaint was received by the RTA
  - f. A statement of the complaint
  - g. Other agencies (state, local or federal) where the complaint has been filed
  - h. An explanation of the planned investigative process that the RTA plans to take to resolve the issue in the complaint
3. Within forty-five (45) days of the receipt of the complaint, the Title VI Coordinator will conduct an investigation of the allegation and, based on the information obtained, will offer a recommendation for action in a report to the Executive Director. The complaint should be resolved in an informal way when possible and which will be recorded in the summarized report of the findings.
4. Within sixty (60) days of the receipt of the complaint, the Title VI Coordinator will send a final written response letter (see Appendix E or F) to the complainant. In the letter notifying complainant that the complaint is not substantiated (Appendix F), the complainant is also advised of his or her right to 1) appeal within seven calendar days of receipt of the final written decision from the RTA, and/or 2) file a complaint externally with the U.S. Department of Transportation and/or the FTA. Every effort will be made to respond to Title VI complaints within sixty (60) working days of receipt of such complaints, if not sooner. A copy of the final written response will be provided to the US Department of Transportation.

In addition to the complaint process described above, a complainant may file a Title VI complaint with the following offices:

**Federal Transit Administration Office of Civil Rights  
Attention: Title VI Program Coordinator  
East Building, 5th Floor – TCR  
1200 New Jersey Ave., SE  
Washington, DC 20590**

## **VI. LIMITED ENGLISH PROFICIENCY (LEP) PLAN**

The RTA has developed a Limited English Proficiency Plan (LEP) to help identify reasonable steps to provide language assistance for LEP persons seeking meaningful access to RTA services as required by Executive Order 13166. A Limited English Proficiency person is one who does not speak English as their primary language and who has a limited ability to read, speak, write, or understand English. This plan has detail procedures on how to identify a person who may need language assistance, the ways in which assistance may be provided, training staff, how to notify LEP persons that assistance is available, and information for future plan updates. In developing the plan RTA's determined the extent of obligation to provide LEP services, the RTA has undertaken the U.S. Department of Transportation four factor LEP analysis which considers the following factors:

1. The number or proportion of LEP persons eligible in the RTA service area who maybe served or likely to encounter an RTA program, activity, or service;
2. The frequency with which LEP individuals come in contact with an RTA service;
3. The nature and importance of the program, activity or service provided by the RTA to the LEP population; and
4. The resources available to RTA and overall costs to provide LEP assistance. See Appendix K for the LEP Plan.

## **VII. COMMUNITY OUTREACH**

As an agency receiving federal financial assistance, we have made the following community outreach efforts:

The RTA holds public meetings bi-monthly. At these meetings the public is welcome to attend and share in discussion with a variety of Community Outreach discussions. Additionally, the RTA works with the other transit agencies in the service area and other stakeholder organizations to review and discuss the planning and have involvement in the decision making process. The RTA from time to time have do on-board survey hand-outs to customers for their feedback about a variety of issues.

The RTA has a policy and procedure for public comment regarding fare or service changes which is included in Appendix H. Below is a summary of specific outreach efforts made since the last Title VI Program submission:

- September 2016 - Public Hearing: Affirm Mitigated Negative Declaration for Paso Bus Yard & Solicit Design Services
- February 2017 – participate in SLOCOG Public Hearing: Unmet Transit Needs
- August - September 2017 - Public Hearing: Disadvantaged Business Enterprise Plan Goal Methodology Update
- September 2017 – Public Workshops: Proposed Changes to Fare Program
- September 2017 - Public Hearing: Consider Certification of CEQA IS/MND Report & NEPA Categorical Exclusion for RTA Maintenance Facility Project
- October 2017 – Customer perception survey completed with over 900 responses

- November 2017 - Public Hearing: Consider Proposed Changes to Fare Program
- February 2018 – participate in SLOCOG Public Hearing: Unmet Transit Needs
- January 2019 - Public Hearing: Runabout Service Area
- February 2019 – participate in SLOCOG Public Hearing: Unmet Transit Needs
- July 2019 - Public Hearing: Equity Analysis for Bus Maintenance Facility Project
- Ongoing - Annual Budget Public Hearings

The RTA submits to the California Department of Transportation and Federal Transit Administration annually an application for funding. The application requests funding for both capital and operating assistance. Part of the annual application is a public notice, which includes a 30-day public comment period.

### **VIII. ACTIVE INVESTIGATION, LAWSUIT OR COMPLAINT**

The RTA has had no active investigations, lawsuits or complaints alleging discrimination on the basis of race, color or national origin.

### **IX. SUBRECIPIENTS MONITORING**

Primary recipients shall ensure subrecipients are complying with Title VI. Subrecipient Title VI program shall be submitted every three years in line with the primary recipient’s program. Subrecipients will also submit annual complaint logs to primary recipient which will be kept in an electronic storage device for further review by FTA as necessary.

Subrecipients shall submit Title VI Programs to the primary recipient from whom they receive funding, in order to assist the primary recipient in its compliance efforts, on a schedule to be determined by the primary recipient. In the event an entity receives funds from more than one primary recipient, the subrecipient shall submit Title VI Programs to all primary recipients from which it receives funds. Chapters III, IV, V, and VI and appendices detail the specific information that shall be included in Title VI Programs, based on recipient characteristics.

The RTA recognizes the need to monitor their subrecipients’ compliance with the FTA circular. The RTA does pass funding to a subrecipient, the City of Atascadero. This relationship necessitates compliance monitoring. The City of Atascadero Title VI program was adopted in 2019.

#### **Subrecipient Assistance and Monitoring**

The RTA conducts the following subrecipient procedures and protocols to facilitate subrecipient compliance with C4702.1B:

The Grants department subrecipient management policies and procedures provide instructions and timelines for how the RTA staff monitor subrecipients’ Title VI compliance in accordance with the FTA circular. The procedures state that the RTA staff will:

- notify subrecipients of their responsibilities;

- offer resources and information as needed, and provide technical assistance as requested, to support subrecipient's development of a Title VI program;
- check in monthly until the subrecipient's Title VI program is adopted by their governing body;
- provide any assistance requested to assist subrecipient's full implementation of their program; and
- conduct annual compliance checks to verify subrecipient's compliance with their Title VI program.

## **X. BOARD DEMOGRAPHICS**

RTA Board of Directors is all elected members. Therefore, this does not apply.

## **XI. EQUITY ANALYSIS FOR BUILDING SITE**

An equity analysis was not required when RTA built the Tenant Improvements for the current operating and maintenance facility seven years ago. This was a pre-existing site that RTA lease and then did the Tenant Improvement without any federal funds. Therefore, this did not apply.

The RTA is currently in design and engineering for a bus maintenance facility and completed the Equity Analysis was adopted by the RTA Board on July 10, 2019 which included a public hearing. The information can be found on the RTA website: <http://www.slorta.org/about-rta/agency-reports/>

## **XII. RESOLUTION APPROVING TITLE VI PLAN**

A copy of this resolution can be found in Appendix J of this Plan.

## **XIII. SERVICE STANDARDS**

### ***Vehicle Load Standards***

RTA uses a standard of 1.5 ratio as the maximum vehicle load on a peak trip. The average of all loads during the peak operating period should not exceed vehicles' achievable capacities, which are 36 passengers for a 15' mini-bus, 55 passengers for low-floor 40-foot buses, and 63 passengers for standard 40-foot buses. The exact maximum passenger capacity may be affected by specific manufacturer's recommendations which may be different for certain vehicle types. Demand Response (DR) does not have load standard but we try to maximize boarding to increase efficiencies.

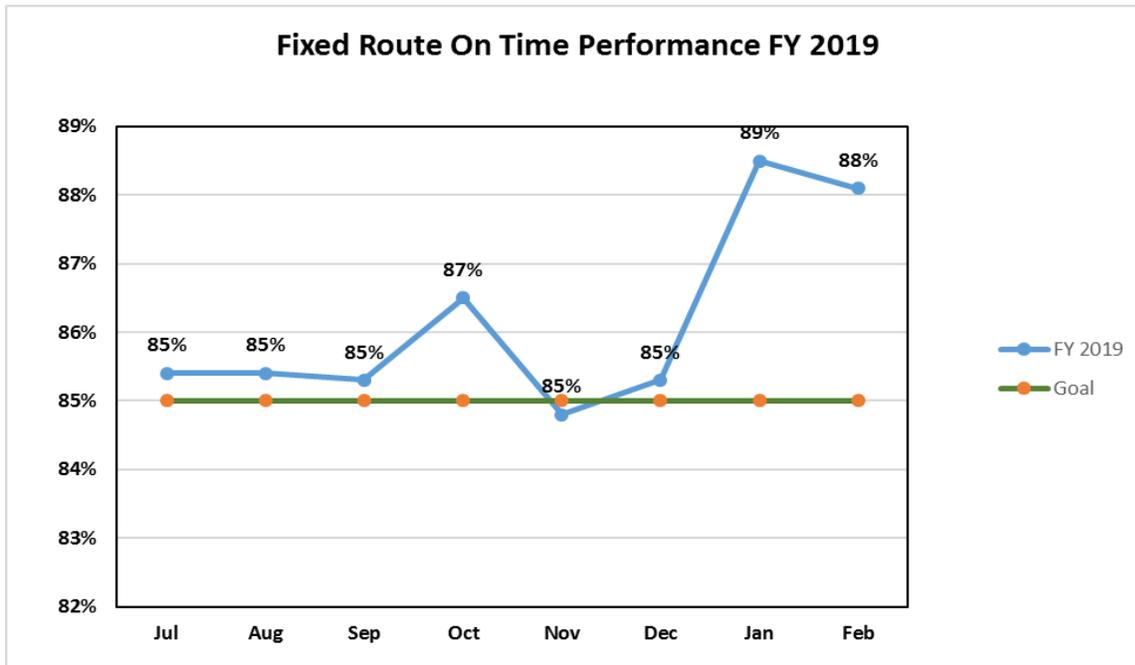
### ***Vehicle Headway Standards***

Service operates on regional trunk lines every 60 minutes (more frequently during peak a.m. and p.m. commute times) from early morning to late in the evening, five days a week, with the exception of the less populated North Coast Route #15. On weekends, service operates 5 times per day on Saturdays and 3 times per day on Sundays, throughout RTA's system. DR service does not allow any passenger to be on a vehicle in a single trip more than two hours. The dispatch software parameter is set to flag dispatchers if a trip is close to or will exceed two hours.

Scheduling involves the consideration of a number of factors including: ridership productivity, transit/pedestrian friendly streets, density of transit-dependent population and activities, relationship to the Regional Transportation Plan, relationship to major transportation developments, land use connectivity, and transportation demand management.

***On-Time Performance Standards***

Fixed route service is considered on-time if at no point the bus is six or more minutes late. With the introduction of the ITS system in 2016, early departures are now being included in the metric. In addition, every published time-point is now being considered, which gave a more realistic and accurate numbers. The result of the increased accuracy is a decline in the performance metric, not necessarily in the overall service quality. The goal is now 85% or greater set by RTA’s Strategy Business Plan after gaining more reliable information from the ITS system.



RTA continuously monitors on-time performance and system results are published and posted as part of monthly performance reports covering all aspects of operations.

DR service is considered on-time if the van arrives within 30 minutes of the appointed pick-up time. The goal is 95% or greater, and Runabout has surpassed this goal in each month of FY 19, achieving an overall OTP result of 98.79%. Staff will continue to monitor Runabout’s OTP to ensure we continue to achieve this strong result.

***Service Availability Standards***

RTA try to distribute transit service so that 100% of all regional fixed route service are within a 3/4 mile walk of intercity bus transfer points.

### **XIII. SERVICE POLICIES**

#### ***Vehicle Assignment Policy***

Fixed Route bus assignments take into account the operating characteristics of buses of various lengths, which are matched to the operating characteristics of the route. Local routes with lower ridership may be assigned 15-foot buses rather than the 35, 40 or 45-foot buses. Some routes requiring tight turns on narrow streets are operated with 35-foot rather than 40 or 45-foot buses. All fixed route buses are equipped with air conditioning, next stop LCD screens, automated stop announcement systems and CAD/AVL systems.

DR bus assignment take into account the characteristics of the pick-up and drop-off location for each client and whether the clients have a mobility device or not. The DR service is provide in two types of vehicle; Low Floor Minivans and Ford F250 Cutaways.

#### ***Transit Amenities Policy***

Installation of transit amenities along bus routes are based on the number of passenger boardings at stops and stations along those routes. DR service does not have transit amenities but an assessment is done and reported to dispatch if there are any safety issue when we pick up or drop-off passenger. These issues are then inputted in our dispatch system and is noted on each drivers manifest the service that location.

### **XV. RTA DOES MEET THE REMAINING CRITERIAS**

Demographic and service profile maps and charts

Demographic ridership and travel patterns, collected by surveys

Results of their monitoring program and report, including evidence that the board or other governing entity or official(s) considered, was aware of the results, and approved the analysis

A description of the public engagement process for setting the “major service change policy,” disparate impact policy, and disproportionate burden policy

Results of service and/or fare equity analyses conducted since the last Title VI Program submission, including evidence that the board or other governing entity or official(s) considered, was aware of, and approved the results of the analysis

## **Appendix A      Employee Annual Education Form**

### **Title VI Policy**

No person shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

All employees of the RTA are expected to consider, respect, and observe this policy in their daily work and duties. If a citizen approaches you with a question or complaint, direct him or her to the Deputy Director/Chief Financial Officer who is the Title VI Coordinator.

In all dealings with citizens, use courtesy titles (i.e. Mr., Mrs., Ms., or Miss) to address them without regard to race, color or national origin.

## **Appendix B            Acknowledgement of Receipt of Title VI Plan**

I hereby acknowledge the receipt of the San Luis Obispo Regional Transit Authority's Title VI Plan. I have read the plan and am committed to ensuring that no person is excluded from participation in, or denied the benefits of its transit services on the basis of race, color, or national origin, as protected by Title VI in Federal Transit Administration (FTA) Circular 4702.1.B.

---

Your signature

---

Print your name

---

Date

## Appendix C TITLE VI COMPLAINT FORM

Title VI of the 1964 Civil Rights Act requires that “No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.” If you feel you have been discriminated against in transit services, please provide the following information in order to assist us in processing your complaint and sent it to:

Provide address here

Please print clearly:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Telephone Number: \_\_\_\_\_(home) \_\_\_\_\_(cell) \_\_\_\_\_(work)

Person discriminated against: \_\_\_\_\_

Address of person discriminated against: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Please indicate why you believe the discrimination occurred:

\_\_\_\_\_ Race

\_\_\_\_\_ Color

\_\_\_\_\_ National Origin

What was the date of the alleged discrimination? \_\_\_\_\_

Where did the alleged discrimination take place? \_\_\_\_\_

Please describe the circumstances as you saw it: \_\_\_\_\_

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Please list any and all witnesses' names and phone numbers:

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Have you previously filed a Title VI complaint with this agency?

Yes  No

Have you filed this complaint with any other Federal, State, or local agency, or with any Federal or State court?

Yes  No

If yes, check all that apply:

Federal Agency: \_\_\_\_\_

Federal Court \_\_\_\_\_

State Agency \_\_\_\_\_

State Court \_\_\_\_\_

Local Agency \_\_\_\_\_

Please provide information about a contact person at the agency/court where the complaint was filed.

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Agency: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Please attach any documents you have which support the allegation. Then date and sign this form and send to the Title VI Coordinator at:

**Title VI Coordinator  
Deputy Director/Chief Financial Officer  
San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A  
San Luis Obispo, California 93401**

\_\_\_\_\_  
Your signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print your name

## **Appendix D          Sample Letter Acknowledging Receipt of Complaint**

Today's Date

Ms. Jo Doe  
1234 Main St.  
San Luis Obispo, California 93401

Dear Ms. Doe:

This letter is to acknowledge receipt of your complaint against the San Luis Obispo Regional Transit Authority alleging \_\_\_\_\_.

An investigation will begin shortly. If you have additional information you wish to convey or questions concerning this matter, please feel free to contact this office by telephoning \_\_\_\_\_, or write to me at this address.

Sincerely,

**Title VI Coordinator  
Deputy Director/Chief Financial Officer  
San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A  
San Luis Obispo, California 93401**

**Appendix E            Sample Letter Notifying Complainant that the Complaint Is Substantiated**

Today's Date

Ms. Jo Doe  
1234 Main St.  
San Luis Obispo, California 93401

Dear Ms. Doe:

The matter referenced in your letter of \_\_\_\_\_ (date) against the San Luis Obispo Regional Transit Authority alleging Title VI violation has been investigated. (An/Several) apparent violation(s) of Title VI of the Civil Rights Act of 1964, including those mentioned in your letter (was/were) identified. Efforts are underway to correct these deficiencies.

Thank you for calling this important matter to our attention. You were extremely helpful during our review of the program. *(If a hearing is requested, the following sentence may be appropriate.)* You may be hearing from this office, or from federal authorities, if your services should be needed during the administrative hearing process.

Sincerely,

**Title VI Coordinator  
Deputy Director/Chief Financial Officer  
San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A  
San Luis Obispo, California 93401**

**Appendix F                      Sample Letter Notifying Complainant that the Complaint Is Not Substantiated**

Today's Date

Ms. Jo Doe  
1234 Main St.  
San Luis Obispo, California 93401

Dear Ms. Doe:

The matter referenced in your complaint of \_\_\_\_\_ (date) against the San Luis Obispo Regional Transit Authority (RTA) alleging \_\_\_\_\_ has been investigated.

The results of the investigation did not indicate that the provisions of Title VI of the Civil Rights Act of 1964, had in fact been violated. As you know, Title VI prohibits discrimination based on race, color, or national origin in any program receiving federal financial assistance.

The RTA has analyzed the materials and facts pertaining to your case for evidence of the city's failure to comply with any of the civil rights laws. There was no evidence found that any of these laws have been violated.

I therefore advise you that your complaint has not been substantiated, and that I am closing this matter in our files.

You have the right to 1) appeal within seven calendar days of receipt of this final written decision from the RTA, and/or 2) file a complaint externally with the U.S. Department of Transportation and/or the Federal Transit Administration at  
Federal Transit Administration Office of Civil Rights Attention: Title VI Program Coordinator  
East Building, 5th Floor - TCR 1200 New Jersey Ave., SE Washington, DC 20590

Thank you for taking the time to contact us. If I can be of assistance to you in the future, do not hesitate to call me.

Sincerely,

**Title VI Coordinator  
Deputy Director/Chief Financial Officer  
San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A  
San Luis Obispo, California 93401**

## **Appendix G            Samples of Narrative to be included in Posters to be Displayed in Revenue Vehicles and Facilities**

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving Federal financial assistance. Specifically, Title VI provides that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance" (42 U.S.C. Section 2000d).

The San Luis Obispo Regional Transit Authority is committed to ensuring that no person is excluded from participation in, or denied the benefits of its transit services on the basis of race, color, or national origin, as protected by Title VI in Federal Transit Administration (FTA) Circular 4702.1.B. **If you feel you are being denied participation in or being denied benefits of the transit services provided by the San Luis Obispo Regional Transit Authority, or otherwise being discriminated against because of your race, color, national origin, gender, age, or disability, you may contact our office at:**

**Title VI Coordinator  
Deputy Director/Chief Financial Officer  
San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A  
San Luis Obispo, California 93401**

For more information, visit our website at [www.slorta.org](http://www.slorta.org) or contact the Title VI Coordinator at (805) 781-4833.

## Appendix H      **POLICY AND PROCEDURES FOR PUBLIC COMMENT REGARDING FARE OR SERVICE CHANGES**

ORIGINALLY ADOPTED: September 8, 2012  
REVISION DATE: March 7, 2018

The San Luis Obispo Regional Transit Authority (RTA) recognizes the importance of considering public input prior to implementing changes to fares and/or service levels. The RTA hereby establishes procedures through which public input shall be solicited and considered. These procedures comply with Federal Transit Administration (FTA) regulations for federally supported transit projects. The RTA transit system is supported in part through funds available through the FTA.

Staff would begin the process of proposing changes by working with City Manager(s) and/or County Public Works officials in affected jurisdictions to identify problems, to develop alternatives, and to ultimately determine the optimal solution(s). This is particularly important in cases where fixed route buses would travel along corridors not currently served or where bus stop changes are being proposed.

The RTA requires solicitation of public comment for the following types of fare or major service changes:

**Fare Changes:** Any fare increase or decrease is considered a major change and requires solicitation and consideration of public comments.

**Fixed Route Service Changes:** A change in fixed route transit service is considered a major change if any of the following pertain to the change:

Major Service Restructuring or Realignment: Significant restructuring or realignment of service would include changes to routes that affect at least 25% of the existing route mileage, or relocation or elimination of the existing timed transfer points. Installation of a new bus stop or elimination of existing bus stop is not considered a major service restructuring or realignment.

Major Service Reduction: A major service reduction includes an increase in service headways, decrease in daily operating hours or span of service, or reduction in service days.

**ADA Paratransit (Runabout) Service Changes:** A change in Runabout service is considered a major change if any of the following pertain to the change:

Service Reduction: A major service reduction is defined as any reduction in span of service (operating hours), reduction in days on which service is available, or reduction in the area served by Runabout.

Service Availability: A major change in service availability is defined as the introduction of revised eligibility criteria for access to the service or introduction

of significant changes in procedures for service participation (e.g., introduction of a more rigorous application process).

In all cases defined above, the RTA shall adhere to the following procedures to solicit public input:

- Begin the process of proposing changes by working with City Manager(s) and/or County Public Works officials in affected jurisdictions to determine the optimal solution(s). This is particularly important in cases where fixed route buses would travel along corridors not currently served or where bus stop changes are being proposed.
- Schedule informational meetings to solicit public comment at the Transit Centers during busy boarding times (preferable to busy departure times) and talk to fixed route riders. Staff will include informational materials available for take-away if relevant.
- Inform fixed route riders about upcoming changes on LCD screens on-board the buses, on social media and company website, as well as at top (30) bus stops with email and phone options for feedback. Where appropriate staff will include an online survey for more guided questions and opportunities for analysis.
- Post announcements on fixed route buses and Runabout vans in both English and Spanish.
- Inform group ticket purchasers of changes via phone discussions, including Department of Social Services, school district offices, senior centers, Chamber of Commerce.
- Inform other transit agencies (Morro Bay, SLO Transit, Atascadero, SMAT).
- Schedule a public hearing by the RTA Board of Directors.
- Publish an advertisement in a newspaper or print addition with general local distribution (SLO Tribune, New Times) announcing the public hearing no less than five (5) days prior to the date of the meeting .
- Post announcements of the public hearing in all RTA fixed route or Runabout vehicles at least five (5) days prior to the date of the meeting.
- Present proposed changes at City Councils in affected areas of the County. Present at the County Board of Supervisors as applicable.
- Send letter to Runabout riders who used the service in the previous six months if the change would affect these riders.
- If a fare change is proposed, staff would include information on the “Purchase Passes” section of the RTA webpage.
- Receive and document comments via telephone, email, US mail, text or delivered in person.

- Report in summary format all information received in the public comment process to the RTA Board of Directors as part of the hearing process.

## Appendix I Title VI Public Poster

Posters are in all vehicles and the administrative office. They are printed on ledger sized paper (11" x 17") for most locations.

### Title VI Policy:



Title VI of the Civil Rights Act of 1964 states: "No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."

San Luis Obispo Regional Transit Authority (RTA) respects civil rights and operates its programs and services without regard to race, color or national origin. RTA is committed to complying with Title VI requirements in all of its programs and services. For more information on the Title VI transit obligations, contact RTA as listed below:

### Making a Title VI Complaint

Any person who believes he/she has been subjected to discrimination in the delivery of or access to public transportation services on the basis of race, color, or national origin, may file a complaint with the San Luis Obispo Regional Transit Authority. Such complaint must be filed in writing with RTA no later than 30 days after the alleged discrimination. For information on [how to file a complaint](#), contact RTA as listed below:

CFO/Deputy Director San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A, San Luis Obispo, California 93401, 805-781-4833

### Póliza del Título VI:



Derechos Civiles del Acta de estados de 1964, ninguna persona en los Estados Unidos podrá ser excluida de participar en programas que reciben asistencia financiera Federal, o negar beneficios o ser sujetos a discriminación por causa de raza, color, o origen nacional.

El sistema de tránsito de San Luis Obispo Regional Transit Authority (RTA) respeta los derechos civiles y administra sus programas y servicios sin consideración a raza, color o origen nacional. El sistema de tránsito de San Luis Obispo Regional Transit Authority(RTA) está comprometido a cumplir en todos sus programas con los requicitos del Título VI.

Para más información de las obligaciones de Tránsito del Título VI comuníquese con el sistema de tránsito de San Luis Obispo Regional Transit Authority (RTA) de acuerdo a la información siguiente:

### Para presentar una queja del Título VI:

Qualquier persona que cree que ha sido discriminada en el servicio de o acceso a los servicios de transportación pública a base de raza, color o origen nacional, puede presentar una queja con el sistema de tránsito de San Luis Obispo Regional Transit Authority (RTA). Dicha queja puede ser presentada por escrito con RTA a no más tardar de 30 días después de la supuesta discriminación. Para información como presentar una queja, comuníquese con RTA a la información siguiente:

CFO/Deputy Director, San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A, San Luis Obispo, California 93401, 805-781-4833

**RESOLUTION ADOPTING A TITLE VI POLICY STATEMENT AND PLAN**

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**RESOLUTION NO. 19-\_\_\_\_\_**

**WHEREAS**, The San Luis Obispo Regional Transit Authority (RTA) was formed to provide public transportation to all of the citizens of San Luis Obispo County; and

**WHEREAS**, Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, and national origin in programs and activities receiving federal financial assistance; and

**WHEREAS**, RTA commits to assure that no person shall, on the grounds of race, color, national origin, or sex, as provided by Title VI of the Civil Rights Act of 1964, be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination under any RTA program or activity regardless of the funding source; and

**WHEREAS**, RTA as the administrative agent for the City of Paso Robles, City of Atascadero, and City of Arroyo Grande and Grover Beach (South County Transit) receives Federal transportation funding;

**WHEREAS**, RTA receives Federal funding from other agencies that also have Title VI requirements.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of the San Luis Obispo Regional Transit Authority approves the proposed Title VI Policy Statement and Plan in order to meet Title VI and attendant federal requirements. The Deputy Director and CFO, in her capacity, will serve as the Title VI Coordinator and is authorized to revise and update the plan as necessary.

Upon motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, and on the following roll call, to wit:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINING:**

The foregoing resolution is hereby passed and adopted by the San Luis Obispo Regional Transit Authority of San Luis Obispo County, State of California, at a regular meeting of said Board of Directors held on the 7<sup>th</sup> day of August 2019.

Resolution No. 19-\_\_\_\_\_

\_\_\_\_\_  
Fred Strong  
President of the RTA Board

ATTEST:

\_\_\_\_\_  
Geoff Straw  
Executive Director

APPROVED AS TO FORM AND LEGAL EFFECT:

By: \_\_\_\_\_  
Nina Negrati  
RTA Counsel

Dated: \_\_\_\_\_  
(Original signature in BLUE ink)

## Appendix K

## Limited English Proficiency (LEP) Plan Revised 5-1-19

### Introduction

This Limited English Proficiency (LEP) Plan has been prepared to address San Luis Obispo Regional Transit Authority's (RTA) responsibilities as a recipient of federal financial assistance as they relate to the needs of individuals with limited English language skills. The plan has been prepared in accordance with Title VI of the Civil Rights Act of 1964, Federal Transit Administration Circular 4702.1B dated October 1, 2012, which state that no person shall be subjected to discrimination on the basis of race, color or national origin.

Executive Order 13166, titled Improving Access to Services for Persons with Limited English Proficiency, indicates that differing treatment based upon a person's inability to speak, read, write or understands English is a type of national origin discrimination. It directs each federal agency to publish guidance for its respective recipients clarifying their obligation to ensure that such discrimination does not take place. This order applies to all state and local agencies which receive federal funds.

### Plan Summary

RTA has developed this LEP Plan to help identify reasonable steps for providing language assistance to persons with limited English proficiency who wish to access services provided by RTA. As defined in Executive Order 13166, LEP persons are those who do not speak English as their primary language and have limited ability to read, speak, write or understand English.

This plan outlines how to identify a person who may need language assistance, the ways in which assistance may be provided, staff training that may be required, and how to notify LEP persons that assistance is available.

In order to prepare this plan, RTA undertook the U.S. Department of Transportation (U.S. DOT) four-factor LEP analysis which considers the following factors:

1. The number or proportion of LEP persons in the service area who may be served or are likely to encounter a RTA program, activity or service.
2. The frequency with which LEP persons comes in contact with RTA programs, activities or services.
3. The nature and importance of programs, activities or services provided by RTA to the LEP population.
4. The resources available to RTA and overall cost to provide LEP assistance.

A summary of the results of the RTA four-factor analysis is in the following section.

### Four-Factor Analysis

1. The number or proportion of LEP persons in the service area who may be served or are likely to encounter a RTA program, activity or service.

RTA staff reviewed the 2010-2015 America Community Survey Report and determined that 47,780 persons in San Luis Obispo County [18.2% of the population] speak a language other than English. Of this number, 10,271 persons [4%] have limited English proficiency; that is, they speak English "not well" or "not at all."

In San Luis Obispo County, of those persons with limited English proficiency, 9,473 speak Spanish or Spanish Creole, 487 speak Asian and Pacific Island languages, and 174 speak other Indo-European languages.

2. The frequency with which LEP persons come in contact with RTA programs, activities or services.

RTA assessed the frequency with which staff and drivers have, or could have, contact with LEP persons. This includes documenting phone inquiries and surveying vehicle operators for requests for interpreters and translated documents. To date, the most frequent contact between LEP persons are with dispatchers. Translated documents have included postings on the buses, relating to fares and transit rules written in Spanish. All schedules and ride guides are also written in Spanish.

3. The nature and importance of programs, activities or services provided by RTA to the LEP population.

The largest proportion of LEP individuals in the RTA service area speaks Spanish. Three concentrated areas have been identified in San Luis Obispo County. The City of Paso Robles and City of Atascadero has 9.8% of adult speakers who speak English less than very well. The City of San Luis Obispo has 5.5% of adult speakers who speak English less than very well. And the City of Nipomo has 11.4% of adult speakers who speak English less than very well. Services provided by RTA that are most likely to encounter LEP individuals are the fixed route system which serves the general public and the demand-response (Dial-A-Ride) system which serves primarily senior and disabled persons.

4. The resources available to RTA and overall cost to provide LEP assistance.

RTA assessed its available resources that could be used for providing LEP assistance, including determining how much a professional interpreter and translation service would cost on an as needed basis, which of its documents would be the most valuable to be translated if the need should arise, and taking an inventory of available organizations that RTA could partner with for outreach and translation efforts. The amount of staff and vehicle operating training that might be needed was also considered. Based on the four-factor analysis, RTA developed its LEP Plan as outlined in the following section.

## Limited English Proficiency (LEP) Plan Outline

How RTA staff may identify a LEP person who needs language assistance:

1. Examine records to see if requests for language assistance have been received in the past, either at meetings or over the phone, to determine whether language assistance might be needed at future events or meetings.
2. Have a staff person greet participants as they arrive at RTA sponsored events. By informally engaging participants in conversation it is possible to gauge each attendee's ability to speak and understand English.
3. Have Census Bureau Language Identification Flashcards available at RTA meetings. This will assist RTA in identifying language assistance needs for future events and meetings.
4. Have Census Bureau Language Identification Flashcards on all transit vehicles to assist vehicle operators in identifying specific language assistance needs of passengers. If such individuals are encountered; vehicle operators will be instructed to try to obtain contact information to give to RTA's management for follow-up.
5. Vehicle operators and other front-line staff, like dispatchers, dial-a-ride schedulers, and service development planners, will be surveyed annually on their experience concerning any contacts with LEP persons during the previous year.

### Language Assistance Measures

There are numerous language assistance measures available to LEP persons, including both oral and written language services. There are also various ways in which RTA staff responds to LEP persons, whether in person, by telephone or in writing.

- RTA will provide Hispanic Education and Outreach Programs which will continue to provide vital information to LEP groups on RTA programs and services;
- Network with local human service organizations that provide services to LEP individuals and seek opportunities to provide information on RTA programs and services;
- Provide a bilingual Community Outreach Coordinator at community events, public hearings and Board of Director meetings. Placement of statements in notices and publications that interpreter services are available for these meetings, with 48 hours advance notice per Brown Act;
- Survey bus drivers and other front-line staff, like dispatchers, dial-a-ride schedulers, and service development planners, bi-annually on their experience concerning any contacts with LEP persons during the previous year;
- Provide Language Identification Flashcards onboard the RTA fleet, in Road Supervisor vehicles and at transit systems administrative offices;

- Post the RTA Title VI Policy and LEP Plan on the agency website, [www.slorta.org](http://www.slorta.org);
- Provide group travel training to LEP persons with the assistance of bilingual staff;
- Include language “Spanish a plus” on bus driver recruitment flyers and onboard recruitment posters;
- When an interpreter is needed for a language other than Spanish, in person or on the telephone, staff will attempt to access language assistance services from a professional translation service or qualified community volunteers. A list of volunteers will need to be developed.

### Staff Training

The following training will be provided to RTA staff:

1. Information on the RTA Title VI Procedures and LEP responsibilities
2. Description of language assistance services offered to the public
3. Use of Language Identification Flashcards
4. Documentation of language assistance requests
5. How to handle a potential Title VI/LEP complaint?

### Outreach Techniques

When staff prepares a document or schedules a meeting, for which the target audience is expected to include LEP individuals, then documents, meeting notices, flyers, and agendas will be printed in an alternative language based on the known LEP population. Interpreters may be available as needed.

### Monitoring and Updating the LEP Plan

RTA will update the LEP as required by U.S. DOT. At minimum, the plan will be reviewed and updated when data from the 2019 America Community Survey Report is available, or when it is clear that higher concentrations of LEP individuals are present in the RTA service area. Updates will include the following:

- The number of documented LEP person contacts encountered annually
- How the needs of LEP persons have been addressed?
- Determination of the current LEP population in the service area
- Determination as to whether the need for translation services has changed
- Determine whether local language assistance programs have been effective and sufficient to meet the need
- Determine whether RTA’s financial resources are sufficient to fund language assistance resources needed
- Determine whether RTA has fully complied with the goals of this LEP Plan
- Determine whether complaints have been received concerning RTA’s failure to meet the needs of LEP individuals

Dissemination of the RTA LEP Plan

A link to the RTA LEP Plan and the Title VI Procedures is included on the RTA website at [www.slorta.org](http://www.slorta.org) .

Any person or agency with internet access will be able to access and download the plan from the RTA website. Alternatively, any person or agency may request a copy of the plan via telephone, fax, mail, or in person and shall be provided a copy of the plan at no cost. LEP individuals may request copies of the plan in translation which RTA will provide, if feasible. Questions or comments regarding the LEP Plan may be submitted to the San Luis Obispo Regional Transit Authority, Title VI Coordinator:

San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A  
San Luis Obispo, CA 93401  
Phone: 805-781-4833  
Fax: 805-781-1291  
Email: [tarnold@slorta.org](mailto:tarnold@slorta.org) (Title VI Coordinator)

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179 Cross Street, Suite A  
San Luis Obispo, CA 93401  
(805) 781-4472 Fax (805) 781-1291  
[www.slorta.org](http://www.slorta.org)

## **SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

### **TITLE VI PLAN**

**ADOPTED: May 1, 2019**  
**(Revised August 7, 2019)**

**AUGUST 1, 2019 – JULY 31, 2021**

#### **Contact Information:**

**Tania Arnold**  
**Deputy Director/Chief Financial Officer**  
**Office: 805.781.4397**  
[tarnold@slorta.org](mailto:tarnold@slorta.org)

The Regional Transit Authority is a Joint Powers Agency serving residents and visitors of:  
Arroyo Grande Atascadero Grover Beach Morro Bay Paso Robles Pismo Beach San Luis Obispo and The County of San  
Luis Obispo

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# TITLE VI PLAN

## I. PLAN STATEMENT

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving Federal financial assistance. Specifically, Title VI provides that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance" (42 U.S.C. Section 2000d).

The San Luis Obispo Regional Transit Authority (RTA) is committed to ensuring that no person is excluded from participation in, or denied the benefits of its transit services on the basis of race, color, or national origin, as protected by Title VI in Federal Transit Administration (FTA) Circular 4702.1.B.

This plan was developed to guide the RTA in its administration and management of Title VI-related activities.

**Title VI Coordinator Contact information:  
Deputy Director/Chief Financial Officer  
San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A  
San Luis Obispo, California 93401**

## II. TITLE VI INFORMATION DISSEMINATION

Title VI information posters is prominently and publicly displayed in the RTA facility and on their revenue vehicles (a copy is in Appendix J). The name of the Title VI coordinator is available on the RTA website, at [www.slorta.org](http://www.slorta.org). Additional information relating to nondiscrimination obligation can be obtained from the RTA Title VI Coordinator.

Title VI information is disseminated to the RTA employees annually via the Employee Education form (see Appendix A) in payroll envelopes. This form reminds employees of the RTA's policy statement, and of their Title VI responsibilities in their daily work and duties.

During New Employee Orientation, new employees are informed of the provisions of Title VI, and the RTA's expectations to perform their duties accordingly.

All employees have been provided a copy of the Title VI Plan and are required to sign the Acknowledgement of Receipt (see Appendix B).

### **III. SUBCONTRACTS AND VENDORS**

All subcontractors and vendors who receive payments from the RTA where funding originates from any federal assistance are subject to the provisions of Title VI of the Civil Rights Act of 1964 as amended.

Written contracts shall contain non-discrimination language, either directly or through the bid specification package which becomes an associated component of the contract.

### **IV. RECORD KEEPING**

The Title VI Coordinator has maintained permanent records, which include, but are not limited to, signed acknowledgements of receipt from the employees indicating the receipt of the RTA's Title VI Plan, copies of Title VI complaints or lawsuits and related documentation, and records of correspondence to and from complainants, and Title VI investigations if any.

### **V. TITLE VI COMPLAINT PROCEDURES**

#### **How to file a Title VI Complaint?**

The complainant may file a signed, written complaint up to thirty (30) days from the date of the alleged discrimination. The complaint should include the following information:

- Your name, mailing address, and how to contact you (i.e., telephone number, email address, etc.)
- How, when, where and why you believe you were discriminated against. Include the location, names and contact information of any witnesses.
- Other information that you deem significant.

The Title VI Complaint Form (see Appendix C) may be used to submit the complaint information. The complaint may be filed in writing with the RTA at the following address:

**Title VI Coordinator  
Deputy Director/Chief Financial Officer  
San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A  
San Luis Obispo, California 93401**

NOTE: The RTA encourages all complainants to certify all mail that is sent through the U.S. Postal Service and/or ensure that all written correspondence can be tracked easily. For complaints originally submitted by facsimile, an original, signed copy of the complaint must be mailed to the Title VI Coordinator as soon as possible, but no later than 30 days from the alleged date of discrimination. [This form is also available on the RTA website.](#)

### **What happens to the complaint after it is submitted?**

All complaints alleging discrimination based on race, color or national origin in a service or benefit provided by the RTA will be directly addressed by the RTA. The RTA shall also provide appropriate assistance to complainants, including those persons with disabilities, or who are limited in their ability to communicate in English. Additionally, the RTA shall make every effort to address all complaints in an expeditious and thorough manner.

1. A letter of acknowledging receipt of complaint will be mailed within thirty (30) days (Appendix D). Please note that in responding to any requests for additional information, a complainant's failure to provide the requested information may result in the administrative closure of the complaint.
2. The RTA will advise the US Department of Transportation within thirty (30) days of receipt of the allegations. The following information will be included in the notification:
  - a. Name, address and phone number of the complainant
  - b. Names(s) and address(es) of the alleged discriminating official(s)
  - c. Basis of the complaint (i.e. race, color or national origin)
  - d. Date when the alleged discrimination took place
  - e. Date when complaint was received by the RTA
  - f. A statement of the complaint
  - g. Other agencies (state, local or federal) where the complaint has been filed
  - h. An explanation of the planned investigative process that the RTA plans to take to resolve the issue in the complaint
3. Within forty-five (45) days of the receipt of the complaint, the Title VI Coordinator will conduct an investigation of the allegation and, based on the information obtained, will offer a recommendation for action in a report to the Executive Director. The complaint should be resolved in an informal way when possible and which will be recorded in the summarized report of the findings.
1. Within sixty (60) days of the receipt of the complaint,
2. —
3. How will the complainant be notified of the outcome of the complaint?
4. The the Title VI Coordinator RTA will send a final written response letter (see Appendix E or F) to the complainant. In the letter notifying complainant that the complaint is not substantiated (Appendix F), the complainant is also advised of his or her right to 1) appeal within seven calendar days of receipt of the final written decision from the RTA, and/or 2) file a complaint externally with the U.S. Department of Transportation and/or the FTA. Every effort will be made to respond to Title VI complaints within sixty (60) working days of receipt of such complaints, if not sooner. A copy of the final written response will be provided to the US Department of Transportation.

In addition to the complaint process described above, a complainant may file a Title VI complaint with the following offices:

**Federal Transit Administration Office of Civil Rights  
Attention: Title VI Program Coordinator  
East Building, 5th Floor – TCR  
1200 New Jersey Ave., SE  
Washington, DC 20590**

## VI. LIMITED ENGLISH PROFICIENCY (LEP) PLAN

The RTA has developed a Limited English Proficiency Plan (LEP) to help identify reasonable steps to provide language assistance for LEP persons seeking meaningful access to RTA services as required by Executive Order 13166. A Limited English Proficiency person is one who does not speak English as their primary language and who has a limited ability to read, speak, write, or understand English. This plan has detail procedures on how to identify a person who may need language assistance, the ways in which assistance may be provided, training staff, how to notify LEP persons that assistance is available, and information for future plan updates. In developing the plan RTA's determined the extent of obligation to provide LEP services, the RTA has undertaken the U.S. Department of Transportation four factor LEP analysis which considers the following factors:

1. The number or proportion of LEP persons eligible in the RTA service area who maybe served or likely to encounter an RTA program, activity, or service;
2. The frequency with which LEP individuals come in contact with an RTA service;
3. The nature and importance of the program, activity or service provided by the RTA to the LEP population; and
4. The resources available to RTA and overall costs to provide LEP assistance. See Appendix [K1](#) for the LEP Plan.

## VII. COMMUNITY OUTREACH

As an agency receiving federal financial assistance, we have made the following community outreach efforts:

The RTA holds public meetings bi-monthly. At these meetings the public is welcome to attend and share in discussion with a variety of Community Outreach discussions. Additionally, the RTA works with the other transit agencies in the service area and other stakeholder organizations to review and discuss the planning and have involvement in the decision making process. The RTA from time to time have do on-board survey hand-outs to customers for their feedback about a variety of issues.

The RTA has a policy and procedure for public comment regarding fare or service changes which is included in Appendix H. Below is a summary of specific outreach efforts made since the last Title VI Program submission:

- September 2016 - Public Hearing: Affirm Mitigated Negative Declaration for Paso Bus Yard & Solicit Design Services
- February 2017 – participate in SLOCOG Public Hearing: Unmet Transit Needs
- August - September 2017 - Public Hearing: Disadvantaged Business Enterprise Plan Goal Methodology Update
- September 2017 – Public Workshops: Proposed Changes to Fare Program
- September 2017 - Public Hearing: Consider Certification of CEQA IS/MND Report & NEPA Categorical Exclusion for RTA Maintenance Facility Project
- October 2017 – Customer perception survey completed with over 900 responses

- [November 2017 - Public Hearing: Consider Proposed Changes to Fare Program](#)
- [February 2018 – participate in SLOCOG Public Hearing: Unmet Transit Needs](#)
- [January 2019 - Public Hearing: Runabout Service Area](#)
- [February 2019 – participate in SLOCOG Public Hearing: Unmet Transit Needs](#)
- [July 2019 - Public Hearing: Equity Analysis for Bus Maintenance Facility Project](#)
- [Ongoing - Annual Budget Public Hearings](#)
- 

The RTA submits to the California Department of Transportation and Federal Transit Administration annually an application for funding. The application requests funding for both capital and operating assistance. Part of the annual application is a public notice, which includes a 30-day public comment period.

### **VIII. ACTIVE INVESTIGATION, LAWSUIT OR COMPLAINT**

The RTA has had no active investigations, lawsuits or complaints alleging discrimination on the basis of race, color or national origin.

### **IX. SUBRECIPIENTS MONITORING**

Primary recipients shall ensure subrecipients are complying with Title VI. Subrecipient Title VI program shall be submitted every three years in line with the primary recipient’s program. Subrecipients will also submit annual complaint logs to primary recipient which will be kept in an electronic storage device for further review by FTA as necessary.

[Subrecipients shall submit Title VI Programs to the primary recipient from whom they receive funding, in order to assist the primary recipient in its compliance efforts, on a schedule to be determined by the primary recipient. In the event an entity receives funds from more than one primary recipient, the subrecipient shall submit Title VI Programs to all primary recipients from which it receives funds. Chapters III, IV, V, and VI and appendices detail the specific information that shall be included in Title VI Programs, based on recipient characteristics.](#)

[The RTA recognizes the need to monitor their subrecipients’ compliance with the FTA circular. The RTA does pass funding to a subrecipient, the City of Atascadero. This relationship necessitates compliance monitoring. The City of Atascadero Title VI program was adopted in 2019.](#)

#### **Subrecipient Assistance and Monitoring**

[The RTA conducts the following subrecipient procedures and protocols to facilitate subrecipient compliance with C4702.1B:](#)

[The Grants department subrecipient management policies and procedures provide instructions and timelines for how the RTA staff monitor subrecipients’ Title VI compliance in accordance with the FTA circular. The procedures state that the RTA staff will:](#)

- notify subrecipients of their responsibilities;
- offer resources and information as needed, and provide technical assistance as requested, to support subrecipient's development of a Title VI program;
- check in monthly until the subrecipient's Title VI program is adopted by their governing body;
- provide any assistance requested to assist subrecipient's full implementation of their program; and

conduct annual compliance checks to verify subrecipient's compliance with their Title VI program. Subrecipients relies on Title VI Programs of the primary recipient from whom they receive funding, in order to assist the primary recipient in its compliance efforts, on a schedule to be determined by the primary recipient. The suprecipient will put on its website a link to the recipients Title VI program and follow its direction.

The RTA recognizes the need to monitor their subrecipients' compliance with the FTA circular. The RTA does pass funding to a subrecipient, the City of Atascadero. This relationship necessitates compliance monitoring.

### **Subrecipient Assistance and Monitoring**

The RTA conducts the following subrecipient procedures and protocols to facilitate subrecipient compliance with C4702.1B:

The Grants department subrecipient management policies and procedures provide instructions and timelines for how the RTA staff monitor subrecipients' Title VI compliance in accordance with the FTA circular. The procedures state that the RTA staff will:

- notify subrecipients of their responsibilities;
- offer resources and information as needed, and provide technical assistance as requested, to support subrecipient's development of a Title VI program;
- check in monthly until the subrecipient's Title VI program is adopted by their governing body;
- provide any assistance requested to assist subrecipient's full implementation of their program; and
- conduct annual compliance checks to verify subrecipient's compliance with their Title VI program.

## **X. BOARD DEMOGRAPHICS**

RTA ~~b~~Board of ~~D~~irectors is all elected members. Therefore, this does not apply.

## **XI. EQUITY ANALYSIS FOR BUILDING SITE**

An equity analysis was not required when RTA built the Tenant Improvements for the current operating and maintenance facility seven years ago. This was a pre-existing site that RTA lease

and then did the Tenant Improvement without any federal funds. Therefore, this ~~does~~did not apply.

The RTA is currently in design and engineering for a bus maintenance facility and completed the Equity Analysis was adopted by the RTA Board on July 10, 2019 which included a public hearing. The information can be found on the RTA website: <http://www.slorta.org/about-rta/agency-reports/>

## **XII. RESOLUTION APPROVING TITLE VI PLAN**

A copy of this resolution can be found in Appendix ~~H~~J of this Plan.

## **XIII. SERVICE STANDARDS**

### ***Vehicle Load Standards***

RTA uses a standard of 1.5 ratio as the maximum vehicle load on a peak trip. The average of all loads during the peak operating period should not exceed vehicles' achievable capacities, which are 36 passengers for a 15' mini-bus, 55 passengers for low-floor 40-foot buses, and 63 passengers for standard 40-foot buses. The exact maximum passenger capacity may be affected by specific manufacturer's recommendations which may be different for certain vehicle types.

Demand Response (DR) does not have load standard but we try to maximize boarding to increase efficiencies.

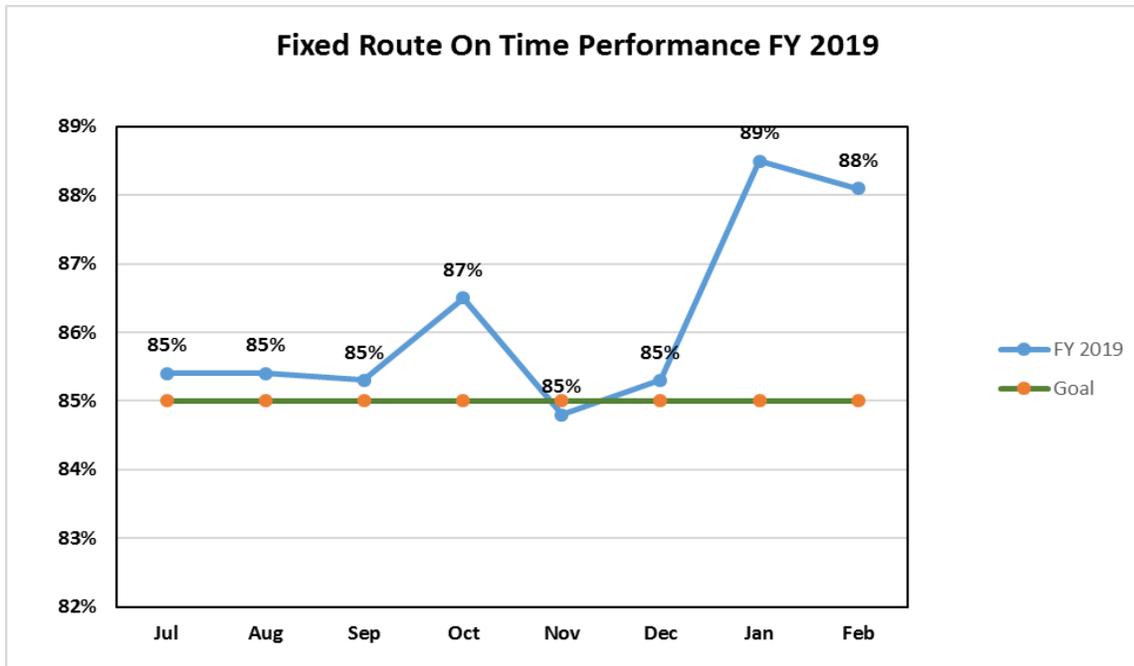
### ***Vehicle Headway Standards***

Service operates on regional trunk lines every 60 minutes (more frequently during peak a.m. and p.m. commute times) from early morning to late in the evening, five days a week, with the exception of the less populated North Coast Route #15. On weekends, service operates 5 times per day on Saturdays and 3 times per day on Sundays, throughout RTA's system. DR service does not allow any passenger to be on a vehicle in a single trip more than two hours. The dispatch software parameter is set to flag dispatchers if a trip is close to or will exceed two hours.

Scheduling involves the consideration of a number of factors including: ridership productivity, transit/pedestrian friendly streets, density of transit-dependent population and activities, relationship to the Regional Transportation Plan, relationship to major transportation developments, land use connectivity, and transportation demand management.

### ***On-Time Performance Standards***

Fixed route service is considered on-time if at no point the bus is six or more minutes late. With the introduction of the ITS system in 2016, early departures are now being included in the metric. In addition, every published time-point is now being considered, which gave a more realistic and accurate numbers. The result of the increased accuracy is a decline in the performance metric, not necessarily in the overall service quality. The goal is now 85% or greater set by RTA's Strategy Business Plan after gaining more reliable information from the ITS system.



RTA continuously monitors on-time performance and system results are published and posted as part of monthly performance reports covering all aspects of operations.

DR service is considered on-time if the van arrives within 30 minutes of the appointed pick-up time. The goal is 95% or greater, and Runabout has surpassed this goal in each month of FY 19, achieving an overall OTP result of 98.79%. Staff will continue to monitor Runabout's OTP to ensure we continue to achieve this strong result.

***Service Availability Standards***

RTA try to distribute transit service so that 100% of all regional fixed route service are within a 3/4 mile walk of intercity bus transfer points.

**XIII. SERVICE POLICIES**

***Vehicle Assignment Policy***

Fixed Route Bus assignments take into account the operating characteristics of buses of various lengths, which are matched to the operating characteristics of the route. Local routes with lower ridership may be assigned 15-foot buses rather than the 35, 40 or 45-foot buses. Some routes requiring tight turns on narrow streets are operated with 35-foot rather than 40 or 45-foot buses. All fixed route buses are equipped with air conditioning, next stop LCD screens, automated stop announcement systems and CAD/AVL systems.

DR bus assignment take into account the characteristics of the pick-up and drop-off location for each client and whether the clients have a mobility device or not. The DR service is provide in two types of vehicle; Low Floor Minivans and Ford F250 Cutaways.

~~All buses are also equipped with air conditioning, automated stop announcement systems and CAD/AVL systems.~~

### ***Transit Amenities Policy***

Installation of transit amenities along bus routes are based on the number of passenger boardings at stops and stations along those routes. DR service does not have transit amenities but an assessment is done and reported to dispatch if there are any safety issue when we pick up or drop-off passenger. These issues are then inputted in our dispatch system and is noted on each drivers manifest the service that location.

## **XV. RTA DOES MEET THE REMAINING CRITERIAS**

Demographic and service profile maps and charts

Demographic ridership and travel patterns, collected by surveys

Results of their monitoring program and report, including evidence that the board or other governing entity or official(s) considered, was aware of the results, and approved the analysis

A description of the public engagement process for setting the “major service change policy,” disparate impact policy, and disproportionate burden policy

Results of service and/or fare equity analyses conducted since the last Title VI Program submission, including evidence that the board or other governing entity or official(s) considered, was aware of, and approved the results of the analysis

## **Appendix A      Employee Annual Education Form**

### **Title VI Policy**

No person shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

All employees of the RTA are expected to consider, respect, and observe this policy in their daily work and duties. If a citizen approaches you with a question or complaint, direct him or her to the Deputy Director/Chief Financial Officer who is the Title VI Coordinator.

In all dealings with citizens, use courtesy titles (i.e. Mr., Mrs., Ms., or Miss) to address them without regard to race, color or national origin.

## **Appendix B            Acknowledgement of Receipt of Title VI Plan**

I hereby acknowledge the receipt of the San Luis Obispo Regional Transit Authority's Title VI Plan. I have read the plan and am committed to ensuring that no person is excluded from participation in, or denied the benefits of its transit services on the basis of race, color, or national origin, as protected by Title VI in Federal Transit Administration (FTA) Circular 4702.1.B.

---

Your signature

---

Print your name

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Date

## Appendix C TITLE VI COMPLAINT FORM

Title VI of the 1964 Civil Rights Act requires that “No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.” If you feel you have been discriminated against in transit services, please provide the following information in order to assist us in processing your complaint and sent it to:

Provide address here

Please print clearly:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Telephone Number: \_\_\_\_\_(home) \_\_\_\_\_(cell) \_\_\_\_\_(work)

Person discriminated against: \_\_\_\_\_

Address of person discriminated against: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Please indicate why you believe the discrimination occurred:

\_\_\_\_\_ Race

\_\_\_\_\_ Color

\_\_\_\_\_ National Origin

What was the date of the alleged discrimination? \_\_\_\_\_

Where did the alleged discrimination take place? \_\_\_\_\_

Please describe the circumstances as you saw it: \_\_\_\_\_

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Please list any and all witnesses' names and phone numbers:

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Have you previously filed a Title VI complaint with this agency?

Yes  No

Have you filed this complaint with any other Federal, State, or local agency, or with any Federal or State court?

Yes  No

If yes, check all that apply:

Federal Agency: \_\_\_\_\_

Federal Court \_\_\_\_\_

State Agency \_\_\_\_\_

State Court \_\_\_\_\_

Local Agency \_\_\_\_\_

Please provide information about a contact person at the agency/court where the complaint was filed.

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Agency: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Please attach any documents you have which support the allegation. Then date and sign this form and send to the Title VI Coordinator at:

**Title VI Coordinator  
Deputy Director/Chief Financial Officer  
San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A  
San Luis Obispo, California 93401**

\_\_\_\_\_  
Your signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print your name

**APPENDIX Appendix D**  
**Complaint**

**Sample Letter Acknowledging Receipt of**

Today's Date

Ms. Jo Doe  
1234 Main St.  
San Luis Obispo, California 93401

Dear Ms. Doe:

This letter is to acknowledge receipt of your complaint against the San Luis Obispo Regional Transit Authority alleging \_\_\_\_\_.

An investigation will begin shortly. If you have additional information you wish to convey or questions concerning this matter, please feel free to contact this office by telephoning \_\_\_\_\_, or write to me at this address.

Sincerely,

**Title VI Coordinator**  
**Deputy Director/Chief Financial Officer**  
**San Luis Obispo Regional Transit Authority**  
**179 Cross Street, Suite A**  
**San Luis Obispo, California 93401**

**APPENDIX Appendix E      Sample Letter Notifying Complainant that the  
Complaint Is Substantiated**

Today's Date

Ms. Jo Doe  
1234 Main St.  
San Luis Obispo, California 93401

Dear Ms. Doe:

The matter referenced in your letter of \_\_\_\_\_ (date) against the San Luis Obispo Regional Transit Authority alleging Title VI violation has been investigated. (An/Several) apparent violation(s) of Title VI of the Civil Rights Act of 1964, including those mentioned in your letter (was/were) identified. Efforts are underway to correct these deficiencies.

Thank you for calling this important matter to our attention. You were extremely helpful during our review of the program. *(If a hearing is requested, the following sentence may be appropriate.)* You may be hearing from this office, or from federal authorities, if your services should be needed during the administrative hearing process.

Sincerely,

**Title VI Coordinator  
Deputy Director/Chief Financial Officer  
San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A  
San Luis Obispo, California 93401**

**APPENDIX ~~Appendix~~ F      Sample Letter Notifying Complainant that the  
Complaint Is Not Substantiated**

Today's Date

Ms. Jo Doe  
1234 Main St.  
San Luis Obispo, California 93401

Dear Ms. Doe:

The matter referenced in your complaint of \_\_\_\_\_ (date) against the San Luis Obispo Regional Transit Authority (RTA) alleging \_\_\_\_\_ has been investigated.

The results of the investigation did not indicate that the provisions of Title VI of the Civil Rights Act of 1964, had in fact been violated. As you know, Title VI prohibits discrimination based on race, color, or national origin in any program receiving federal financial assistance.

The RTA has analyzed the materials and facts pertaining to your case for evidence of the city's failure to comply with any of the civil rights laws. There was no evidence found that any of these laws have been violated.

I therefore advise you that your complaint has not been substantiated, and that I am closing this matter in our files.

You have the right to 1) appeal within seven calendar days of receipt of this final written decision from the RTA, and/or 2) file a complaint externally with the U.S. Department of Transportation and/or the Federal Transit Administration at  
Federal Transit Administration Office of Civil Rights Attention: Title VI Program Coordinator  
East Building, 5th Floor - TCR 1200 New Jersey Ave., SE Washington, DC 20590

Thank you for taking the time to contact us. If I can be of assistance to you in the future, do not hesitate to call me.

Sincerely,

**Title VI Coordinator  
Deputy Director/Chief Financial Officer  
San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A  
San Luis Obispo, California 93401**

**APPENDIX Appendix G      Samples of Narrative to be included in Posters  
to be Displayed in Revenue Vehicles and Facilities**

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving Federal financial assistance. Specifically, Title VI provides that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance" (42 U.S.C. Section 2000d).

The San Luis Obispo Regional Transit Authority is committed to ensuring that no person is excluded from participation in, or denied the benefits of its transit services on the basis of race, color, or national origin, as protected by Title VI in Federal Transit Administration (FTA) Circular 4702.1.B. **If you feel you are being denied participation in or being denied benefits of the transit services provided by the San Luis Obispo Regional Transit Authority, or otherwise being discriminated against because of your race, color, national origin, gender, age, or disability, you may contact our office at:**

**Title VI Coordinator  
Deputy Director/Chief Financial Officer  
San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A  
San Luis Obispo, California 93401**

For more information, visit our website at [www.slorta.org](http://www.slorta.org) or contact the Title VI Coordinator at [\(805\) 781-4833](tel:8057814833).

## Appendix H      POLICY AND PROCEDURES FOR PUBLIC COMMENT REGARDING FARE OR SERVICE CHANGES

ORIGINALLY ADOPTED: September 8, 2012

REVISION DATE: March 7, 2018

The San Luis Obispo Regional Transit Authority (RTA) recognizes the importance of considering public input prior to implementing changes to fares and/or service levels. The RTA hereby establishes procedures through which public input shall be solicited and considered. These procedures comply with Federal Transit Administration (FTA) regulations for federally supported transit projects. The RTA transit system is supported in part through funds available through the FTA.

Staff would begin the process of proposing changes by working with City Manager(s) and/or County Public Works officials in affected jurisdictions to identify problems, to develop alternatives, and to ultimately determine the optimal solution(s). This is particularly important in cases where fixed route buses would travel along corridors not currently served or where bus stop changes are being proposed.

The RTA requires solicitation of public comment for the following types of fare or major service changes:

**Fare Changes:** Any fare increase or decrease is considered a major change and requires solicitation and consideration of public comments.

**Fixed Route Service Changes:** A change in fixed route transit service is considered a major change if any of the following pertain to the change:

Major Service Restructuring or Realignment: Significant restructuring or realignment of service would include changes to routes that affect at least 25% of the existing route mileage, or relocation or elimination of the existing timed transfer points. Installation of a new bus stop or elimination of existing bus stop is not considered a major service restructuring or realignment.

Major Service Reduction: A major service reduction includes an increase in service headways, decrease in daily operating hours or span of service, or reduction in service days.

**ADA Paratransit (Runabout) Service Changes:** A change in Runabout service is considered a major change if any of the following pertain to the change:

Service Reduction: A major service reduction is defined as any reduction in span of service (operating hours), reduction in days on which service is available, or reduction in the area served by Runabout.

Service Availability: A major change in service availability is defined as the introduction of revised eligibility criteria for access to the service or introduction

of significant changes in procedures for service participation (e.g., introduction of a more rigorous application process).

In all cases defined above, the RTA shall adhere to the following procedures to solicit public input:

- Begin the process of proposing changes by working with City Manager(s) and/or County Public Works officials in affected jurisdictions to determine the optimal solution(s). This is particularly important in cases where fixed route buses would travel along corridors not currently served or where bus stop changes are being proposed.
- Schedule informational meetings to solicit public comment at the Transit Centers during busy boarding times (preferable to busy departure times) and talk to fixed route riders. Staff will include informational materials available for take-away if relevant.
- Inform fixed route riders about upcoming changes on LCD screens on-board the buses, on social media and company website, as well as at top (30) bus stops with email and phone options for feedback. Where appropriate staff will include an online survey for more guided questions and opportunities for analysis.
- Post announcements on fixed route buses and Runabout vans in both English and Spanish.
- Inform group ticket purchasers of changes via phone discussions, including Department of Social Services, school district offices, senior centers, Chamber of Commerce.
- Inform other transit agencies (Morro Bay, SLO Transit, Atascadero, SMAT).
- Schedule a public hearing by the RTA Board of Directors.
- Publish an advertisement in a newspaper or print addition with general local distribution (SLO Tribune, New Times) announcing the public hearing no less than five (5) days prior to the date of the meeting .
- Post announcements of the public hearing in all RTA fixed route or Runabout vehicles at least five (5) days prior to the date of the meeting.
- Present proposed changes at City Councils in affected areas of the County. Present at the County Board of Supervisors as applicable.
- Send letter to Runabout riders who used the service in the previous six months if the change would affect these riders.
- If a fare change is proposed, staff would include information on the “Purchase Passes” section of the RTA webpage.
- Receive and document comments via telephone, email, US mail, text or delivered in person.

- Report in summary format all information received in the public comment process to the RTA Board of Directors as part of the hearing process.

## Appendix I Title VI Public Poster

Posters are in all vehicles and the administrative office. They are printed on ledger sized paper (11" x 17") for most locations.

### Title VI Policy:



Title VI of the Civil Rights Act of 1964 states: "No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."

San Luis Obispo Regional Transit Authority (RTA) respects civil rights and operates its programs and services without regard to race, color or national origin. RTA is committed to complying with Title VI requirements in all of its programs and services. For more information on the Title VI transit obligations, contact RTA as listed below:

### Making a Title VI Complaint

Any person who believes he/she has been subjected to discrimination in the delivery of or access to public transportation services on the basis of race, color, or national origin, may file a complaint with the San Luis Obispo Regional Transit Authority. Such complaint must be filed in writing with RTA no later than 30 days after the alleged discrimination. For information on [how to file a complaint](#), contact RTA as listed below:

CFO/Deputy Director San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A, San Luis Obispo, California 93401, 805-781-4833

---

### Póliza del Título VI:



Derechos Civiles del Acta de estados de 1964, ninguna persona en los Estados Unidos podrá ser excluida de participar en programas que reciben asistencia financiera Federal, o negar beneficios o ser sujetos a discriminación por causa de raza, color, o origen nacional.

El sistema de tránsito de San Luis Obispo Regional Transit Authority (RTA) respeta los derechos civiles y administra sus programas y servicios sin consideración a raza, color o origen nacional. El sistema de tránsito de San Luis Obispo Regional Transit Authority(RTA) está comprometido a cumplir en todos sus programas con los requisitos del Título VI.

Para más información de las obligaciones de Tránsito del Título VI comuníquese con el sistema de tránsito de San Luis Obispo Regional Transit Authority (RTA) de acuerdo a la información siguiente:

### Para presentar una queja del Título VI:

Qualquier persona que cree que ha sido discriminada en el servicio de o acceso a los servicios de transportación pública a base de raza, color o origen nacional, puede presentar una queja con el sistema de tránsito de San Luis Obispo Regional Transit Authority (RTA). Dicha queja puede ser presentada por escrito con RTA a no más tardar de 30 días después de la supuesta discriminación. Para información como presentar una queja, comuníquese con RTA a la información siguiente:

CFO/Deputy Director, San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A, San Luis Obispo, California 93401, 805-781-4833

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**APPENDIX-Appendix HJ RESOLUTION ADOPTING A TITLE VI  
POLICY STATEMENT AND PLAN**

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**RESOLUTION NO. 19-\_\_\_\_\_**

**~~RESOLUTION ADOPTING A TITLE VI POLICY STATEMENT AND PLAN~~**

**WHEREAS**, The San Luis Obispo Regional Transit Authority (RTA) was formed to provide public transportation to all of the citizens of San Luis Obispo County; and

**WHEREAS**, Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, and national origin in programs and activities receiving federal financial assistance; and

**WHEREAS**, RTA commits to assure that no person shall, on the grounds of race, color, national origin, or sex, as provided by Title VI of the Civil Rights Act of 1964, be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination under any RTA program or activity regardless of the funding source; and

**WHEREAS**, RTA as the administrative agent for the City of Paso Robles, City of Atascadero, and City of Arroyo Grande and Grover Beach (South County Transit) receives Federal transportation funding;

**WHEREAS**, RTA receives Federal funding from other agencies that also have Title VI requirements.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of the San Luis Obispo Regional Transit Authority approves the proposed Title VI Policy Statement and Plan in order to meet Title VI and attendant federal requirements. The Deputy Director and CFO, in her capacity, will serve as the Title VI Coordinator and is authorized to revise and update the plan as necessary.

Upon motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, and on the following roll call, to wit:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINING:**

The foregoing resolution is hereby passed and adopted by the San Luis Obispo Regional Transit Authority of San Luis Obispo County, State of California, at a regular meeting of said Board of Directors held on the ~~4<sup>st</sup>~~<sup>7<sup>th</sup></sup> day of ~~May~~<sup>August</sup> 2019.

Resolution No. 19-\_\_\_\_\_

Page 17

\_\_\_\_\_  
Fred Strong  
President of the RTA Board

ATTEST:

\_\_\_\_\_  
Geoff Straw  
Executive Director

APPROVED AS TO FORM AND LEGAL EFFECT:

By: \_\_\_\_\_  
Nina Negrati  
RTA Counsel

Dated: \_\_\_\_\_  
(Original signature in BLUE ink)

## Appendix K

## Limited English Proficiency (LEP) Plan Revised 5-1-19

### Introduction

This Limited English Proficiency (LEP) Plan has been prepared to address San Luis Obispo Regional Transit Authority's (RTA) responsibilities as a recipient of federal financial assistance as they relate to the needs of individuals with limited English language skills. The plan has been prepared in accordance with Title VI of the Civil Rights Act of 1964, Federal Transit Administration Circular 4702.1B dated October 1, 2012, which state that no person shall be subjected to discrimination on the basis of race, color or national origin.

Executive Order 13166, titled Improving Access to Services for Persons with Limited English Proficiency, indicates that differing treatment based upon a person's inability to speak, read, write or understands English is a type of national origin discrimination. It directs each federal agency to publish guidance for its respective recipients clarifying their obligation to ensure that such discrimination does not take place. This order applies to all state and local agencies which receive federal funds.

### Plan Summary

RTA has developed this LEP Plan to help identify reasonable steps for providing language assistance to persons with limited English proficiency who wish to access services provided by RTA. As defined in Executive Order 13166, LEP persons are those who do not speak English as their primary language and have limited ability to read, speak, write or understand English.

This plan outlines how to identify a person who may need language assistance, the ways in which assistance may be provided, staff training that may be required, and how to notify LEP persons that assistance is available.

In order to prepare this plan, RTA undertook the U.S. Department of Transportation (U.S. DOT) four-factor LEP analysis which considers the following factors:

1. The number or proportion of LEP persons in the service area who may be served or are likely to encounter a RTA program, activity or service.
2. The frequency with which LEP persons comes in contact with RTA programs, activities or services.
3. The nature and importance of programs, activities or services provided by RTA to the LEP population.
4. The resources available to RTA and overall cost to provide LEP assistance.

A summary of the results of the RTA four-factor analysis is in the following section.

### Four-Factor Analysis

1. The number or proportion of LEP persons in the service area who may be served or are likely to encounter a RTA program, activity or service.

RTA staff reviewed the 2010-2015 America Community Survey Report and determined that 47,780 persons in San Luis Obispo County [18.2% of the population] speak a language other than English. Of this number, 10,271 persons [4%] have limited English proficiency; that is, they speak English "not well" or "not at all."

In San Luis Obispo County, of those persons with limited English proficiency, 9,473 speak Spanish or Spanish Creole, 487 speak Asian and Pacific Island languages, and 174 speak other Indo-European languages.

2. The frequency with which LEP persons come in contact with RTA programs, activities or services.

RTA assessed the frequency with which staff and drivers have, or could have, contact with LEP persons. This includes documenting phone inquiries and surveying vehicle operators for requests for interpreters and translated documents. To date, the most frequent contact between LEP persons are with dispatchers. Translated documents have included postings on the buses, relating to fares and transit rules written in Spanish. All schedules and ride guides are also written in Spanish.

3. The nature and importance of programs, activities or services provided by RTA to the LEP population.

The largest proportion of LEP individuals in the RTA service area speaks Spanish. Three concentrated areas have been identified in San Luis Obispo County. The City of Paso Robles and City of Atascadero has 9.8% of adult speakers who speak English less than very well. The City of San Luis Obispo has 5.5% of adult speakers who speak English less than very well. And the City of Nipomo has 11.4% of adult speakers who speak English less than very well. Services provided by RTA that are most likely to encounter LEP individuals are the fixed route system which serves the general public and the demand-response (Dial-A-Ride) system which serves primarily senior and disabled persons.

4. The resources available to RTA and overall cost to provide LEP assistance.

RTA assessed its available resources that could be used for providing LEP assistance, including determining how much a professional interpreter and translation service would cost on an as needed basis, which of its documents would be the most valuable to be translated if the need should arise, and taking an inventory of available organizations that RTA could partner with for outreach and translation efforts. The amount of staff and vehicle operating training that might be needed was also considered. Based on the four-factor analysis, RTA developed its LEP Plan as outlined in the following section.

## Limited English Proficiency (LEP) Plan Outline

How RTA staff may identify a LEP person who needs language assistance:

1. Examine records to see if requests for language assistance have been received in the past, either at meetings or over the phone, to determine whether language assistance might be needed at future events or meetings.
2. Have a staff person greet participants as they arrive at RTA sponsored events. By informally engaging participants in conversation it is possible to gauge each attendee's ability to speak and understand English.
3. Have Census Bureau Language Identification Flashcards available at RTA meetings. This will assist RTA in identifying language assistance needs for future events and meetings.
4. Have Census Bureau Language Identification Flashcards on all transit vehicles to assist vehicle operators in identifying specific language assistance needs of passengers. If such individuals are encountered; vehicle operators will be instructed to try to obtain contact information to give to RTA's management for follow-up.
5. Vehicle operators and other front-line staff, like dispatchers, dial-a-ride schedulers, and service development planners, will be surveyed annually on their experience concerning any contacts with LEP persons during the previous year.

### Language Assistance Measures

There are numerous language assistance measures available to LEP persons, including both oral and written language services. There are also various ways in which RTA staff responds to LEP persons, whether in person, by telephone or in writing.

- RTA will provide Hispanic Education and Outreach Programs which will continue to provide vital information to LEP groups on RTA programs and services;
- Network with local human service organizations that provide services to LEP individuals and seek opportunities to provide information on RTA programs and services;
- Provide a bilingual Community Outreach Coordinator at community events, public hearings and Board of Director meetings. Placement of statements in notices and publications that interpreter services are available for these meetings, with 48 hours advance notice per Brown Act;
- Survey bus drivers and other front-line staff, like dispatchers, dial-a-ride schedulers, and service development planners, bi-annually on their experience concerning any contacts with LEP persons during the previous year;
- Provide Language Identification Flashcards onboard the RTA fleet, in Road Supervisor vehicles and at transit systems administrative offices;

- Post the RTA Title VI Policy and LEP Plan on the agency website, [www.slorta.org](http://www.slorta.org);
- Provide group travel training to LEP persons with the assistance of bilingual staff;
- Include language “Spanish a plus” on bus driver recruitment flyers and onboard recruitment posters;
- When an interpreter is needed for a language other than Spanish, in person or on the telephone, staff will attempt to access language assistance services from a professional translation service or qualified community volunteers. A list of volunteers will need to be developed.

### Staff Training

The following training will be provided to RTA staff:

1. Information on the RTA Title VI Procedures and LEP responsibilities
2. Description of language assistance services offered to the public
3. Use of Language Identification Flashcards
4. Documentation of language assistance requests
5. How to handle a potential Title VI/LEP complaint?

### Outreach Techniques

When staff prepares a document or schedules a meeting, for which the target audience is expected to include LEP individuals, then documents, meeting notices, flyers, and agendas will be printed in an alternative language based on the known LEP population. Interpreters may be available as needed.

### Monitoring and Updating the LEP Plan

RTA will update the LEP as required by U.S. DOT. At minimum, the plan will be reviewed and updated when data from the 2019 America Community Survey Report is available, or when it is clear that higher concentrations of LEP individuals are present in the RTA service area. Updates will include the following:

- The number of documented LEP person contacts encountered annually
- How the needs of LEP persons have been addressed?
- Determination of the current LEP population in the service area
- Determination as to whether the need for translation services has changed
- Determine whether local language assistance programs have been effective and sufficient to meet the need
- Determine whether RTA’s financial resources are sufficient to fund language assistance resources needed
- Determine whether RTA has fully complied with the goals of this LEP Plan
- Determine whether complaints have been received concerning RTA’s failure to meet the needs of LEP individuals

### Dissemination of the RTA LEP Plan

A link to the RTA LEP Plan and the Title VI Procedures is included on the RTA website at

[www.slorta.org](http://www.slorta.org) .

Any person or agency with internet access will be able to access and download the plan from the RTA website. Alternatively, any person or agency may request a copy of the plan via telephone, fax, mail, or in person and shall be provided a copy of the plan at no cost. LEP individuals may request copies of the plan in translation which RTA will provide, if feasible. Questions or comments regarding the LEP Plan may be submitted to the San Luis Obispo Regional Transit Authority, Title VI Coordinator:

San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A  
San Luis Obispo, CA 93401  
Phone: 805-781-4833  
Fax: 805-781-1291  
Email: [tarnold@slorta.org](mailto:tarnold@slorta.org) (Title VI Coordinator)

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
AUGUST 7, 2019  
STAFF REPORT**

**AGENDA ITEM:** C-4

**TOPIC:** Purchase Replacement Engine

**PRESENTED BY:** Geoff Straw, Executive Director

**STAFF RECOMMENDATION:** Authorize the Executive Director to execute the Attached Agreement with Cummins of Fresno and Begin the Engine Replacement Process

**BACKGROUND/DISCUSSION:**

The RTA's fleet of heavy-duty buses currently used in fixed-route operations are all diesel-powered. As part of our purchase of 2013 Gillig low-floor buses, we purchased a spare engine to minimize downtime when an engine becomes too worn-out to continue in service. However, that spare engine cannot be used as a replacement in our older buses, which include two 2008 Gillig Phantom buses (fleet numbers 167 and 168) and one 2011 Eldorado bus (1101).

The engine in bus number 168 has failed after operating in revenue service for 561,924 miles. Technically, this bus is eligible for replacement under federal funding requirements, since it has surpassed the economically useful design life of 12 years or 500,000 miles – whichever comes first. However, the chassis and all other major components are in good shape and it has been our practice to operate heavy-duty far beyond the design life (in terms of miles) than the federal standard; we have operated some buses beyond 1 million miles. While we have contracted for in-frame rebuilds in the past, a narrow warranty window is provided and the downtime is often counted in months rather than weeks. As such, we are recommending that a factory reconditioned Cummins engine be installed by an outside vendor. The reconditioned engine comes with a two-year / unlimited miles warranty. Based on our average of 60,000 miles per year per bus, this recommended action will result in a vehicle mileage of roughly 680,000 miles at the end of the warranty period.

The total cost, including delivery of the bus to/from Fresno, is \$42,471.47. This will be funded using an existing FTA grant that includes the local match. It should be noted that the other 2008 Gillig Phantom bus (number 167) is also demonstrating the precursors of a "tired" engine, and it will likely need replacement once it fails our maintenance testing thresholds; funding is in an FTA grant to replace that engine, too, in the coming months.

**Staff Recommendation**

Authorize the Executive Director to execute the attached agreement with Cummins of Fresno, and begin the engine replacement process.

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**AGREEMENT**  
**Purchase and Installation of Cummins ISL Motor**

THIS AGREEMENT is made as of the \_\_\_\_\_ day of August 2019, by and between the SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY ("RTA") and Cummins of Fresno (CONTRACTOR).

WHEREAS, the RTA desires to purchase and have installed remanufactured Cummins ISL Motor in RTA bus #168 and has requested quotes for this product and service. A copy of the lowest responsible quote is attached and incorporated as Exhibit A.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

**1. RENDITION OF SERVICES**

The CONTRACTOR agrees to provide services to the RTA in accordance with the terms and conditions of this Agreement.

**2. SCOPE OF WORK**

The CONTRACTOR shall perform all work and furnish all the labor, materials, tools, equipment, services, and incidentals as set forth in Exhibit A.

**3. TERM OF AGREEMENT**

The term of this Agreement will be for a one month term for bus rehabilitation services commencing upon the RTA's issuance of a written Notice to Proceed or unless sooner terminated pursuant to Section 20 of this Agreement. The CONTRACTOR shall furnish the RTA with all the materials, equipment and services called for under this Agreement, and perform all other work, if any, described in the Contract Specifications.

It is further understood that the term of Contract is subject to the RTA's right to terminate the Contract in accordance with Section 20 of this Agreement.

**4. OWNERSHIP OF WORK**

All reports, designs, drawings, plans, specifications, schedules, and other materials

prepared, or in the process of being prepared for the services to be performed by CONTRACTOR are and shall be the property of the RTA. The RTA shall be entitled to copies and access to these materials during the progress of the work. Any such materials remaining in the hands of the CONTRACTOR or in the hands of any subcontractor upon completion or termination of the work shall be immediately delivered to the RTA. If any materials are lost, damaged, or destroyed before final delivery to the RTA, the CONTRACTOR shall replace them at its own expense and the CONTRACTOR assumes all risks of loss, damage, or destruction of or to such materials. The CONTRACTOR may retain a copy of all material produced under this Agreement for its use in its general business activities.

## **5. CONFIDENTIALITY**

Any RTA materials to which the CONTRACTOR has access or materials prepared by the CONTRACTOR during the course of this Agreement ("confidential information") shall be held in confidence by the CONTRACTOR, who shall exercise all reasonable precautions to prevent the disclosure of confidential information to anyone except the officers, employees and agents of the CONTRACTOR as necessary to accomplish the rendition of services set forth in Section 2 of this Agreement.

The CONTRACTOR shall not release any reports, information, or promotional materials prepared in connection with this Agreement, whether deemed confidential or not, without the approval of the RTA's Special Projects Coordinator.

## **6. USE OF SUBCONTRACTORS**

The CONTRACTOR shall not change subcontractors for any services to be performed by it under this Agreement without the prior written approval of the RTA, except for service firms engaged in drawing, reprographics, typing, and printing. The CONTRACTOR shall be solely responsible for reimbursing any subcontractors and the RTA shall have no obligation to them.

## **7. CONTRACTOR'S KEY PERSONNEL**

It is understood and agreed by the parties that at all times during the term of this Agreement that Virgil Antonio shall serve as the primary staff person of CONTRACTOR to undertake, render, and oversee all of the services under this Agreement.

## **8. CHANGES**

The RTA may make changes at any time, by written order, within the scope of services

described in this Agreement. If such changes cause an increase or decrease in the budgeted cost of or the time required for performance of the agreed upon work, an equitable adjustment as mutually agreed shall be made in the limit on compensation as set forth in Section 16 of this Agreement. In the event that CONTRACTOR encounters any unanticipated conditions or contingencies that may affect the scope of work or services and result in an adjustment in the amount of compensation specified herein, or identifies any RTA conduct (including actions, inaction, and written or oral communications other than a formal contract modification) that the CONTRACTOR regards as a change to the contract terms and conditions, CONTRACTOR shall so advise the RTA immediately upon notice of such condition or contingency. The written notice shall explain the circumstances giving rise to the unforeseen condition or contingency and shall set forth the proposed adjustment in compensation. This notice shall be given to the RTA prior to the time that CONTRACTOR performs work or services related to the proposed adjustment in compensation. The pertinent changes shall be expressed in a written supplement to this Agreement prior to implementation of such changes. Failure to provide written notice and receive RTA approval for extra work prior to performing extra work may, at the RTA's sole discretion, result in nonpayment of the invoices reflecting such work.

## **9. CLAIMS OR DISPUTES**

The CONTRACTOR shall be solely responsible for providing timely written notice to RTA of any claims for additional compensation and/or time in accordance with the provisions of this Agreement. It is the RTA'S intent to investigate and attempt to resolve any CONTRACTOR claims before the CONTRACTOR has performed any disputed work. Therefore, CONTRACTOR's failure to provide timely notice shall constitute a waiver of CONTRACTOR's claims for additional compensation and/or time.

The CONTRACTOR shall not be entitled to the payment of any additional compensation for any cause, including any act, or failure to act, by the RTA, or the failure or refusal to issue a modification, or the happening of any event, thing, or occurrence, unless it has given the RTA due written notice of potential claim. The potential claim shall set forth the reasons for which the CONTRACTOR believes additional compensation may be due, the nature of the costs involved, and the amount of the potential claim.

If based on an act or failure to act by the RTA, such notice shall be given to the RTA prior to the time that the CONTRACTOR has started performance of the work giving rise to the potential claim for additional compensation. In all other cases, notice shall be given within 10 days after the happening of the event or occurrence giving rise to the potential claim.

If there is a dispute over any claim, the CONTRACTOR shall continue to work during the dispute resolution process in a diligent and timely manner as directed by the RTA, and shall be governed by all applicable provisions of the Contract. The CONTRACTOR shall maintain cost records of all work that is the basis of any dispute.

If an agreement can be reached which resolves the CONTRACTOR claim, the parties will execute a Contract modification to document the resolution of the claim. If the parties cannot reach an agreement with respect to the CONTRACTOR claim, they may choose to pursue a dispute resolution process or termination of the contract.

#### **10. DISADVANTAGED BUSINESS ENTERPRISES**

The RTA, as a recipient of Federal financial assistance from the Federal Transit Administration (FTA) and the Federal Highway Administration (FHWA), is committed to and has adopted a Disadvantaged Business Enterprise (DBE) Program for Contracts in accordance with Federal regulations 49 CFR §26, issued by the U.S. Department of Transportation (DOT). The current DBE participation goal is 5.1%.

It is the policy of the RTA to ensure non-discrimination in the award and administration of all contracts and to create a level playing field on which Disadvantaged Business Enterprises (DBE) can compete fairly for contracts and subcontracts relating to the RTA'S construction, procurement, and professional services activities. To this end, the RTA has developed procedures to remove barriers to DBE participation in the Proposal and award process and to assist DBEs to develop and compete successfully outside of the DBE Program. Concerning the performance of this contract, the CONTRACTOR will cooperate with the RTA in meeting these commitments and objectives.

Pursuant to 49 CFR §26.13, and as a material term of any agreement with the RTA, the CONTRACTOR hereby makes the following assurance and agrees to include this assurance in any agreements it makes with subcontractors in the performance of this contract:

“The CONTRACTOR or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The CONTRACTOR shall carry out applicable requirements of 49 CFR §26 in the award and administration of U.S. DOT-assisted contracts. Failure by the CONTRACTOR or subcontractor to carry out these requirements is a material breach of this Contract, which may result in the termination of this Contract or such other remedy, as the RTA deems appropriate.”

**11. EQUAL EMPLOYMENT OPPORTUNITY (EEO)**

In connection with the performance of this Agreement the CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, sex, gender, sexual orientation, age (over 40), marital status, pregnancy, medical condition, or disability as specified in federal, State, and local laws. The CONTRACTOR shall take affirmative actions to ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion, color, sex, disability, or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. CONTRACTOR further agrees to insert a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials.

**12. CONFLICT OF INTEREST**

Depending on the nature of the work performed, a CONTRACTOR of the RTA is subject to the same conflict of interest prohibitions established by the Federal Transit Administration and California law that govern RTA employees and officials (Cal. Govt. Code Section 1090 et seq. and Cal. Govt. Code Section 87100 et seq.). During the Proposal process or the term of the Agreement, CONTRACTOR and their employees may be required to disclose financial interests.

The CONTRACTOR warrants and represents that it presently has no interest and agrees that it will not acquire any interest that would present a conflict of interest under California Government Code §1090 et seq. or §87100 et seq. during the performance of services under this Agreement. The CONTRACTOR further covenants that it will not knowingly employ any person having such an interest in the performance of this Agreement. Violation of this provision may result in this Agreement being deemed void and unenforceable.

Depending on the nature of the work performed, CONTRACTOR may be required to publicly disclose financial interests under the RTA's Conflict of Interest Code. Upon receipt, the CONTRACTOR agrees to promptly submit a Statement of Economic Interest on the form provided by RTA.

No person previously in the position of Director, Officer, employee or agent of the RTA may act as an agent or attorney for, or otherwise represent the CONTRACTOR by making any formal or informal appearance, or any oral or written communication,

before the RTA, or any Officer or employee of the RTA, for a period of twelve months after leaving office or employment with the RTA if the appearance or communication is made for the purpose of influencing any action involving the issuance, amendment, award or revocation of a permit, license, grant, or contract.

**13. PROHIBITED INTEREST**

No member, officer, or employee of the RTA during his or her tenure or for one year after that tenure shall have any interest, direct or indirect, in this Agreement or the proceeds under this Agreement, nor shall any such person act as an agent or attorney for, or otherwise represent, a Proposer or Contractor/Consultant by making a formal or informal appearance, or any oral or written communication, before the RTA, or any officer or employee of the RTA, for a period of one year after leaving office or employment with the RTA if the appearance or communication is made for the purpose of influencing any action involving the issuance, amendment, award or revocation of a Contract.

**14. RESPONSIBILITY: INDEMNIFICATION**

The CONTRACTOR shall indemnify, keep and save harmless the RTA, and its directors, officers, agents and employees against any and all suits, claims, or actions arising out of any injury to persons or property, including but not limited to damages arising from the infringement of intellectual property rights of third parties, that may occur, or that may be alleged to have occurred, arising from the performance of this Agreement by the CONTRACTOR caused by a negligent act or omission of the CONTRACTOR or its employees, subcontractors or agents. The CONTRACTOR further agrees to defend any and all such actions, suits, or claims and pay all charges of attorneys and all other incurred costs and expenses. If any judgment is rendered against the RTA or any of the other individuals enumerated above in any such action, CONTRACTOR shall, at its expense, satisfy and discharge the same. This indemnification shall survive termination or expiration of this Agreement.

**15. INSURANCE**

The insurance requirements specified in this section shall apply to CONTRACTOR and any subcontractors, suppliers, temporary workers, independent contractors, leased employees, or any other persons, firms or corporations that CONTRACTOR authorizes to work under this Agreement (hereinafter collectively referred to as "Agents"). CONTRACTOR is required to procure and maintain at its sole cost and expense the insurance coverages subject to all of the requirements set forth below. CONTRACTOR is also required to assess the risks associated with the work to be performed by Agents

under subcontract and to include in every subcontract the requirement that the Agent maintain adequate insurance coverages with appropriate limits and endorsements to cover risks; the limit for the commercial general liability insurance in each subcontract shall not be less than **\$1 million**. Such insurance shall remain in full force and effect throughout the term of this Agreement. To the extent that any Agent does not procure and maintain such insurance coverage, CONTRACTOR shall be responsible for said coverage and assume any and all costs and expenses that may be incurred in securing said coverage or in fulfilling CONTRACTOR's indemnity obligation as to itself or any of its Agents in the absence of coverage. In the event CONTRACTOR or its Agents procure excess or umbrella coverage to maintain certain requirements outlined below, these policies shall also satisfy all specified endorsements and stipulations, including provisions that the CONTRACTOR's insurance be primary without any right of contribution from the RTA. Prior to beginning work under this contract, CONTRACTOR shall provide the RTA with satisfactory evidence of compliance with the insurance requirements of this section.

**A. Types of Insurance**

1. Workers' Compensation and Employers' Liability Insurance

- a. Workers' Compensation with Statutory Limits, as required by Section 3700 et seq. of the California Labor Code, or any subsequent amendments or successor acts thereto governing the liability of employers to their employees.
- b. Employer's Liability coverage with minimum limits of **\$1 million**.
- c. Such insurance shall include the following endorsement as further detailed in the Endorsements Section below:

- Waiver of Subrogation.

2. Commercial General Liability Insurance

Commercial General Liability insurance for bodily injury and property damage coverage with a combined single limit for bodily injury and property damage of at least **\$1 million** per occurrence or claim and a general aggregate limit of at least **\$1 million**. Such insurance shall cover all of CONTRACTOR's operations both at and away from the project site.

- a. This insurance shall include coverage for, but not be limited to:

- Premises and operations.
  - Products and completed operations.
  - Contractual liability.
  - Personal injury.
  - Advertising injury.
  - Explosion, collapse, and underground coverage
- (xcu).
- Broad form property damage.
- b. Such insurance shall include the following endorsements as further detailed in the Endorsements Section below:
- Additional Insured.
  - Cross Liability or Severability of Interests Clause.
  - Primary and Non-Contributory wording.
  - Waiver of Subrogation.

Products and completed operations insurance shall be maintained for one years following termination of this Agreement.

3. Automobile Liability Insurance

Business Automobile Liability insurance providing bodily injury and property damage with a combined single limit of at least **\$1 million** per occurrence.

- a. This insurance shall include coverage for, but not be limited to:
- All Owned vehicles.
  - Non-owned vehicles.
  - Hired or rental vehicles.
- b. Such insurance shall include the following endorsements as further detailed in the Endorsements Section below:
- Additional Insured.
  - Primary and Non-Contributory wording.
  - Waiver of Subrogation.

4. Property Insurance

Property and/or transit insurance, whichever is applicable, with Special Form coverage including theft but excluding earthquake, with limits at least equal to the replacement cost of the property described below.

a. This insurance shall include coverage for, but not be limited to:

- CONTRACTOR's own business personal property and equipment to be used in performance of this Agreement.
- Materials or property to be purchased and/or installed on behalf of the RTA, if any.
- Debris removal.
- Builders risk for property in the course of construction.

b. Such insurance shall include the following endorsement as further detailed in the Endorsements Section below:

- Waiver of Subrogation.

**B.** Endorsements

1. Additional Insured

The referenced policies and any Excess or Umbrella policies shall include as Additional Insureds the RTA and its directors, officers, employees, volunteers and agents while acting in such capacity, and their successors or assignees, as they now, or as they may hereafter be constituted, singly, jointly or severally.

2. Waiver of Subrogation

The referenced policies and any Excess or Umbrella policies shall contain a waiver of subrogation in favor of the RTA and its officers, directors, employees, volunteers and agents while acting in such capacity, and their successors and assignees, as they now, or as they may hereafter be constituted, singly, jointly or severally.

3. Primary Insurance

The referenced policies and any Excess or Umbrella policies shall indicate that they are primary to any other insurance and the insurance company

or companies providing such policies shall be liable thereunder for the full amount of any loss or claim, up to and including the total limit of liability, without right of contribution from any of the insurance affected or which may be affected by the RTA.

4. Severability of Interests or Cross Liability

The referenced policies and any Excess or Umbrella policies shall contain either a Cross Liability endorsement or Severability of Interests Clause and stipulate that inclusion of the RTA as an Additional Insured shall not in any way affect RTA's rights either as respects any claim, demand, suit or judgment made, brought or recovered against the CONTRACTOR. Said policy shall protect CONTRACTOR and the RTA in the same manner as though a separate policy had been issued to each, but nothing in said policy shall operate to increase the insurance company's liability as set forth in its policy beyond the amount or amounts shown or to which the insurance company would have been liable if only one interest had been named as an insured.

C. Evidence of Insurance

All Coverages - Prior to commencing work or entering onto the Property, CONTRACTOR shall provide the Special Projects Coordinator of the RTA with a certificate evidencing coverage, and upon request, a certified duplicate original of the policy. The certificate shall also show that the CONTRACTORS' policy or policies will not be cancelled or coverage altered without 30 days prior written notice to the RTA's Special Projects Coordinator.

D. General Provisions

1. Notice of Cancellation

The policies shall provide that the CONTRACTORS' policies will not be cancelled or have limits reduced or coverage altered without 30 days prior written notice to the RTA's Director of Maintenance.

2. Acceptable Insurers

All policies will be issued by insurers acceptable to the RTA (generally with a Best's Rating of A- 10 or better).

3. Self-insurance

Upon evidence of financial capacity satisfactory to the RTA and CONTRACTOR's agreement to waive subrogation against the RTA respecting any and all claims that may arise, CONTRACTOR's obligation hereunder may be satisfied in whole or in part by adequately funded self-insurance.

4. Failure to Maintain Insurance

All insurance specified above shall remain in force until all work to be performed is satisfactorily completed, all of CONTRACTOR's personnel and equipment have been removed from the RTA property, and the work has been formally accepted. The failure to procure or maintain required insurance and/or an adequately funded self-insurance program will constitute a material breach of this Agreement.

**E.** Claims Made Coverage

If any insurance specified above shall be provided on a claim-made basis, then in addition to coverage requirements above, such policy shall provide that:

1. Policy retroactive date coincides with or precedes the CONTRACTOR's start of work (including subsequent policies purchased as renewals or replacements).
2. CONTRACTOR shall make every effort to maintain similar insurance for at least three years following project completion, including the requirement of adding all named insureds.
3. If insurance is terminated for any reason, CONTRACTOR agrees to purchase an extended reporting provision of at least three years to report claims arising from work performed in connection with this Agreement.
4. Policy allows for reporting of circumstances or incidents that might give rise to future claims.

**F.** Deductibles and Retentions

CONTRACTOR shall be responsible for payment of any deductible or retention on CONTRACTOR's policies without right of contribution from the RTA.

**16. COMPENSATION**

The CONTRACTOR agrees to perform all the services included in Section 2, in accordance with the cost information provided in its Cost Proposal included in Section IV, which shall include all labor, materials, taxes, profit, overhead, insurance, delivery costs, subcontractor costs, and other costs and expenses incurred by the CONTRACTOR.

**17. MANNER OF PAYMENT**

RTA shall pay upon completion of services as provided for in the RFP. Invoice entries shall conform to the rates specified in the Cost Proposal set forth in Exhibit B, as agreed to by both parties. The RTA will endeavor to pay approved invoices within 30 days of their receipt. Invoices shall be mailed or delivered to the RTA at 179 Cross Street, San Luis Obispo, CA 93401.

**18. RTA WARRANTIES**

The RTA makes no warranties, representations, or agreements, either express or implied, beyond such as are explicitly stated in this Agreement.

**19. RTA REPRESENTATIVE**

Except when approval or other action is required to be given or taken by the Board of Directors of the RTA, the RTA'S Executive Director or such person or persons as they shall designate in writing from time to time, shall represent and act for the RTA.

**20. TERMINATION**

The RTA shall have the right to terminate this Agreement at any time by giving written notice to the CONTRACTOR. Upon receipt of such notice, the CONTRACTOR shall not commit itself to any further expenditure of time or resources.

If the Agreement is terminated for any reason other than a default by CONTRACTOR, the RTA shall pay to CONTRACTOR in accordance with the provisions of Sections 16 and 17 all sums actually due and owing from the RTA for all services performed and all expenses incurred up to the day written notice of termination is given, plus any costs reasonably and necessarily incurred by CONTRACTOR to effect such or termination. If the Agreement is terminated for default, the RTA shall only pay CONTRACTOR the contract price for goods and services delivered and accepted in accordance with the requirements set forth in this contract.

**21. MAINTENANCE, AUDIT AND INSPECTION OF RECORDS**

The CONTRACTOR shall permit the authorized representatives of the RTA, to inspect, audit, make copies and transcriptions of books and all data and records of the CONTRACTOR relating to its performance under the Agreement. CONTRACTOR shall maintain all such records for a period of three years after the RTA makes final payment under this Agreement.

**22. NOTICES**

All communications relating to the day to day activities of the project shall be exchanged between the RTA's Maintenance Manager, or designee, and the CONTRACTOR's designee.

All other notices and communications deemed by either party to be necessary or desirable to be given to the other party shall be in writing and may be given by personal delivery to a representative of the parties or by mailing the same postage prepaid, addressed as follows:

If to the RTA: David Roessler  
Manager of Maintenance and Facilities  
San Luis Obispo Regional Transit Authority  
179 Cross Street, San Luis Obispo, CA 93401

If to the CONTRACTOR: Virgil Antonio  
Parts Manage, Pacific Region  
Cummins Sales and Service  
2755 S. Cherry Ave.Fresno, CA 93706

The address to which mailings may be made may be changed from time to time by notice mailed as described above. Any notice given by mail shall be deemed given on the day after that on which it is deposited in the United States Mail as provided above.

**23. ATTORNEYS' FEES**

If any legal proceeding should be instituted by either of the parties to enforce the terms of this Agreement or to determine the rights of the parties under this Agreement, the prevailing party in said proceeding shall recover reasonable attorneys' fees, in addition to all court costs.

**24. APPLICABLE LAW**

This Agreement, its interpretation and all work performed under it shall be governed by

the laws of the State of California.

The CONTRACTOR must comply with all federal, State, and local laws, rules, and regulations applicable to the Agreement and to the work to be done hereunder, including all rules and regulations of the RTA.

**25. RIGHTS AND REMEDIES OF RTA**

The rights and remedies of the RTA provided herein shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Agreement.

**26. BINDING ON SUCCESSORS**

All of the terms, provisions, and conditions of this Agreement shall be binding upon and insure to the benefit of the parties and their respective successors, assigns and legal representatives.

**27. FEDERAL REQUIREMENTS**

Applicable Federal Clauses to this Contract, as included in Exhibit B

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers as of the day and year first above written.

**RTA:**

**CONTRACTOR:**

SAN LUIS OBISPO RTA

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: Executive Director

Title: \_\_\_\_\_

By: \_\_\_\_\_

ATTEST: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_  
Secretary for the RTA

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Attorney for the RTA

**\*Note: If the CONTRACTOR is a Corporation, this Agreement must be executed by two Corporate Officers, consisting of:**

- (1) the President, Vice President or Chair of the Board, and
- (2) the Secretary, Assistant Secretary, Chief Financial Officer, Assistant Chief Financial Officer, Treasurer, or Assistant Treasurer.

In the alternative, this Agreement may be executed by a single Officer or a person other than an Officer provided that evidence satisfactory to the RTA is provided demonstrating that such individual is authorized to bind the Corporation (e.g. a copy of a certified resolution from the Corporation's Board or a copy of the Corporation's bylaws.)



BAR ARD Number: ARD00293082 EPA: CAL000430089  
 Remit to:  
 Cummins Sales and Service  
 P.O. Box 848731  
 Los Angeles, CA 90084-8731

FRESNO CA BRANCH  
 2755 S. CHERRY AVENUE  
 FRESNO, CA 93706-  
 (559)274-4400

# Exhibit A

<b>INVOICE NO</b>
<b>ESTIMATE</b>
Payment is due 30 days from invoice date unless agreed upon in writing.

**BILL TO**

SAN LUIS OBISPO RTA  
 179 CROSS ST STE A  
 SAN LUIS OBISPO, CA 93401-7597

**OWNER**

SAN LUIS OBISPO R T  
 179 CROSS ST STE A  
 SAN LUIS OBISPO, CA 93401-  
 VERNON GRIEGO - 805 781-1329

PAGE 1 OF 2

\*\*\* CHARGE \*\*\*

DATE	CUSTOMER ORDER NO.	DATE IN SERVICE	ENGINE MODEL	PUMP NO.	EQUIPMENT MAKE
24-JUL-2019		15-MAY-2008	ISL CM2150		GILLIG
CUSTOMER NO.	SHIP VIA	FAIL DATE	ENGINE SERIAL NO.	CPL NO.	EQUIPMENT MODEL
239306		24-JUL-2019	46868096	CPL091500	PHANTOM
REF. NO.	SALESPERSON	PARTS DISP.	MILEAGE/HOURS	PUMP CODE	UNIT NO.
197522					168

QUANTITY ORDERED	BACK ORDERED	QUANTITY SHIPPED	PART NUMBER	DESCRIPTION	PRODUCT CODE	UNIT PRICE	AMOUNT
------------------	--------------	------------------	-------------	-------------	--------------	------------	--------

OSN/MSN/VIN 46868096

COMPLAINT REVISED ESTIMATE FOR ORIGINAL WOQT #196145.

ESTIMATE MAY VARY IN PARTS AND LABOR ONCE UNIT IS IN SHOP AND HAS BEEN INSPECTED. IF ADDITIONAL PARTS OR LABOR ARE NEEDED A REVISED ESTIMATE WILL BE SENT. COST ON CORE ENGINE SUBJECT TO CHANGE ONCE CORE HAS BEEN INSPECTED BY THE FACTORY.

**COVERAGE**

**CUSTOMER BILLABLE**

1	0	DR6548RX	ENG ISL 8.9 07 B 280@2200	DRC		28,172.16	28,172.16
1	0	DR6506D	ENG ISC 8.3 B	CLEAN		5,625.00	5,625.00
-1	0	DR6506D	ENG ISC 8.3 B	DIRTY		5,625.00 -	5,625.00
8	0	705290	OIL,PRE-BLUE BULK15W40 1G	P2-VALVOLINE		12.32	98.56
8	0	CORF GAL	CAL OIL RECYCLE FEE GAL	P2-NSPART1		.29	2.32
14	0	ZXEDRU1	ANTIFREEZE RED	P2-OTHER		15.44	216.16
1	0	3903475	SEAL,RECTANGULAR RING	CECO		4.15	4.15
1	0	4989263	DIPSTICK	CECO		75.96	75.96
1	0	3678925	SEAL,O RING	CECO		5.80	5.80
1	0	3940245	GASKET,HYDRAULIC PUMP	CECO		12.30	12.30
1	0	FF5636	PAC, FF (S	FLG		27.95	27.95
1	0	AIR FILTER	AIR FILTER	P2-NONSTOCK		210.00	210.00
1	0	NISC ITEMS	MISC ITEMS	P2-NONSTOCK		500.00	500.00
1	0	TOW-IN	PICK UP UNIT	P2-NONSTOCK		1,050.00	1,050.00

Completion date : 25-Jul-2019 10:46AM. Estimate expires : 23-Aug-2019 10:46AM.

Billing Inquiries? Call (877)480-6970

THERE ARE ADDITIONAL CONTRACT TERMS ON THE REVERSE SIDE OF THIS DOCUMENT, INCLUDING LIMITATION ON WARRANTIES AND REMEDIES, WHICH ARE EXPRESSLY INCORPORATED HEREIN AND WHICH PURCHASER ACKNOWLEDGES HAVE BEEN READ AND FULLY UNDERSTOOD.

AUTHORIZED BY (print name)

SIGNATURE  
C-4-18

DATE

#### TERMS AND CONDITIONS

These Terms and Conditions, together with the estimate/quote (the "Quote") and/or invoice ("Invoice") attached to these Terms and Conditions, are hereinafter collectively referred to as this "Agreement" and shall constitute the entire agreement between the customer ("Customer") identified on the Quote and/or Invoice and Cummins Inc. ("Cummins") unless a previous written agreement with respect to the Goods and/or Services (as hereinafter defined) has been entered between the parties, in which event, such previous written agreement shall prevail. In the event of any inconsistency between this Agreement and any purchase order, terms and conditions or other document produced or delivered by Customer, the terms and conditions of this Agreement shall prevail.

1. **SCOPE OF SERVICES; PERFORMANCE OF SERVICES.** Cummins shall supply part(s) and/or component(s) and/or engine(s) and/or generator set(s) ("Goods") and/or perform the maintenance and/or repair ("Services") on the equipment identified in the Quote and/or Invoice ("Equipment"), if applicable, in accordance with the specifications in the Quote and/or Invoice. No additional services or goods are included in this Agreement unless agreed upon by the parties in writing, or otherwise, as applicable.
2. **CUSTOMER OBLIGATIONS.** If necessary, Customer shall provide Cummins safe and free access to Customer's site and arrange for all related services and utilities necessary for Cummins to safely and freely perform the Services. During the performance of the Services, Customer shall fully and completely secure all or any part of any facility where the Equipment is located to remove and mitigate any and all safety issues and risks, including but not limited to injury to facility occupants, customers, invitees, or any third party and/or property damage or work interruption arising out of the Services. If applicable, Customer shall make all necessary arrangements to address and mitigate the consequences of any electrical service interruption which might occur during the Services. Customer is responsible for operating and maintaining the Equipment in accordance with the owner's manual for the Equipment.
3. **INVOICING AND PAYMENT.** Unless otherwise agreed to by the parties in writing and subject to credit approval by Cummins, payments are due thirty (30) days from the date of Invoice. If Customer does not have approved credit with Cummins, as solely determined by Cummins, payments are due in advance or at the time of supply of the Goods and/or Services. If payment is not received when due, in addition to any rights Cummins may have at law, Cummins may charge Customer eighteen percent (18%) interest annually on late payments, or the maximum amount allowed by law. Customer agrees to pay all Cummins' costs and expenses (including all reasonable attorneys' fees) related to Cummins' enforcement and collection of unpaid invoices, or any other enforcement of this Agreement by Cummins.
4. **TAXES; EXEMPTIONS.** The Invoice includes all applicable local, state, or federal sales and/or use or similar taxes which Cummins is required by applicable laws to collect from Customer under this Agreement. Customer must provide a valid tax exemption certificate or direct payment certificate prior to shipment of the Goods or performance of the Services, or such taxes will be included in the Invoice.
5. **DELIVERY; TITLE AND RISK OF LOSS.** Unless otherwise agreed in writing by the parties, any Goods supplied under this Agreement shall be delivered FOB Origin, freight prepaid to the first destination. If agreed, any charges for third party freight are subject to adjustment to reflect any change in price at time of shipment. Unless otherwise agreed to, packaging method, shipping documents and manner, route and carrier and delivery shall be as Cummins deems appropriate. All shipments are made within normal business hours, Monday through Friday. Unless otherwise agreed in writing by the parties, title and risk of loss for any Goods sold under this Agreement shall pass to Customer upon delivery of Goods by Cummins to freight carrier or to Customer at pickup at Cummins' facility.
6. **DELAYS.** Any delivery, shipping, installation, or performance dates indicated in this Agreement are estimated and not guaranteed. Further, delivery time is subject to confirmation at time of order. Cummins shall not be liable to Customer or any third party for any loss, damage, or expense suffered by Customer or third party due to any delay in delivery, shipping, installation, or performance, however occasioned, including any delays in performance that result directly or indirectly from acts of Customer or causes beyond Cummins' control, including but not limited to acts of God, accidents, fire, explosions, flood, unusual weather conditions, acts of government authority, or labor disputes.
7. **LIMITED WARRANTIES.**
  - a. **New Goods:** New Goods purchased or supplied under this Agreement are governed by the express written manufacturers' warranty. No other warranty for Goods supplied under this Agreement is provided under this Agreement.
  - b. **Cummins Exchange Components, Other Exchange Components, and Recon:** Cummins will administer the Cummins exchange component warranty and the warranties of other manufacturers' exchange components or Recon Components which are sold by Cummins. In the event of defects in such items, only manufacturers' warranties will apply.
  - c. **HHP Exchange Engine:** HHP Exchange Engines remanufactured by Cummins under this Agreement are governed by the express Cummins' written warranty. No other warranty for HHP exchange Engines supplied under this Agreement is provided under this Agreement.
  - d. **General Service Work:** All Services shall be free from defects in workmanship (i) for power generation equipment (including engines in such equipment), for a period of ninety (90) days after completion of Services or 500 hours of operation, whichever occurs first; or (ii) for engines, for a period of ninety (90) days after completion of Services, 25,000 miles or 900 hours of operation, whichever occurs first. In the event of a warrantable defect in workmanship of Services supplied under this Agreement ("Warrantable Defect"), Cummins' obligation shall be solely limited to correcting the Warrantable Defect. Cummins shall correct the Warrantable Defect where (i) such Warrantable Defect becomes apparent to Customer during the warranty period; (ii) Cummins receives written notice of the Warrantable Defect within thirty (30) days following discovery by Customer; and (iii) Cummins has determined that there is a Warrantable Defect. Warrantable Defects remedied under this provision shall be subject to the remaining warranty period of the original warranty of the Services. New Goods supplied during the remedy of Warrantable Defects are warranted for the balance of the warranty period still available from the original warranty of such Goods.
  - e. **Used Goods:** Used Goods are sold "as is, where is" unless exception is made in writing between Cummins and Customer. Customer agrees to inspect all used Goods before completing the purchase.
  - f. **THE REMEDIES PROVIDED IN THE LIMITED WARRANTIES AND THIS AGREEMENT ARE THE SOLE AND EXCLUSIVE WARRANTIES AND REMEDIES PROVIDED BY CUMMINS TO THE CUSTOMER UNDER THIS AGREEMENT. EXCEPT AS SET OUT IN THE WARRANTY AND THIS AGREEMENT, AND TO THE EXTENT PERMITTED BY LAW, CUMMINS EXPRESSLY DISCLAIMS ALL OTHER REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, AND CONDITIONS OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY STATUTORY OR COMMON LAW IMPLIED REPRESENTATIONS, WARRANTIES AND CONDITIONS OF FITNESS FOR A PURPOSE OR MERCHANTABILITY.**
8. **INDEMNIFICATION.** Customer shall indemnify, defend and hold harmless Cummins from and against any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, brought against or incurred by Cummins related to or arising out of this Agreement or the Services and/or Goods supplied under this Agreement (collectively, the "Claims"), where such Claims were caused or contributed, in whole or in part, by the acts, omissions, fault or negligence of the Customer. Customer shall present any Claims covered by this indemnity, including any tenders for defense and indemnity by Cummins to its insurance carrier unless Cummins directs that the defense will be handled by Cummins' legal counsel at Customer's expense.
9. **LIMITATION OF LIABILITY. NOTWITHSTANDING ANY OTHER TERM OF THIS AGREEMENT, IN NO EVENT SHALL CUMMINS, ITS OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING WITHOUT LIMITATION DOWNTIME, LOSS OF PROFIT OR REVENUE, LOSS OF DATA, LOSS OF OPPORTUNITY, DAMAGE TO GOODWILL, ENHANCED DAMAGES, MONETARY REQUESTS RELATING TO RECALL EXPENSES AND REPAIRS TO PROPERTY, AND/OR DAMAGES CAUSED BY DELAY) IN ANY WAY RELATED TO OR ARISING FROM CUMMINS' SUPPLY OF GOODS OR SERVICES UNDER THIS AGREEMENT. IN NO EVENT SHALL CUMMINS' LIABILITY TO CUSTOMER OR ANY THIRD PARTY CLAIMING DIRECTLY THROUGH CUSTOMER OR ON CUSTOMER'S BEHALF UNDER THIS AGREEMENT EXCEED THE TOTAL COST OF GOODS AND SERVICES SUPPLIED BY CUMMINS UNDER THIS AGREEMENT GIVING RISE TO THE CLAIM. BY ACCEPTANCE OF THIS AGREEMENT, CUSTOMER ACKNOWLEDGES CUSTOMER'S SOLE REMEDY AGAINST CUMMINS FOR ANY LOSS SHALL BE THE REMEDY PROVIDED HEREIN EVEN IF THE EXCLUSIVE REMEDY IN SECTION 7 IS DEEMED TO HAVE FAILED OF ITS ESSENTIAL PURPOSE.**
10. **GOVERNING LAW AND JURISDICTION.** This Agreement and all matters arising hereunder shall be governed by and construed in accordance with the laws of the State of Indiana without giving effect to any choice or conflict of law provision. The parties agree that the court of the State of Indiana shall have exclusive jurisdiction to settle any dispute or claim arising in connection with this Agreement.
11. **ASSIGNMENT.** This Agreement is binding on the parties and their successors and assigns. Customer shall not assign this Agreement without the prior written consent of Cummins.
12. **CANCELLATION.** Orders placed with and accepted by Cummins may not be cancelled except with Cummins' prior written consent. Cummins may charge Customer a cancellation charge in accordance with current Cummins policy which is available upon request, in addition to the actual, non-recoverable costs incurred by Cummins.
13. **REFUNDS/CREDITS.** Goods ordered and delivered by Cummins under this Agreement are not returnable unless agreed to by Cummins. Cummins may, at its sole discretion, agree to accept Goods for return and provide credit where Goods are in new and saleable condition and presented with a copy of the original invoice. Credits for returns will be subject to up to a 15% handling/restocking charge and are limited to eligible items purchased from Cummins.
14. **INTELLECTUAL PROPERTY.** Any intellectual property rights created by either party, whether independently or jointly, in the course of the performance of this Agreement or otherwise related to Cummins pre-existing intellectual property or subject matter related thereto, shall be Cummins' property. Customer agrees to assign, and does hereby assign, all right, title, and interest to such intellectual property to Cummins. Any Cummins pre-existing intellectual property shall remain Cummins' property. Nothing in this Agreement shall be deemed to have given Customer a license or any other rights to use any of the intellectual property rights of Cummins.
15. **COMPLIANCE WITH LAWS.** Customer shall comply with all laws applicable to its activities under this Agreement, including without limitation, any and all applicable national, provincial, and local export, anti-bribery, environmental, health, and safety laws and regulations in effect. Customer acknowledges that the Goods, and any related technology that are sold or otherwise provided hereunder may be subject to export and other trade controls restricting the sale, export, re-export and/or transfer, directly or indirectly, of such Goods or technology to certain countries or parties, including, but not limited to, licensing requirements under applicable laws and regulations of the United States, the United Kingdom and other jurisdictions. It is the intention of Cummins to comply with these laws, rules, and regulations. Any other provision of this Agreement to the contrary notwithstanding, Customer shall comply with all such applicable laws relating to the cross-border movement of goods or technology, and all related orders in effect from time to time, and equivalent measures. Customer shall accept full responsibility for any and all civil or criminal liabilities and costs arising from any breaches of those laws and regulations and will defend, indemnify, and hold Cummins harmless from and against any and all fines, penalties, claim, damages, liabilities, judgments, costs, fees, and expenses incurred by Cummins or its affiliates as a result of Customer's breach.
16. **CONFIDENTIALITY.** Each party shall keep confidential any information received from the other that is not generally known to the public and at the time of disclosure, would reasonably be understood by the receiving party to be proprietary or confidential, whether disclosed in oral, written, visual, electronic, or other form, and which the receiving party (or agents) learns in connection with this Agreement including, but not limited to: (a) business plans, strategies, sales, projects and analyses; (b) financial information, pricing, and fee structures; (c) business processes, methods, and models; (d) employee and supplier information; (e) specifications; and (f) the terms and conditions of this Agreement. Each party shall take necessary steps to ensure compliance with this provision by its employees and agents.
17. **MISCELLANEOUS.** All notices under this Agreement shall be in writing and be delivered personally, mailed via first class certified or registered mail, or sent by a nationally recognized express courier service to the addresses set forth in the Quote and/or Invoice. No amendment of this Agreement shall be valid unless it is in writing and signed by the parties hereto. Failure of either party to require performance by the other party of any provision hereof shall in no way affect the right to require such performance at any time thereafter or the enforceability of the Agreement generally, nor shall the waiver by a party of a breach of any of the provisions hereof constitute a waiver of any succeeding breach. Any provision of this Agreement that is invalid or unenforceable shall not affect the validity or enforceability of the remaining terms hereof. These terms are exclusive and constitute entire agreement. Customer acknowledges that the provisions were freely negotiated and bargained for and Customer has agreed to purchase of the Goods and/or Services pursuant to these terms and conditions. Acceptance of this Agreement is expressly conditioned on Customer's assent to all such terms and conditions. Neither party has relied on any statement, representation, agreement, understanding, or promise made by the other except as expressly set out in this Agreement.



BAR ARD Number: ARD00293082 EPA: CAL000430089  
 Remit to:  
 Cummins Sales and Service  
 P.O. Box 848731  
 Los Angeles, CA 90084-8731

FRESNO CA BRANCH  
 2755 S. CHERRY AVENUE  
 FRESNO, CA 93706-  
 (559)274-4400

<b>INVOICE NO</b>
<b>ESTIMATE</b>
Payment is due 30 days from invoice date unless agreed upon in writing.

**BILL TO**

SAN LUIS OBISPO RTA  
 179 CROSS ST STE A  
 SAN LUIS OBISPO, CA 93401-7597

**OWNER**

SAN LUIS OBISPO R T  
 179 CROSS ST STE A  
 SAN LUIS OBISPO, CA 93401-  
 VERNON GRIEGO - 805 781-1329

PAGE 2 OF 2

\*\*\* CHARGE \*\*\*

DATE	CUSTOMER ORDER NO.	DATE IN SERVICE	ENGINE MODEL	PUMP NO.	EQUIPMENT MAKE
24-JUL-2019		15-MAY-2008	ISL CM2150		GILLIG
CUSTOMER NO.	SHIP VIA	FAIL DATE	ENGINE SERIAL NO.	CPL NO.	EQUIPMENT MODEL
239306		24-JUL-2019	46868096	CPL091500	PHANTOM
REF. NO.	SALESPERSON	PARTS DISP.	MILEAGE/HOURS	PUMP CODE	UNIT NO.
197522					168

QUANTITY ORDERED	BACK ORDERED	QUANTITY SHIPPED	PART NUMBER	DESCRIPTION	PRODUCT CODE	UNIT PRICE	AMOUNT
------------------	--------------	------------------	-------------	-------------	--------------	------------	--------

OSN/MSN/VIN		46868096					
1		0	TOW-OUT	DELIVER UNIT	P2-NONSTOCK	1,050.00	1,050.00

PARTS:	31,425.36
PARTS COVERAGE CREDIT:	0.00CR
TOTAL PARTS:	<b>31,425.36</b>
SURCHARGE TOTAL:	<b>0.00</b>
LABOR:	8,220.00
LABOR COVERAGE CREDIT:	0.00CR
TOTAL LABOR:	<b>8,220.00</b>
MISC.:	300.00
MISC. COVERAGE CREDIT:	0.00CR
TOTAL MISC.:	<b>300.00</b>
ELECTRONIC TOOLING FEE	50.00
HAZ WASTE DISPOSAL	100.00
SHOP SUPPLIES	150.00
LOCAL STATE	<b>625.59</b>
	<b>1,900.52</b>

Completion date : 25-Jul-2019 10:46AM. Estimate expires : 23-Aug-2019 10:46AM.

Billing Inquiries? Call (877)480-6970

THERE ARE ADDITIONAL CONTRACT TERMS ON THE REVERSE SIDE OF THIS DOCUMENT, INCLUDING LIMITATION ON WARRANTIES AND REMEDIES, WHICH ARE EXPRESSLY INCORPORATED HEREIN AND WHICH PURCHASER ACKNOWLEDGES HAVE BEEN READ AND FULLY UNDERSTOOD.

SUB TOTAL: 39,945.36

TOTAL TAX: 2,526.11

**TOTAL AMOUNT: US \$ 42,471.47**

AUTHORIZED BY (print name)

SIGNATURE  
C-4-20

DATE

#### TERMS AND CONDITIONS

These Terms and Conditions, together with the estimate/quote (the "Quote") and/or invoice ("Invoice") attached to these Terms and Conditions, are hereinafter collectively referred to as this "Agreement" and shall constitute the entire agreement between the customer ("Customer") identified on the Quote and/or Invoice and Cummins Inc. ("Cummins") unless a previous written agreement with respect to the Goods and/or Services (as hereinafter defined) has been entered between the parties, in which event, such previous written agreement shall prevail. In the event of any inconsistency between this Agreement and any purchase order, terms and conditions or other document produced or delivered by Customer, the terms and conditions of this Agreement shall prevail.

1. **SCOPE OF SERVICES; PERFORMANCE OF SERVICES.** Cummins shall supply part(s) and/or component(s) and/or engine(s) and/or generator set(s) ("Goods") and/or perform the maintenance and/or repair ("Services") on the equipment identified in the Quote and/or Invoice ("Equipment"), if applicable, in accordance with the specifications in the Quote and/or Invoice. No additional services or goods are included in this Agreement unless agreed upon by the parties in writing, or otherwise, as applicable.

2. **CUSTOMER OBLIGATIONS.** If necessary, Customer shall provide Cummins safe and free access to Customer's site and arrange for all related services and utilities necessary for Cummins to safely and freely perform the Services. During the performance of the Services, Customer shall fully and completely secure all or any part of any facility where the Equipment is located to remove and mitigate any and all safety issues and risks, including but not limited to injury to facility occupants, customers, invitees, or any third party and/or property damage or work interruption arising out of the Services. If applicable, Customer shall make all necessary arrangements to address and mitigate the consequences of any electrical service interruption which might occur during the Services. Customer is responsible for operating and maintaining the Equipment in accordance with the owner's manual for the Equipment.

3. **INVOICING AND PAYMENT.** Unless otherwise agreed to by the parties in writing and subject to credit approval by Cummins, payments are due thirty (30) days from the date of Invoice. If Customer does not have approved credit with Cummins, as solely determined by Cummins, payments are due in advance or at the time of supply of the Goods and/or Services. If payment is not received when due, in addition to any rights Cummins may have at law, Cummins may charge Customer eighteen percent (18%) interest annually on late payments, or the maximum amount allowed by law. Customer agrees to pay all Cummins' costs and expenses (including all reasonable attorneys' fees) related to Cummins' enforcement and collection of unpaid invoices, or any other enforcement of this Agreement by Cummins.

4. **TAXES; EXEMPTIONS.** The Invoice includes all applicable local, state, or federal sales and/or use or similar taxes which Cummins is required by applicable laws to collect from Customer under this Agreement. Customer must provide a valid tax exemption certificate or direct payment certificate prior to shipment of the Goods or performance of the Services, or such taxes will be included in the Invoice.

5. **DELIVERY; TITLE AND RISK OF LOSS.** Unless otherwise agreed in writing by the parties, any Goods supplied under this Agreement shall be delivered FOB Origin, freight prepaid to the first destination. If agreed, any charges for third party freight are subject to adjustment to reflect any change in price at time of shipment. Unless otherwise agreed to, packaging method, shipping documents and manner, route and carrier and delivery shall be as Cummins deems appropriate. All shipments are made within normal business hours, Monday through Friday. Unless otherwise agreed in writing by the parties, title and risk of loss for any Goods sold under this Agreement shall pass to Customer upon delivery of Goods by Cummins to freight carrier or to Customer at pickup at Cummins' facility.

6. **DELAYS.** Any delivery, shipping, installation, or performance dates indicated in this Agreement are estimated and not guaranteed. Further, delivery time is subject to confirmation at time of order. Cummins shall not be liable to Customer or any third party for any loss, damage, or expense suffered by Customer or third party due to any delay in delivery, shipping, installation, or performance, however occasioned, including any delays in performance that result directly or indirectly from acts of Customer or causes beyond Cummins' control, including but not limited to acts of God, accidents, fire, explosions, flood, unusual weather conditions, acts of government authority, or labor disputes.

#### 7. LIMITED WARRANTIES.

a. **New Goods:** New Goods purchased or supplied under this Agreement are governed by the express written manufacturers' warranty. No other warranty for Goods supplied under this Agreement is provided under this Agreement.

b. **Cummins Exchange Components, Other Exchange Components, and Recon:** Cummins will administer the Cummins exchange component warranty and the warranties of other manufacturers' exchange components or Recon Components which are sold by Cummins. In the event of defects in such items, only manufacturers' warranties will apply.

c. **HHP Exchange Engine:** HHP Exchange Engines remanufactured by Cummins under this Agreement are governed by the express Cummins' written warranty. No other warranty for HHP exchange Engines supplied under this Agreement is provided under this Agreement.

d. **General Service Work:** All Services shall be free from defects in workmanship (i) for power generation equipment (including engines in such equipment), for a period of ninety (90) days after completion of Services or 500 hours of operation, whichever occurs first; or (ii) for engines, for a period of ninety (90) days after completion of Services, 25,000 miles or 900 hours of operation, whichever occurs first. In the event of a warrantable defect in workmanship of Services supplied under this Agreement ("Warrantable Defect"), Cummins' obligation shall be solely limited to correcting the Warrantable Defect. Cummins shall correct the Warrantable Defect where (i) such Warrantable Defect becomes apparent to Customer during the warranty period; (ii) Cummins receives written notice of the Warrantable Defect within thirty (30) days following discovery by Customer; and (iii) Cummins has determined that there is a Warrantable Defect. Warrantable Defects remedied under this provision shall be subject to the remaining warranty period of the original warranty of the Services. New Goods supplied during the remedy of Warrantable Defects are warranted for the balance of the warranty period still available from the original warranty of such Goods.

e. **Used Goods:** Used Goods are sold "as is, where is" unless exception is made in writing between Cummins and Customer. Customer agrees to inspect all used Goods before completing the purchase.

f. **THE REMEDIES PROVIDED IN THE LIMITED WARRANTIES AND THIS AGREEMENT ARE THE SOLE AND EXCLUSIVE WARRANTIES AND REMEDIES PROVIDED BY CUMMINS TO THE CUSTOMER UNDER THIS AGREEMENT. EXCEPT AS SET OUT IN THE WARRANTY AND THIS AGREEMENT, AND TO THE EXTENT PERMITTED BY LAW, CUMMINS EXPRESSLY DISCLAIMS ALL OTHER REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, AND CONDITIONS OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY STATUTORY OR COMMON LAW IMPLIED REPRESENTATIONS, WARRANTIES AND CONDITIONS OF FITNESS FOR A PURPOSE OR MERCHANTABILITY.**

8. **INDEMNIFICATION.** Customer shall indemnify, defend and hold harmless Cummins from and against any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, brought against or incurred by Cummins related to or arising out of this Agreement or the Services and/or Goods supplied under this Agreement (collectively, the "Claims"), where such Claims were caused or contributed, in whole or in part, by the acts, omissions, fault or negligence of the Customer. Customer shall present any Claims covered by this indemnity, including any tenders for defense and indemnity by Cummins to its insurance carrier unless Cummins directs that the defense will be handled by Cummins' legal counsel at Customer's expense.

9. **LIMITATION OF LIABILITY. NOTWITHSTANDING ANY OTHER TERM OF THIS AGREEMENT, IN NO EVENT SHALL CUMMINS, ITS OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING WITHOUT LIMITATION DOWNTIME, LOSS OF PROFIT OR REVENUE, LOSS OF DATA, LOSS OF OPPORTUNITY, DAMAGE TO GOODWILL, ENHANCED DAMAGES, MONETARY REQUESTS RELATING TO RECALL EXPENSES AND REPAIRS TO PROPERTY, AND/OR DAMAGES CAUSED BY DELAY) IN ANY WAY RELATED TO OR ARISING FROM CUMMINS' SUPPLY OF GOODS OR SERVICES UNDER THIS AGREEMENT. IN NO EVENT SHALL CUMMINS' LIABILITY TO CUSTOMER OR ANY THIRD PARTY CLAIMING DIRECTLY THROUGH CUSTOMER OR ON CUSTOMER'S BEHALF UNDER THIS AGREEMENT EXCEED THE TOTAL COST OF GOODS AND SERVICES SUPPLIED BY CUMMINS UNDER THIS AGREEMENT GIVING RISE TO THE CLAIM. BY ACCEPTANCE OF THIS AGREEMENT, CUSTOMER ACKNOWLEDGES CUSTOMER'S SOLE REMEDY AGAINST CUMMINS FOR ANY LOSS SHALL BE THE REMEDY PROVIDED HEREIN EVEN IF THE EXCLUSIVE REMEDY IN SECTION 7 IS DEEMED TO HAVE FAILED OF ITS ESSENTIAL PURPOSE.**

10. **GOVERNING LAW AND JURISDICTION.** This Agreement and all matters arising hereunder shall be governed by and construed in accordance with the laws of the State of Indiana without giving effect to any choice or conflict of law provision. The parties agree that the court of the State of Indiana shall have exclusive jurisdiction to settle any dispute or claim arising in connection with this Agreement.

11. **ASSIGNMENT.** This Agreement is binding on the parties and their successors and assigns. Customer shall not assign this Agreement without the prior written consent of Cummins.

12. **CANCELLATION.** Orders placed with and accepted by Cummins may not be cancelled except with Cummins' prior written consent. Cummins may charge Customer a cancellation charge in accordance with current Cummins policy which is available upon request, in addition to the actual, non-recoverable costs incurred by Cummins.

13. **REFUNDS/CREDITS.** Goods ordered and delivered by Cummins under this Agreement are not returnable unless agreed to by Cummins. Cummins may, at its sole discretion, agree to accept Goods for return and provide credit where Goods are in new and saleable condition and presented with a copy of the original invoice. Credits for returns will be subject to up to a 15% handling/restocking charge and are limited to eligible items purchased from Cummins.

14. **INTELLECTUAL PROPERTY.** Any intellectual property rights created by either party, whether independently or jointly, in the course of the performance of this Agreement or otherwise related to Cummins pre-existing intellectual property or subject matter related thereto, shall be Cummins' property. Customer agrees to assign, and does hereby assign, all right, title, and interest to such intellectual property to Cummins. Any Cummins pre-existing intellectual property shall remain Cummins' property. Nothing in this Agreement shall be deemed to have given Customer a license or any other rights to use any of the intellectual property rights of Cummins.

15. **COMPLIANCE WITH LAWS.** Customer shall comply with all laws applicable to its activities under this Agreement, including without limitation, any and all applicable national, provincial, and local export, anti-bribery, environmental, health, and safety laws and regulations in effect. Customer acknowledges that the Goods, and any related technology that are sold or otherwise provided hereunder may be subject to export and other trade controls restricting the sale, export, re-export and/or transfer, directly or indirectly, of such Goods or technology to certain countries or parties, including, but not limited to, licensing requirements under applicable laws and regulations of the United States, the United Kingdom and other jurisdictions. It is the intention of Cummins to comply with these laws, rules, and regulations. Any other provision of this Agreement to the contrary notwithstanding, Customer shall comply with all such applicable laws relating to the cross-border movement of goods or technology, and all related orders in effect from time to time, and equivalent measures. Customer shall accept full responsibility for any and all civil or criminal liabilities and costs arising from any breaches of those laws and regulations and will defend, indemnify, and hold Cummins harmless from and against any and all fines, penalties, claim, damages, liabilities, judgments, costs, fees, and expenses incurred by Cummins or its affiliates as a result of Customer's breach.

16. **CONFIDENTIALITY.** Each party shall keep confidential any information received from the other that is not generally known to the public and at the time of disclosure, would reasonably be understood by the receiving party to be proprietary or confidential, whether disclosed in oral, written, visual, electronic, or other form, and which the receiving party (or agents) learns in connection with this Agreement including, but not limited to: (a) business plans, strategies, sales, projects and analyses; (b) financial information, pricing, and fee structures; (c) business processes, methods, and models; (d) employee and supplier information; (e) specifications; and (f) the terms and conditions of this Agreement. Each party shall take necessary steps to ensure compliance with this provision by its employees and agents.

17. **MISCELLANEOUS.** All notices under this Agreement shall be in writing and be delivered personally, mailed via first class certified or registered mail, or sent by a nationally recognized express courier service to the addresses set forth in the Quote and/or Invoice. No amendment of this Agreement shall be valid unless it is in writing and signed by the parties hereto. Failure of either party to require performance by the other party of any provision hereof shall in no way affect the right to require such performance at any time thereafter or the enforceability of the Agreement generally, nor shall the waiver by a party of a breach of any of the provisions hereof constitute a waiver of any succeeding breach. Any provision of this Agreement that is invalid or unenforceable shall not affect the validity or enforceability of the remaining terms hereof. These terms are exclusive and constitute entire agreement. Customer acknowledges that the provisions were freely negotiated and bargained for and Customer has agreed to purchase of the Goods and/or Services pursuant to these terms and conditions. Acceptance of this Agreement is expressly conditioned on Customer's assent to all such terms and conditions. Neither party has relied on any statement, representation, agreement, understanding, or promise made by the other except as expressly set out in this Agreement.

# Coverage

ReCon® Engine Warranty		
Application	Engine	Coverage*
Automotive (On-Highway applications)	B3.9	2 years, 50,000 miles 80,468 kilometers
	B5.9/ISB/B GAS PLUS/BLPG PLUS	2 years, 100,000 miles 160,935 kilometers
	ISC/C8.3/C GAS PLUS/ISL/ISL G/L GAS PLUS Up to 225HP	2 years, Unlimited
	ISC/C8.3/C GAS PLUS/ISL/ISL G/L GAS PLUS 226 HP & Over	2 years, 100,000 miles 160,935 kilometers
Transit Bus (Excludes Hybrid)	ISB/ISL/ISC	2 years, Unlimited miles
Industrial	B3.9/B5.9/QSB/B GAS PLUS/BLPG PLUS/C8.3/C GAS PLUS/QSC/QSL/ISL G/L GAS PLUS	2 years, 2,000 hours**

## **FEDERAL CONTRACT CLAUSES**

**This project will be financed in part by funds from the Federal Transit Administration (FTA). Accordingly, Federal requirements apply to this contract and if those requirements change then the most recent requirements shall apply to the project as required.**

**A. Energy Conservation**

The Contractor agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Federal Energy Policy and Conservation Act, 49 U.S.C. §§ 6321 et seq.

**B. Clean Water and Air Requirements – Not Applicable**

**C. Lobbying - Not Applicable**

**D. Access to Records and Reports**

Contractor shall provide all authorized representatives of the RTA, the FTA Administrator, and the Comptroller General of the United States access to any books, documents, papers and records of the Contractor which are directly pertinent to this Contract for the purposes of making audits, copies, examinations, excerpts and transcriptions. Contractor also agrees to maintain all books, records, accounts and reports required under this Contract for a period of not less than three years after the date of termination or expiration of this Contract, except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case Contractor agrees to maintain the same until RTA, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims, or exceptions related thereto.

**E. Federal Changes**

Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Agreement (Form FTA MA (18) dated October 1, 2011) between the RTA and the FTA, as they may be amended or promulgated from time to time during the term of this Contract. Contractor's failure to so comply shall constitute a material breach of this Contract.

**F. No Federal Government Obligation to Third Parties**

The RTA and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this Contract and shall not be subject to any obligations or liabilities to the RTA, Contractor, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract. The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

**G. Program Fraud and False or Fraudulent Statements and Related Acts**

The Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 et seq. and U.S. DOT regulations, "Program

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

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

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

#### **H. Government-Wide Debarment and Suspension**

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

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

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

#### **I. Privacy Act**

The following requirements apply to the Contractor and any of its employees that may administer any system of records on behalf of the Federal Government under any contract:

The Contractor agrees to comply with, and assures the compliance of its employees with, the information restrictions and other applicable requirements of the Privacy Act of 1974, U.S.C. §552(a). Among other things, the Contractor agrees to obtain the express consent of the Federal Government before the Contractor or its employees operate a system of records on behalf of the Federal Government. The Contractor understands

that the requirements of the Privacy Act, including the civil and criminal penalties for violation of that Act, apply to those individuals involved, and that failure to comply with the terms of the Privacy Act may result in termination of the underlying contract.

The Contractor also agrees to include these requirements in each subcontract to administer any system of records on behalf of the Federal Government financed in whole or in part with Federal assistance provided by FTA.

**J. Civil Rights Requirements**

(1) Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

(2) Equal Employment Opportunity - The following equal employment opportunity requirements apply to the underlying contract:

(a) Race, Color, Creed, National Origin, Sex - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

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

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

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

**K. Incorporation of Federal of Federal Transit Administration (FTA) Terms**

The preceding provisions include, in part, certain Standard Terms and Conditions required by U.S. DOT, whether or not expressly set forth in the preceding contract

provisions. All contractual provisions required by the U.S. DOT, as set forth in FTA Circular 4220. 1F, as may be amended, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Contract. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any RTA requests which would cause the RTA to be in violation of the FTA terms and conditions.

**L. Fly America – Not Applicable**

**M. Disadvantaged Business Enterprise (DBE)**

This Contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.

The Contractor shall maintain compliance with “DBE Approval Certification” throughout the period of Contract performance.

The Contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this Contract. The Contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of this DOT-assisted Contract. Failure by the Contractor to carry out these requirements is a material breach of this Contract, which may result in the termination of this Contract or such other remedy as the Agency deems appropriate. Each subcontract the Contractor signs with a Subcontractor must include the assurance in this paragraph (see 49 CFR 26.13(b)).

**N. Recycled Products.**

To the extent applicable, the CONTRACTOR agrees to comply with U.S. EPA regulations, "Comprehensive Procurement Guidelines for Products Containing Recovered Materials," 40 C.F.R. Part 247, implementing section 6002 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6962, and otherwise provide a competitive preference for products and services that conserve natural resources and protect the environment and are energy efficient.

**O. Cargo Preference – Not Applicable**

**P. Termination**

RTA shall have the right to terminate this Agreement at any time by giving written notice to the CONTRACTOR. Upon receipt of such notice, the CONTRACTOR shall not commit itself to any further expenditure of time or resources.

If the Agreement is terminated for any reason other than a default by CONTRACTOR, RTA shall pay to CONTRACTOR in accordance with the provisions of Sections 16 and 17 all sums actually due and owing from RTA for all services performed and all expenses incurred up to the day written notice of termination is given, plus any costs reasonably and necessarily incurred by CONTRACTOR to effect such or termination. If the Agreement is terminated for default, RTA shall only pay CONTRACTOR the contract price for goods delivered and accepted in accordance with the requirements set forth in this contract.