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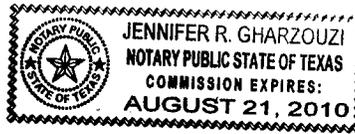
### 3.0 Parts Incorporated

The above-described sections and exhibits, the Bid for Fleet/Vehicle and Equipment Maintenance Services for the City of Houston Airport System ("Bid"), all Addenda and Letters of Clarification to the Bid, and Contractor's written responses to the Bid, Addenda and Letters of Clarification are incorporated into this Agreement.

### 4.0 Controlling Parts

If a conflict among the sections or exhibits arises, the exhibits control over the sections, and the sections and exhibits control over the Bid, Addenda, Letters of Clarification and Contractor's written responses. If a conflict between the Bid and the Addenda and Letters of Clarification arises, the Addenda and Letters of Clarification control over the Bid.

State of Texas County of Dallas  
Sworn to and subscribed before me this 17th  
day of September, 2006  
J. R. Murray Notary Public



5.0 Signatures

The Parties have executed this Agreement in multiple copies, each of which is an original.

ATTEST/SEAL (if a corporation):  
WITNESS (if not a corporation):

FIRST SUPPORT SERVICES, INC.  
Contractor

By: \_\_\_\_\_  
Name:  
Title:  
Tax Identification No: 75-1909326

By: Dave Larsen  
Name: DAVE LARSEN  
Title: VICE PRESIDENT

ATTEST/SEAL:

[Signature]  
City Secretary

CITY OF HOUSTON, TEXAS  
Signed by:

Bill White  
Mayor [Signature]

APPROVED:

[Signature]  
Richard M. Vacar, A.A.E.  
Director, Houston Airport System

APPROVED:

[Signature]  
Purchasing Agent

COUNTERSIGNED BY:

[Signature]  
City Controller [Signature]

APPROVED AS TO FORM:

[Signature]  
Sr. Assistant City Attorney  
L.D. File No. 0040600209001

DATE COUNTERSIGNED:

1-26-07

## II. DEFINITIONS

As used in this Agreement, the following terms have the meanings set out below:

**"Acceptable"** means that services and equipment performance meet or exceed the requirements of this Agreement.

**"Acceptance"** shall be determined by the Director and occurs when the Director determines that the unit of Work specified under the Agreement is complete and acceptable.

**"Acceptable Equivalent"** means any equipment, part or product that complies with existing industry standards governing its manufacture or use, and that is a functional equivalent of any equipment, part, product or specification described herein, or, which functionally satisfies an approved, negotiated or specified use made a part hereof.

**"Agreement"** means this contract between the parties including all exhibits, authorized change orders, and any written amendments authorized by City Council and Contractor.

**"Air Operations Area (AOA)"** means any area of the airport used or intended to be used for the landing, takeoff, or surface maneuvering of aircraft. An air operations area shall include such paved and unpaved areas that are used or intended to be used for unobstructed movement of aircraft in addition to its associated runway, taxi-way or apron.

**"Airport(s)"** mean George Bush Intercontinental Airport/Houston (IAH), William P. Hobby Airport (HOU), and Ellington Field (EFD).

**"Approval"** means the Director's final authorization for a task to commence, but does not mean the work performed is acceptable.

**"Approved"** means the task or completed portion thereof has been reviewed by the Director and has been found acceptable.

**"Appurtenance(s)"** means certain equipment mounted on vehicles or equipment that is not associated with the vehicle or equipment itself i.e., light bars, communications equipment, antennas, spotlights, lift gates, air compressors and tanks, cranes, welding equipment, safety directional arrows, rooftop air conditioners, installed shelving/bins, and pallet rollers, and items transferred to vehicles and equipment.

**"ASC"** means the Airport Services Complex located at 4500 Will Clayton Parkway, at George Bush Intercontinental Airport/Houston.

**"Basic Services"** mean those services described in Exhibit "A" – Performance/Work Statement.

**"CMMS"** means Computerized Maintenance Management System.

**"City"** is defined in Section I of this Agreement and includes its successors and assigns.

**"Company or Contractor"** is defined in Section I of this Agreement and includes its successors and assigns.

**"Contract or Agreement"** means the Agreement, and written amendments authorized by City Council and Contractor or change orders authorized by this Agreement between the City and Contractor whereby Contractor shall provide all specified Work in connection with the Agreement.

**"Director"** means the Director of the Houston Airport System or the City Purchasing Agent, or their designee in writing. The Agreement designates certain functions to be performed by the Director. For the purposes of the Agreement, those functions are assigned to the Assistant Director of Aviation, Technical Services Division. The Assistant Director of Aviation, Technical Service Division may delegate certain functions to other HAS employees, with the approval of the Director.

**"EFD"** means Ellington Field.

**"Effective Date"** means the date the Agreement is countersigned by the City Controller.

**"Equipment"** means all machinery, together with the necessary supplies for upkeep and maintenance, and also all tools and apparatus necessary for the proper and acceptable completion of the specified Work.

**"Furnish"** means to supply and deliver to the appropriate Airport site, ready for unloading, unpacking, assembly, installation, use, etc., as applicable in each instance.

**"Good Fleet Management Practices"** means practices generally recognized as optimum by prudent fleet operators for obtaining maximum functional and economic utility from fleet units during the period of retention.

**"HOU"** means William P. Hobby Airport.

**"Houston Airport System (HAS)"** means the property and facilities of the City of Houston Department of Aviation which include, but are not limited to, George Bush Intercontinental Airport/Houston (IAH), William P. Hobby Airport (HOU), Ellington Field (EFD), and the Houston Airport System Administration Buildings.

**"Include" and "Including"** and words of similar import, shall be deemed to be followed by the words "without limitation".

**"IAH"** means George Bush Intercontinental Airport/Houston.

**"In-Commission"** means that a vehicle or piece of equipment is in a state of repair that meets all conditions of maintenance provided under this Agreement and that the unit is available for the use intended. In-Commission means further that the unit: A. is in safe operating condition; B. requires no remedial repair; and C. has up-to-date Preventive Maintenance or does not fall below acceptable levels of deferred Preventive Maintenance.

**"Maintenance Facilities"** means the shop and office facilities the City provides to the Contractor. Such facilities are provided at each of the Airports.

**"Maintenance Service"** means both Preventive Maintenance and Remedial Maintenance.

**"Manufacturer"** means the original manufacturer or producer of a part or component.

**"Notice to Proceed"** means a written communication from the Director to Contractor instructing Contractor to begin performance.

**"OEM"** means the Original Equipment Manufacturer.

**"Operation or Operational"** means that the vehicle or equipment is maintained at the level necessary to ensure that it is in a state of readiness for its intended use or full functional status, and maintained in such condition for the use for which it is intended. This term does not mean the Contractor is to operate the equipment or vehicle except for the purpose of ensuring it is fully maintained and operational under the specification requirements, unless otherwise specified.

**"Operations-Essential"** means those vehicles/equipment that the Director designates in writing as critical to the safety and operation of the Airports. The Director shall provide to the Contractor the initial list of Operations-Essential vehicles/equipment with the Notice to Proceed. Thereafter, the Director shall provide the Project Manager with the revised Operations-Essential List as such vehicles/equipment are included or excluded from the fleet.

**"Other Service Request (OSR)"** is the form used to request Other Work/Services within the scope of this Agreement.

**"Other Work/Services"** means those services described in Exhibit "A," Section "4.0" – Performance/Work Statement as Other Work/Services and other services related to operations and maintenance services, other than Basic Services. Such services are only provided upon the Director's written request.

**"Parties"** means the City and Contractor, who are bound by this Agreement.

**"Preventive Maintenance (PM)"** means maintenance that is scheduled either by run time or by the calendar, to ensure proper operation of systems and equipment with durability, reliability, efficiency, and safety as the principal objectives in accordance with current OEM requirements and recommendations.

**"Provide"** means furnish and install, complete, and ready for intended use, as applicable in each instance.

**"Rebuilt Parts"** mean used parts that have been dismantled and reconstructed as necessary; all internal parts are cleaned and free from rust and corrosion; all impaired, defective, or substantially worn parts are restored to a sound condition or replaced with new, rebuilt, or unimpaired used parts; all missing components are replaced with new, rebuilt or unimpaired used parts; and such other operations are performed as necessary to put the product in sound working condition. Rebuilt Parts must meet or exceed original manufacturer's specifications.

**"Response Time"** means the time period used by Contractor to answer and address a service request call, beginning with such call and ending when Contractor's service representatives start work on the required service.

**"Remedial Maintenance (RM)"** means repair of equipment and systems with parts, materials, and labor to restore performance to the designed function in the event of any breakdown or stoppage of equipment or system where the equipment or system is unable to perform its designed function. RM includes repairs and replacement of related components, parts, and appurtenances that have failed, no longer perform reliably, or have worn beyond safe tolerances.

**"Repair"** means to restore to good or sound working condition.

**"Safe-Operating Condition"** means it is available for the use intended, requires no remedial repair, and has up-to-date PM.

**"Unit"** means any vehicle or piece of equipment as listed in Exhibit "L," including that which may be added or deleted by the inclusion/exclusion notice set forth in Exhibit "O."

**"Vehicle"** means an item or equipment mounted on wheels, tracks, runners, or rollers, which is designated for highway or land operation, that derive power from a self-contained power source or designated to be towed or used in conjunction with such self-propelled equipment.

**"Vehicle" Accessory and Special Equipment"** mean an item added to a vehicle to meet an operational requirement. Items may be transferred from one vehicle and installed on another vehicle when authorized by the Director. Includes spare tire racks, mirrors, horns, hydraulic tail gates, towing hitches, winches, tool boxes, utility boxes, spotlights, emergency light bars, flashing lights and beacons.

**"Work"** means all services to be provided by the Contractor as defined in this Agreement.

### III. DUTIES OF CONTRACTOR

#### 1.0 Scope of Services

1.1 In consideration of the payment specified in this Agreement, Contractor shall provide all labor, supervision, parts, equipment, materials, tools, instruments, expendable items, supplies, reports, transportation, insurance, subcontracts, bonds, and incidentals necessary to perform the Basic Services and, if requested, Other Work/Services described in the Performance/Work Statement set forth in Exhibit "A". Contractor shall not be paid for travel time to and from the job site.

#### 2.0 Duty to Inspect

2.1 Contractor represents that it or its agent has inspected all sites affected by this Agreement and that it is not entitled to additional compensation for its failure to accurately account for all of the work required to be performed under this Agreement.

### 3.0 Invoicing

- 3.1 Contractor shall submit its invoices on forms approved in advance by the Director. Each invoice must be accompanied by support documents as may be requested by the Director. Each invoice Contractor submits must be in duplicate and each copy must include required support documents. Each invoice must be identified by the Contract name and Contractor number. All invoices are to be delivered or mailed to the following location:

The City of Houston  
Houston Airport System  
Accounts Payable Section  
P.O. Box 60106  
Houston, Texas 77205-0106

### 4.0 Payment of Subcontractors

- 4.1 Contractor shall make timely payments to all persons and entities supplying labor, materials, services, or equipment for the performance of this Agreement. **CONTRACTOR SHALL DEFEND AND INDEMNIFY THE CITY FROM ANY CLAIMS OR LIABILITY ARISING OUT OF CONTRACTOR'S FAILURE TO MAKE THESE PAYMENTS.** Contractor shall submit disputes relating to payment of MWBE subcontractors to arbitration in the same manner as any other disputes under the MWBE subcontract.

### 5.0 Personnel of Contractor

- 5.1 Contractor shall provide sufficient, fully qualified personnel to meet the performance requirements set forth in Exhibit "A". Contractor shall replace any of its personnel or subcontractors whose work product is deemed unsatisfactory by the Director.

### 6.0 RELEASE

- 6.1 **EXCEPT FOR THE CITY'S GROSS NEGLIGENCE OR WILFUL MISCONDUCT, CONTRACTOR AGREES TO AND SHALL RELEASE THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.**

### 7.0 INDEMNIFICATION

- 7.1 **CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEY'S FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH,**

DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

7.1.1 CONTRACTOR'S AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY IN NUMBERED PARAGRAPHS 7.1.1-7.1.3, "CONTRACTOR") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;

7.1.2 THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT; AND

7.1.3 THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT.

7.2 CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THE AGREEMENT TERMINATES. CONTRACTOR'S INDEMNIFICATION IS LIMITED TO \$1,000,000 PER OCCURRENCE. CONTRACTOR SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.

7.3 CONTRACTOR SHALL REQUIRE ALL OF ITS SUBCONTRACTORS (AND THEIR SUBCONTRACTORS) TO RELEASE AND INDEMNIFY THE CITY TO THE SAME EXTENT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE AND INDEMNITY TO THE CITY.

**8.0 RELEASE AND INDEMNIFICATION - PATENT, COPYRIGHT, TRADEMARK, AND TRADE SECRET INFRINGEMENT**

8.1 CONTRACTOR AGREES TO AND SHALL RELEASE AND DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL CLAIMS OR CAUSES OF ACTION BROUGHT AGAINST THE CITY BY ANY PARTY, INCLUDING CONTRACTOR, ALLEGING THAT THE CITY'S USE OF ANY EQUIPMENT, SOFTWARE, PROCESS, OR DOCUMENTS CONTRACTOR FURNISHES DURING THE TERM OF THIS AGREEMENT INFRINGES ON A PATENT, COPYRIGHT, OR TRADEMARK, OR MISAPPROPRIATES A TRADE SECRET. CONTRACTOR SHALL PAY ALL COSTS (INCLUDING, WITHOUT LIMITATION, ATTORNEY'S FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS, AND INTEREST) AND DAMAGES AWARDED.

8.2 CONTRACTOR SHALL NOT SETTLE ANY CLAIM ON TERMS WHICH PREVENT THE CITY FROM USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS WITHOUT THE CITY'S PRIOR WRITTEN CONSENT.

8.3 WITHIN 60 DAYS AFTER BEING NOTIFIED OF THE CLAIM, CONTRACTOR SHALL, AT ITS OWN EXPENSE, EITHER (1) OBTAIN FOR THE CITY THE RIGHT TO CONTINUE USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS OR, (2) IF BOTH PARTIES AGREE, REPLACE OR MODIFY THEM WITH COMPATIBLE AND FUNCTIONALLY EQUIVALENT PRODUCTS. IF NONE

OF THESE ALTERNATIVES IS REASONABLY AVAILABLE, THE CITY MAY RETURN THE EQUIPMENT, SOFTWARE, OR DOCUMENTS, OR DISCONTINUE THE PROCESS, AND CONTRACTOR SHALL REFUND THE PURCHASE PRICE.

## 9.0 INDEMNIFICATION PROCEDURES

9.1 Notice of Claims. If the City or Contractor receives notice of any claim or circumstances which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 10 days. The notice must include the following:

9.1.1 a description of the indemnification event in reasonable detail,

9.1.2 the basis on which indemnification may be due, and

9.1.3 the anticipated amount of the indemnified loss.

9.2 This notice does not estop or prevent the City from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If the City does not provide this notice within the 10 day period, it does not waive any right to indemnification except to the extent that Contractor is prejudiced, suffers loss, or incurs expense because of the delay.

## 9.3 Defense of Claims

9.3.1 Assumption of Defense. Contractor may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the City. Contractor shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Contractor must advise the City as to whether or not it will defend the claim. If Contractor does not assume the defense, the City shall assume and control the defense, and all defense expenses constitute an indemnification loss.

9.3.2 Continued Participation. If Contractor elects to defend the claim, the City may retain separate counsel to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Contractor may settle the claim without the consent or agreement of the City, unless it (i) would result in injunctive relief or other equitable remedies or otherwise require the City to comply with restrictions or limitations that adversely affect the City, (ii) would require the City to pay amounts that Contractor does not fund in full, (iii) would not result in the City's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

10.0 Insurance

10.1 Contractor shall maintain in effect certain insurance coverage, which is described as follows:

10.1.1 Minimum Insurance Requirements. Contractor shall maintain the following insurance coverage in the following amounts:

<u>(Coverage)</u>	<u>(Limit of Liability)</u>
Workers' Compensation	Statutory for Workers' Compensation
Employer's Liability	Bodily Injury by accident \$500,000 (each accident) Bodily Injury by Disease \$500,000 (policy limit) Bodily Injury by Disease \$500,000 (each employee)
Commercial General Liability: Including Broad Form Coverage, Contractual Liability, Bodily and Personal Injury, and Completed Operations	Bodily Injury and Property Damage, Combined Limits of \$2,000,000 each Occurrence and \$4,000,000 aggregate
Automobile Liability Insurance (for vehicles Contractor uses in performing under this Agreement, including Employer's Non-Owned and Hired Auto Coverage)	\$1,000,000 combined single limit

Defense costs are excluded from the face amount of the policy.  
Aggregate Limits are per 12-month policy period  
unless otherwise indicated.

- 10.2 Form of Policies. The Director may approve the form of the insurance policies, but nothing the Director does or fails to do relieves Contractor from its duties to provide the required coverage under this Agreement. The Director's actions or inactions do not waive the City's rights under this Agreement.
- 10.3 Issuers of Policies. The issuer of any policy (1) shall have a Certificate of Authority to transact insurance business in Texas or (2) shall be an eligible non-admitted insurer in the State of Texas and have a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition Best's Key Rating Guide.
- 10.4 Insured Parties. Each policy, except those for Workers' Compensation, Employer's Liability, and Professional Liability, must name the City (and its officers, agents, and employees) as Additional Insured parties on the original policy and all renewals or replacements.
- 10.5 Deductibles. Contractor shall be responsible for and pay any claims or losses to the extent of any deductible amounts and waives any claim it may have for the same against the City, its officers, agents, or employees.

- 10.6 Cancellation. Each policy must state that it may not be canceled, materially modified, or nonrenewed unless the insurance company gives the Director 30 days' advance written notice. Contractor shall give written notice to the Director within five days of the date on which total claims by any party against Contractor reduce the aggregate amount of coverage below the amounts required by this Agreement. In the alternative, the policy may contain an endorsement establishing a policy aggregate for the particular project or location subject to this Agreement.
- 10.7 Subrogation. Each policy, except Professional Liability (if any), must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the City, its officers, agents, or employees.
- 10.8 Endorsement of Primary Insurance. Each policy, except Workers' Compensation and Professional Liability (if any), must contain an endorsement that the policy is primary to any other insurance available to the Additional Insured with respect to claims arising under this Agreement.
- 10.9 Liability for Premium. Contractor shall pay all insurance premiums, and the City shall not be obligated to pay any premiums.
- 10.10 Subcontractors. Contractor shall require all subcontractors to carry insurance naming the City as an additional insured and meeting all of the above requirements except amount. The amount must be commensurate with the amount of the subcontract, but in no case less than \$500,000 per occurrence. Contractor shall provide copies of insurance certificates to the Director.
- 10.11 Proof of Insurance.
- 10.11.1 Prior to execution of this Agreement, Contractor shall furnish the Director with Certificates of Insurance, along with an Affidavit from Contractor confirming that the Certificates accurately reflect the insurance coverage maintained. If requested in writing by the Director, Contractor shall furnish the City with certified copies of Contractor's actual insurance policies.
- 10.11.2 Contractor shall continuously and without interruption, maintain in force the required insurance coverages specified in this Section. If Contractor does not comply with this requirement, the Director, at his or her sole discretion, may:
- 10.11.2.1 immediately suspend Contractor from any further performance under this Agreement and begin procedures to terminate for default, or
- 10.11.2.2 purchase the required insurance with City funds and deduct the cost of the premiums from amounts due to Contractor under this Agreement.
- 10.11.3 The City shall never waive or be estopped to assert its right to terminate this Agreement because of its acts or omissions regarding its review of insurance documents.

10.12 Other Insurance. If requested by the Director, Contractor shall furnish adequate evidence of Social Security and Unemployment Compensation Insurance, to the extent applicable to Contractor's operations under this Agreement.

## 11.0 Warranties

11.1 Contractor warrants that it shall perform all work in a good and workmanlike manner meeting the standards of quality prevailing in Harris County, Texas, for work of this kind. Contractor shall perform all work using trained and skilled persons having substantial experience performing the work required under this Agreement.

11.2 With respect to any parts, instruments, equipment, and goods it furnishes, Contractor warrants:

11.2.1 that all items are free of defects in title, design, material, and workmanship,

11.2.2 that each item meets or exceeds the manufacturer's specifications and requirements for the equipment, structure, or other improvement in which the item is installed,

11.2.3 that each replacement item is new, in accordance with original equipment manufacturer's specifications, and of a quality at least as good as the quality of the item which it replaces (when the replaced item was new),

11.2.4 that no items or their use infringe any patent, copyright, or other proprietary rights. In the event Contractor becomes aware of such an infringement, Contractor will replace the items that are the subject of the infringement with non-infringing items in a timely manner; and

11.2.5 that for one year from the date of any installation ("Warranty Period"), Contractor shall provide all parts, instruments, equipment, and goods required to complete all Preventive and Remedial Maintenance required under this Agreement at no cost to the City. This warranty is in addition to Contractor's obligation to provide Basic Services under this Agreement. When the manufacturer's warranty period for any parts, instruments, equipment, and goods is greater than 1 year, the longer period prevails.

11.3 Contractor shall manage and enforce on the City's behalf all manufacturer warranties issued before the Effective Date of this Agreement, during the Term of this Agreement, and any extensions. Contractor shall not be entitled to any additional compensation for the management and enforcement of these manufacturer warranties. If Contractor does not exhaust all remedies, including litigation, against a manufacturer who fails to honor all or a part of a warranty, it shall not receive additional compensation from the City for the labor and material costs it incurs to repair or replace the item that otherwise would have been under warranty.

## 12.0 Maintenance Audit

12.1 At any time during the term of this Agreement or any extensions, the Director, without notice to the Contractor and at HAS' expense, may provide for a third party maintenance audit. Contractor shall rectify any deficiencies in performance

discovered by such audit for which Contractor is responsible to the Director's satisfaction at no cost to the City within 10 days of receipt of a notice of any deficiency. Further, the Contractor shall provide the Director with a written explanation for such deficiency in performance and a plan to prevent future deficiencies within 15 days of receipt of such notice. Failure of the Contractor to timely rectify the deficiency or provide the written explanation and plan to the Director shall be grounds for termination for cause as provided in Section V.

12.2 At any time during the term of this Agreement or any extensions, the Director, without notice to the Contractor, may conduct or cause to be conducted inspections of Contractor's work performance, equipment, inventory, logs and work sites. Contractor shall rectify any deficiencies discovered by such inspection to the Director's satisfaction within 10 days of receipt of a notice of any such deficiency at no cost to the City if caused by the Contractor or its subcontractors.

### 13.0 Confidentiality

13.1 Contractor, its agents, employees, contractors, and subcontractors shall hold all City information, data, and documents (collectively, "the Information") that they receive, prepare, or to which they have access, in strictest confidence. Contractor, its agents, employees, contractors, and subcontractors shall not disclose, disseminate, or use the Information unless the Director authorizes it in writing. Contractor shall establish procedures to ensure confidentiality of the Information and to prevent its unauthorized use and disclosure. Contractor shall obtain written agreements from its agents, employees, contractors, and subcontractors who perform work under this Agreement, which bind them to the terms in this paragraph.

### 14.0 Use of Work Products

14.1 Contractor conveys and assigns to the City its entire interest and full ownership worldwide in and to any work, invention, and all Documents, and the copyrights, patents, trademarks, trade secrets, and any other proprietary rights therein (collectively "Proprietary Rights") that Contractor, its agents, employees, contractors, and subcontractors (collectively "Authors") develop, write, or produce under this Agreement (collectively "Works").

14.2 The Authors shall not claim or exercise any Proprietary Rights related to the Works. If requested by the Director, Contractor shall place a conspicuous notation on any Works which indicates that the City owns the Proprietary Rights.

14.3 Contractor shall execute all documents required by the Director to further evidence this assignment and ownership. Contractor shall cooperate with the City in registering, creating, and enforcing Proprietary Rights arising under this Agreement. If Contractor's assistance is requested and rendered under this Section, the City shall reimburse Contractor for all out-of-pocket expenses it incurs in rendering assistance, subject to the availability of funds. On termination of this Agreement, or if requested by the Director, Contractor shall deliver all Works to the City. Contractor shall obtain written agreements from the Authors which bind them to the terms in this Section.

14.4 All Works developed, written, or produced under this Agreement for use as a contribution to a collective work; a part of a motion picture or other audiovisual work;

a translation; a supplementary work; a compilation; an instructional text; a test; answer material for a test; or an atlas, are "works made for hire."

14.5 Contractor may retain copies of the Works for its archives. Contractor shall not otherwise use, sell, license, or market the Works.

#### 15.0 Licenses and Permits

15.1 Contractor shall obtain, maintain, and pay for all licenses, permits, and certificates including all professional licenses required by this Agreement, any statute, ordinance, rule, or regulation. This requirement includes, without limitation, certification of the on-site technicians. Contractor shall immediately notify the Director of any suspension, revocation, or other detrimental action against required licenses or certifications.

#### 16.0 Compliance with Laws

16.1 Contractor shall comply with all applicable state and federal laws and regulations; the City Charter and Code of Ordinances; and HAS' rules and regulations.

#### 17.0 Compliance with Equal Opportunity Ordinance

17.1 Contractor shall comply with the City's Equal Employment Opportunity Ordinance as set out in Exhibit "C."

#### 18.0 Minority and Women Business Enterprises

18.1 It is the City's policy to ensure that Minority and Women Business Enterprises ("MWBEs") have the full opportunity to compete for and participate in City contracts. The objectives of Chapter 15, Article V of the City of Houston Code of Ordinances, relating to City-wide Percentage Goals for contracting with MWBEs, are incorporated into this Agreement.

18.2 Contractor shall make good faith efforts to award subcontracts or supply agreements in at least 12% of the value of this Agreement to MWBEs. The City's policy does not require Contractor to in fact meet or exceed this goal, but it does require Contractor to objectively demonstrate that it has made good faith efforts to do so. To this end, Contractor shall maintain records showing:

18.2.1 subcontracts and supply agreements with Minority Business Enterprises,

18.2.2 subcontracts and supply agreements with Women's Business Enterprises, and

18.2.3 specific efforts to identify and award subcontracts and supply agreements to MWBEs. Contractor shall submit periodic reports of its efforts under this Section to the Affirmative Action Director in the form and at the times he or she prescribes.

18.3 Contractor shall require written subcontracts with all MWBE subcontractors and suppliers and shall submit all disputes with MWBE subcontractors to binding arbitration in Houston, Texas, if directed to do so by the Affirmative Action Director.

All agreements must contain the terms set out in Exhibit "D." If Contractor is an individual person (as distinguished from a corporation, partnership, or other legal entity), and the amount of the subcontract is \$50,000 or less, then the subcontract must also be signed by the attorneys of the respective parties.

## 19.0 Performance Bond

19.1 Contractor shall furnish and maintain a performance bond for \$500,000 conditioned on Contractor's full and timely performance of the Agreement (and payment of subcontractors). If the City exercises any option period, Contractor shall maintain a Performance Bond in the amount of \$500,000 for the option period exercised. The bond must be in substantially the form attached as Exhibit "E" and issued by a corporate surety authorized and admitted to write surety bonds in Texas. If the amount of the bond exceeds \$100,000, the surety must be listed on the current list of accepted sureties on federal bonds published by the United States Treasury Department or reinsured for any liability in excess of \$100,000 by a reinsurer listed on the U.S. Treasury list.

## 20.0 Drug Abuse Detection and Deterrence

20.1 It is the policy of the City to achieve a drug-free workforce and workplace. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by contractors while on City Premises is prohibited. Contractor shall comply with all the requirements and procedures set forth in the Mayor's Drug Abuse Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31 ("Executive Order"), which is incorporated into this Agreement and is on file in the City Secretary's Office.

20.2 Before the City signs this Agreement, Contractor shall file with the Contract Compliance Officer for Drug Testing ("CCODT"),

20.2.1 a copy of its drug-free workplace policy,

20.2.2 the Drug Policy Compliance Agreement substantially in the form set forth in Exhibit "F," together with a written designation of all safety impact positions and,

20.2.3 if applicable (e.g. no safety impact positions), the Certification of No Safety Impact Positions, substantially in the form set forth in Exhibit "G."

20.3 If Contractor files a written designation of safety impact positions with its Drug Policy Compliance Agreement, it also shall file every 6 months during the performance of this Agreement or on completion of this Agreement if performance is less than 6 months, a Drug Policy Compliance Declaration in a form substantially similar to Exhibit "H". Contractor shall submit the Drug Policy Compliance Declaration to the CCODT within 30 days of the expiration of each 6-month period of performance and within 30 days of completion of this Agreement. The first 6-month period begins to run on the date the City issues its Notice to Proceed or if no Notice to Proceed is issued, on the first day Contractor begins work under this Agreement.

120.3.1 Contractor also shall file updated designations of safety impact positions with the CCODT if additional safety impact positions are added to Contractor's employee work force.

20.3.2 Contractor shall require that its subcontractors comply with the Executive Order and Contractor shall secure and maintain the required documents for City inspection.

## 21.0 Environmental Laws

21.1 Contractor shall comply with all rules, regulations, statutes, or orders of the Environmental Protection Agency ("EPA"), the Texas Commission on Environmental Quality ("TCEQ"), and any other governmental agency with the authority to promulgate environmental rules and regulations ("Environmental Laws"). Contractor shall promptly reimburse the City for any fines or penalties levied against the City because of Contractor's failure to comply.

21.2 Contractor shall not possess, use, generate, release, discharge, store, dispose of, or transport any Hazardous Materials on, under, in, above, to, or from the site except in strict compliance with the Environmental Regulations. "Hazardous Materials" mean any substances, materials, or wastes that are or become regulated as hazardous or toxic substances under any applicable federal, state, or local laws, regulations, ordinances, or orders. Contractor shall not deposit oil, gasoline, grease, lubricants, or any ignitable or hazardous liquids, materials, or substances in the City's storm sewer system or sanitary sewer system or elsewhere on City Property in violation of the Environmental Laws.

## 22.0 Airport Security

22.1 Contractor shall comply with all HAS, TSA, FAA and any other governmental agency security directives, rules and regulations. The FAA may assess fines and/or penalties for Contractor's non-compliance with the provisions of 49 CFR 1540 and 1542, as amended from time to time, or by other agencies for noncompliance with laws or regulations applicable to Contractor's operations. Within 10 days of notification in writing, Contractor shall reimburse the City for any fine or penalty assessed against the City because of Contractor's non-compliance with 49 CFR 1540 and 1542 or other applicable laws or regulations.

## 23.0 Conflicts of Interest

23.1 If a potential or actual conflict of interests arises between the City's interests and the interests of other clients Contractor represents, Contractor shall immediately notify the City Attorney and Mayor by fax transmission or telephone and request consent. The City shall be deemed to consent to the conflict unless the Mayor or City Attorney sends a written notice that the City declines to consent within 3 business days after the City receives the notice. If the City does not consent, Contractor shall immediately take steps to resolve the conflict.

## IV. DUTIES OF CITY

### 1.0 Payment Terms

- 1.1 Subject to all the terms and conditions of this Agreement, the City shall pay to Contractor, and Contractor accepts the fees specified in Exhibit "B," Fee Schedule, for all work provided by Contractor and its subcontractors under this Agreement. If hourly rates and fees for Other Work/Services are not stated in Exhibit "B", the rates will be based on the Parties' written agreement, which must be established in accordance with the terms of this Agreement. All such rates and fees must be ordinary and reasonable for the type of work performed.
- 1.2 If the City pays Contractor for work performed by any subcontractor or for parts, supplies, equipment, or materials provided by any supplier, and Contractor withholds or has withheld payment to the subcontractor or supplier because of a deficiency in the quality or quantity of that subcontractor's or supplier's work or materials, the City may withhold a corresponding amount from any pending or future payments to Contractor until the next regular payment to Contractor occurring after the City receives reasonable documentation that the deficiency has been remedied.
- 1.3 All invoices are subject to approval by the Director and are due and payable on or about 30 days after receipt and approval by the Director. All payments must be made by check made payable to Contractor. The City will not unreasonably delay or withhold payment or approval of any invoice. Neither payments made nor approval of invoices or services by the Director shall be construed as final acceptance or approval of that part of Contractor's services to which such payment or approval relates. Such payments do not relieve Contractor of any of its obligations under this Agreement.

### 2.0 Taxes

- 2.1 The City is exempt from payment of Federal Excise and Transportation Tax and Texas Limited Sales and Use Tax. Contractor's invoices to the City must not contain assessments of any of these taxes. The Director will furnish the City's exemption certificate and federal tax identification number to Contractor if requested.

### 3.0 Method of Payment - Disputed Payments

- 3.1 If the City disputes any items in an invoice Contractor submits for any reason, including lack of supporting documentation, the Director shall temporarily delete the disputed item and pay the remainder of the invoice. The Director shall promptly notify Contractor of the dispute and request remedial action. After the dispute is settled, Contractor shall include the disputed amount on a subsequent regularly scheduled invoice or on a special invoice for the disputed item only.

### 4.0 Limit of Appropriation

- 4.1 The City's duty to pay money to Contractor for any purpose under this Agreement is limited in its entirety by the provisions of this Section.

- 4.2 In order to comply with Article II, Sections 19 and 19a of the City's Charter and Article XI, Section 5 of the Texas Constitution, the City has appropriated and allocated the sum of \$2,686,244.32 to pay money due under this Agreement (the "Original Allocation"). The executive and legislative officers of the City, in their discretion, may allocate supplemental funds for this Agreement, but they are not obligated to do so. Therefore, the parties have agreed to the following procedures and remedies.
- 4.2 The City makes a supplemental allocation by sending a notice signed by the Director and the City Controller to Contractor and, where in excess of the amount specified in Paragraph (4) below, approved by motion or ordinance of City Council in substantially the following form:

**"NOTICE OF SUPPLEMENTAL ALLOCATION OF FUNDS"**

TO: [Name of Contractor]

FROM: City of Houston, Texas (the "City")

DATE: [Date of notice]

SUBJECT: Supplemental allocation of funds for the purpose of the "[title of this Agreement]" between the City and (name of Contractor) countersigned by the City Controller on (Date of Countersignature) (the "Agreement").

I, (name of City Controller), City Controller of the City of Houston, certify that the supplemental sum of \$\_\_\_\_\_, upon the request of the below-signed Director, has been allocated for the purposes of the Agreement out of funds appropriated for this purpose by the City Council of the City of Houston. This supplemental allocation has been charged to such appropriation.

The aggregate of all sums allocated for the purpose of such Agreement, including the Original Allocation, and all supplemental allocations (including this one), as of the date of this notice, is \$\_\_\_\_\_.

SIGNED:

(Signature of the City Controller)  
City Controller of the City

REQUESTED:

(Signature of the Director)  
Director

- 4.4 City Council delegates to the Director the authority to approve up to \$14,629,734.18 in supplemental allocations for this Agreement without returning to Council.
- 4.5 The Original Allocation plus all supplemental allocations are the Allocated Funds, which include a 25% contingency in the amount of \$3,463,195.70. **For purposes of Change Orders in Section 5.3.3 below, the Original Agreement Amount is \$13,852,782.80.** The City shall never be obligated to pay any money under this

Agreement in excess of the Allocated Funds. Contractor must assure itself that sufficient allocations have been made to pay for services it provides. If Allocated Funds are exhausted, Contractor's only remedy is suspension or termination of its performance under this Agreement and it has no other remedy in law or in equity against the City and no right to damages of any kind.

## 5.0 Changes

- 5.1 At any time during the Agreement Term, the Director may issue a Change Order to increase or decrease the scope of services or change plans and specifications, as he or she may find necessary to accomplish the general purposes of this Agreement. Contractor shall furnish the services or deliverables in the Change Order in accordance with the requirements of this Agreement plus any special provisions, specifications, or special instructions issued to execute the extra work.
- 5.2 The Director will issue the Change Order in substantially the following form:

### CHANGE ORDER

TO: [Name of Contractor]

FROM: City of Houston, Texas (the "City")

DATE: [Date of Notice]

SUBJECT: Change Order under the Agreement between the City and [Name of Contractor] countersigned by the City Controller on [Date of countersignature of the Agreement]

Subject to all terms and conditions of the Agreement, the City requests that Contractor provide the following:

**[Here describe the additions to or changes to the equipment or services and the Change Order Charges applicable to each.]**

Signed:

[Signature of Director]

- 5.3 The Director may issue more than one Change Order, subject to the following limitations:
- 5.3.1 Council expressly authorizes the Director to approve a Change Order up to \$25,000. A Change Order in excess of \$25,000 must be approved by the City Council.
- 5.3.2 If a Change Order describes items that Contractor is otherwise required to provide under this Agreement, the City is not obligated to pay any additional money to Contractor.

5.3.3 The Total of all Change Orders issued under this section may not increase the Original Agreement amount by more than 25%.

5.4 Whenever Contractor receives a Change Order, Contractor shall furnish all material, equipment, and personnel necessary to perform the work described in the Change Order. Contractor shall complete the work within the time prescribed. If no time for completion is prescribed, Contractor shall complete the work within a reasonable time. If the work described in any Change Order causes an unavoidable delay in any other work Contractor is required to perform under this Agreement, Contractor may request a time extension for the completion of the work. The Director's decision regarding a time extension is final.

5.5 A product or service provided under a Change Order is subject to inspection, acceptance, or rejection in the same manner as the work described in the Original Agreement, and is subject to the terms and conditions of the Original Agreement as if it had originally been a part of the Agreement.

5.6 Change Orders are subject to the Allocated Funds provisions of this Agreement.

## 6.0 Access to Site

6.1 Subject to FAA, TSA and HAS rules and regulations, Contractor may enter and leave work sites at all reasonable times without charge. Contractor and its employees may use the common areas and roadways at the Airport where the work sites are located. This excludes parking for Contractor's personnel and does not extend to any restricted area of the Airport, including without limitation, the AOA, which requires the Director's prior written approval and an HAS escort. Contractor shall repair any damage caused by it or its employees, suppliers or subcontractors as a result of their use of the common areas.

## V. TERM AND TERMINATION

### 1.0 Contract Term

1.1 This Agreement is effective on the Effective Date and continues for 3 consecutive years from the date set forth in the Notice to Proceed, unless sooner terminated under this Agreement. Performance begins on the date specified in the Notice to Proceed issued by the Director. Contractor acknowledges that time is of the essence of this Agreement.

### 2.0 Renewals

2.1 If the Director, at his or her sole discretion, gives written notice of renewal to Contractor at least 30 days before expiration of the then-current term and if sufficient funds are allocated then, upon expiration of the initial term, this Agreement is renewed for up to 2 successive one-year terms plus one 90 day term under the same terms and conditions.

### 3.0 Termination for Convenience by City

- 3.1 The Director may terminate this Agreement at any time by giving 30 days written notice to Contractor. The City's right to terminate this Agreement for convenience is cumulative of all rights and remedies which exist now or in the future.
- 3.2 On receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement and cancel all existing orders and subcontracts that are chargeable to this Agreement. As soon as practicable after receiving the termination notice, Contractor shall submit an invoice showing in detail the services performed under this Agreement up to the termination date. The City shall then pay the fees to Contractor for services actually performed, but not already paid for, in the same manner as prescribed in Section IV(A) unless the fees exceed the allocated funds remaining under this Agreement.
- 3.3 TERMINATION OF THIS AGREEMENT AND PAYMENT FOR SERVICES RENDERED ARE CONTRACTOR'S ONLY REMEDIES FOR THE CITY'S TERMINATION FOR CONVENIENCE, WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. CONTRACTOR WAIVES ANY CLAIM (OTHER THAN ITS CLAIM FOR PAYMENT AS SPECIFIED IN THIS SECTION), IT MAY HAVE NOW OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE CITY'S TERMINATION FOR CONVENIENCE.

### 4.0 Termination for Cause by City

- 4.1 If Contractor defaults under this Agreement, the Director may either terminate this Agreement or allow Contractor to cure the default as provided below. The City's right to terminate this Agreement for Contractor's default is cumulative of all rights and remedies which exist now or in the future. Default by Contractor occurs if:
  - 4.1.1 Contractor fails to perform any of its duties under this Agreement;
  - 4.1.2 Contractor becomes insolvent;
  - 4.1.3 all or a substantial part of Contractor's assets are assigned for the benefit of its creditors; or
  - 4.1.4 a receiver or trustee is appointed for Contractor.
- 4.2 If a default occurs, the Director may, but is not obligated to, deliver a written notice to Contractor describing the default and the termination date. The Director, at his or her sole option, may extend the termination date to a later date. If the Director allows Contractor to cure the default and Contractor does so to the Director's satisfaction before the termination date, then the termination is ineffective. If Contractor does not cure the default before the termination date, then the Director may terminate this Agreement on the termination date, at no further obligation of the City.
- 4.3 To effect final termination, the Director must notify Contractor in writing. After receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement, and promptly cancel all orders or subcontracts chargeable to this Agreement.

- 4.4 If, after termination for failure to fulfill contract obligations, it is determined that Contractor had not so failed, the termination shall be deemed to have been effected for the convenience of the City. In such event, Contractor shall be paid in accordance with the provisions of Section V.C. of the Agreement.

5.0 Termination for Cause by Contractor

- 5.1 Contractor may terminate its performance under this Agreement only if the City defaults and fails to cure the default after receiving written notice of it. Default by the City occurs if the City fails to perform one or more of its material duties under this Agreement. If a default occurs and Contractor wishes to terminate the Agreement, then Contractor must deliver a written notice to the Director describing the default and the proposed termination date. The date must be at least 30 days after the Director receives the notice. Contractor, at its sole option, may extend the proposed termination date to a later date. If the City cures the default before the proposed termination date, then the proposed termination is ineffective. If the City does not cure the default before the proposed termination date, then Contractor may terminate its performance under this Agreement on the termination date.

**VI. MISCELLANEOUS**

1.0 Independent Contractor

- 1.1 Contractor is an independent contractor and shall perform the services provided for in this Agreement in that capacity. The City has no control or supervisory powers over the manner or method of Contractors' performance under this Agreement. All personnel Contractor uses or provides are its employees or subcontractors and not the City's employees, agents, or subcontractors for any purpose whatsoever. Contractor is solely responsible for the compensation of its personnel, including but not limited to: the withholding of income, social security, and other payroll taxes and all worker's compensation benefits coverage.

2.0 Force Majeure

- 2.1 Timely performance by both parties is essential to this Agreement. However, neither party is liable for reasonable delays in performing its obligations under this Agreement to the extent the delay is caused by Force Majeure that directly impacts the City or Contractor. The event of Force Majeure may permit a reasonable delay in performance but does not excuse a party's obligations to complete performance under this Agreement. Force Majeure means: fires, interruption of utility services, epidemics in the City, floods, hurricanes, tornadoes, ice storms and other natural disasters, explosions, war, terrorist acts against the City or Contractor, riots, strikes, court orders, and the acts of superior governmental or military authority, and which the affected party is unable to prevent by the exercise of reasonable diligence. The term does not include any changes in general economic conditions such as inflation, interest rates, economic downturn or other factors of general application; or an event that merely makes performance more difficult, expensive or impractical. Force Majeure does not entitle Contractor to extra Reimbursable Expenses or payment.

- 2.2 This relief is not applicable unless the affected party does the following:
- 2.2.1 uses due diligence to remove the effects of the Force Majeure as quickly as possible and to continue performance notwithstanding the Force Majeure; and
  - 2.2.2 provides the other party with prompt written notice of the cause and its anticipated effect.
- 2.3 The Director will review claims that a Force Majeure that directly impacts the City or Contractor has occurred and render a written decision within 14 days. The decision of the Director is final.
- 2.4 The City may perform contract functions itself or contract them out during periods of Force Majeure. Such performance is not a default or breach of this Agreement by the City.
- 2.5 If the Force Majeure continues for more than 14 days from the date performance is affected, the Director may terminate this Agreement by giving 7 days' written notice to Contractor. This termination is not a default or breach of this Agreement. **CONTRACTOR WAIVES ANY CLAIM IT MAY HAVE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE TERMINATION EXCEPT FOR AMOUNTS DUE UNDER THE AGREEMENT UP TO THE TIME THE WORK IS HALTED DUE TO FORCE MAJEURE.**

### 3.0 Severability

- 3.1 If any part of this Agreement is for any reason found to be unenforceable, all other parts remain enforceable unless the result materially prejudices either party.

### 4.0 Entire Agreement

- 4.1 This Agreement merges the prior negotiations and understandings of the Parties and embodies the entire agreement of the Parties. No other agreements, assurances, conditions, covenants (express or implied), or other terms of any kind, exist between the Parties regarding this Agreement.

### 5.0 Written Amendment

- 5.1 Unless otherwise specified elsewhere in this Agreement, this Agreement may be amended only by written instrument executed on behalf of the City (by authority of an ordinance adopted by the City Council) and Contractor. The Director is only authorized to perform the functions specifically delegated to him or her in this Agreement.

### 6.0 Applicable Laws

- 6.1 This Agreement is subject to the laws of the State of Texas, the City Charter and Ordinances, the laws of the federal government of the United States, and all rules and regulations of any regulatory body or officer having jurisdiction.
- 6.2 Venue for any litigation relating to this Agreement is Harris County, Texas.

## 7.0 Notices

7.1 All notices to either party to the Agreement must be in writing and must be delivered by hand, facsimile, United States registered or certified mail, return receipt requested, United States Express Mail, Federal Express, Airborne Express, UPS or any other national overnight express delivery service. The notice must be addressed to the party to whom the notice is given at its address set out in Section I of this Agreement or other address the receiving party has designated previously by proper notice to the sending party. Postage or delivery charges must be paid by the party giving the notice.

## 8.0 Captions

8.1 Captions contained in this Agreement are for reference only, and, therefore, have no effect in construing this Agreement. The captions are not restrictive of the subject matter of any section in this Agreement.

## 9.0 Non-Waiver

9.1 If either party fails to require the other to perform a term of this Agreement, that failure does not prevent the party from later enforcing that term and all other terms. If either party waives the other's breach of a term, that waiver does not waive a later breach of this Agreement.

9.2 An approval by the Director, or by any other employee or agent of the City, of any part of Contractor's performance does not waive compliance with this Agreement or establish a standard of performance other than that required by this Agreement and by law. The Director is not authorized to vary the terms of this Agreement.

## 10.0 Inspections and Audits

10.1 City representatives may perform, or have performed; (1) audits of Contractor's books and records, and (2) inspections of all places where work is undertaken in connection with this Agreement. Contractor shall keep its books and records available for this purpose for at least 4 years after this Agreement terminates. This provision does not affect the applicable statute of limitations.

## 11.0 Enforcement

11.1 The City Attorney or his or her designee may enforce all legal rights and obligations under this Agreement without further authorization. Contractor shall provide to the City Attorney all documents and records that the City Attorney requests to assist in determining Contractor's compliance with this Agreement, with the exception of those documents made confidential by federal or State law or regulation.

## 12.0 Ambiguities

12.1 If any term of this Agreement is ambiguous, it shall not be construed for or against any party on the basis that the party did or did not write it.

### 13.0 Survival

13.1 Contractor shall remain obligated to the City under all clauses of this Agreement that expressly or by their nature extend beyond the expiration or termination of this Agreement, including but not limited to, the indemnity provisions.

### 14.0 Publicity

14.1 Contractor shall make no announcement or release of information concerning this Agreement unless the release has been submitted to and approved, in writing, by the Director.

### 15.0 Parties In Interest

15.1 This Agreement does not bestow any rights upon any third party, but binds and benefits the City and Contractor only.

### 16.0 Successors and Assigns

16.1 This Agreement binds and benefits the Parties and their legal successors and permitted assigns; however, this provision does not alter the restrictions on assignment and disposal of assets set out in the following paragraph. This Agreement does not create any personal liability on the part of any officer or agent of the City.

### 17.0 Business Structure and Assignments

17.1 Contractor shall not assign this Agreement at law or otherwise or dispose of all or substantially all of its assets without the Director's prior written consent. Nothing in this clause, however, prevents the assignment of accounts receivable or the creation of a security interest under Section 9.406 of the Texas Business & Commerce Code. In the case of such an assignment, Contractor shall immediately furnish the City with proof of the assignment and the name, telephone number, and address of the Assignee and a clear identification of the fees to be paid to the Assignee.

17.2 Contractor shall not delegate any portion of its performance under this Agreement without the Director's written consent.

### 18.0 Dispute Resolution

18.1 For purposes of this Section "Project Administrator" means the person the Director designates to monitor the progress of all Parties' performance under this Agreement.

18.2 Except as may otherwise be provided by law, a dispute that (1) does not involve a question of law; (2) arises during the performance of this Agreement; and (3) is not resolved between the Project Administrator and Contractor must be handled as described below:

18.2.1 The Project Administrator shall put its decision in writing and mail or otherwise furnish Contractor with a copy. Contractor may abide by the decision or may appeal the decision to the Director.

18.2.2 If Contractor desires to appeal a decision of the Project Administrator, Contractor must submit a written appeal to the Director. Contractor must file its written appeal within 7 working days following receipt of the Project Administrator's original decision. The Director shall provide Contractor with a written response to the appeal within 14 working days following its receipt. The decision of the Director is final.

#### 19.0 Remedies Cumulative

19.1 Unless otherwise specified elsewhere in this Agreement, the rights and remedies contained in this Agreement are not exclusive, but are cumulative of all rights and remedies which exist now or in the future. Neither party may terminate its duties under this Agreement except in accordance with its provisions.

#### 20.0 Contractor Debt

20.1 IF CONTRACTOR, AT ANY TIME DURING THE TERM OF THIS AGREEMENT, INCURS A DEBT, AS THE WORD IS DEFINED IN SECTION 15-122 OF THE HOUSTON CITY CODE OF ORDINANCES, IT SHALL IMMEDIATELY NOTIFY THE CITY CONTROLLER IN WRITING. IF THE CITY CONTROLLER BECOMES AWARE THAT CONTRACTOR HAS INCURRED A DEBT, SHE SHALL IMMEDIATELY NOTIFY CONTRACTOR IN WRITING. IF CONTRACTOR DOES NOT PAY THE DEBT WITHIN 30 DAYS OF EITHER SUCH NOTIFICATION, THE CITY CONTROLLER MAY DEDUCT FUNDS IN AN AMOUNT EQUAL TO THE DEBT FOR ANY PAYMENTS OWED TO CONTRACTOR UNDER THIS AGREEMENT, AND CONTRACTOR WAIVES ANY RECOURSE THEREFOR.

**EXHIBIT "A"**  
**PERFORMANCE/WORK STATEMENT**

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## SECTION 1

### GENERAL SCOPE OF SERVICES

#### 1.0 SCOPE GENERAL

##### 1.1 SERVICES IN GENERAL

Contractor shall provide complete maintenance services, i.e. all labor, materials, parts, equipment, tools, instruments, expendable items, supplies, reports, transportation, insurance, subcontracts, bonds, incidentals and supervision necessary to perform Preventive Maintenance, Remedial Maintenance and all such related services as may be required to maintain vehicles and equipment as identified in Exhibit "L," modified by Exhibit "N," at the Houston Airport System (HAS).

##### 1.2 BASIC SERVICES (PM)

Basic Services (PM) shall be performed per PM schedule as shown in Section 6.1 and as described by OEM maintenance standards. Contractor shall provide the following, but are not limited to, all management, supervision, labor, parts, materials, equipment, diagnostics, repairs, mobile services (refueling), lubricants, coolants, consumables, tools, instruments, reports, transportation, and incidentals. In addition, all such other related services and such other associated electrical, mechanical, pneumatic, hydraulic services for vehicles and equipment, including appurtenances, as described in 3A.0. ALL VEHICLES/EQUIPMENT CONSIDERED ESSENTIAL SHALL RECEIVE A PM EVERY 30 DAYS. All generators considered essential equipment shall receive an inspection and running check every week, and PM once a month. Contractor shall keep all equipment described in the Agreement in a Safe Operating Condition. Maintenance services shall be performed in accordance with approved OEM maintenance procedures, codes for severe service, and acceptable fleet maintenance practices in order to maintain vehicles in Safe Operating Condition and to ensure the continuity of effective and economical operation of the City vehicles and equipment, with a 99% In-Service-Rate (ISR) per class code per airport, throughout the Term of the Agreement. Basic Services (PM) also includes the removal and replacement of attachments to equipment such as trailers, mowers, etc., and consumable parts including, without limitation, brushes and replacement part brooms on sweepers, concrete saw blades, cable and mower blades. Contractor's sole payment for Basic Services shall be a flat monthly fee per unit as specified in the Fee Schedule.

1.2.1 Contractor shall warrant that all parts, supplies, equipment and tools provided will be new and free from defects. All services must be performed in accordance with acceptable Fleet Management Practices in a thorough, workmanlike manner.

1.2.2 Equipment/vehicles that are unavailable to HAS for immediate use are considered to be out-of-service (VOC).

1.2.3 Contractor shall perform Basic Services (PM) with its on-site staff to include the personnel classifications, staffing program, other unassigned Contractor personnel, and sub-contractor or vendor services required to provide complete Maintenance Services.

##### 1.3 REMEDIAL WORK (RM)

1.3.1 HAS will compensate Contractor for the cost of RM through the OSR process; except when caused by contractor's failure to provide services as described in this contract or OEM requirements.

##### 1.4 OTHER WORK/SERVICES

1.4.1 Within the general scope of work, Other Work/Services may be required to meet conditions and/or services not covered under Basic Services (PM). Other Work/Services shall be performed as detailed in Section 4. With the exception of on-site emergency services where the requests will be verbal and immediately followed in writing, all requests for Other Work/Services shall be in writing, signed by the Director, and forwarded to Contractor. The types of Other Work/Services that may be requested are included in Section 4.0.

##### 1.5 STAFFING

1.5.1 Contractor shall be responsible for providing an appropriate number of on-site skilled employees to operate the fleet maintenance shop, provide and install Computerized

Maintenance/Management System (CMMS) and on going support for same, provide administrative tasks, and complete maintenance services for all equipments and equipment covered under this Agreement, as identified in Exhibit "L" and as modified by Exhibit "N."

1.6 PROJECT MANAGER

- 1.6.1 Contractor shall provide a Project Manager who shall work on-site at the (IAH) shop. The Project Manager's regular hours will be 8:00 a.m. - 5:00 p.m. Monday through Friday. The Project Manager shall have a minimum of 5 years directly related project management experience in a contract of similar size and scope. Project Manager shall be approved by HAS. The Project Manager's experience and qualifications will be evaluated by the Director, before approval.
- 1.6.2 The Project Manager shall serve as the main point of contact with HAS. If the Project Manager is to be off-site, the Director must be notified in writing and an acting Project Manager identified and approved by the Director. The acting Project Manager shall have full authority representing Contractor.
- 1.6.3 Project Manager shall attend performance meetings with HAS and report on the status of the services. The Project Manager shall prepare a typed meeting agenda covering the topics to be discussed and prepare minutes of the meetings in a form satisfactory to the Director. The Project Manager shall issue copies of the minutes to all attendees within 3 business days following each meeting.
- 1.6.4 The Project Manager shall not be reassigned without prior approval of the Director. Such approval will not be unreasonably withheld so long as the replacement project manager is equally experienced, and skilled in a like position in a contract of similar size and scope.

1.7 SHOP PERSONNEL

- 1.7.1 Maintenance Facility shops at IAH, HOU, and EFD shall be staffed with a shop foreman, who may be a working Supervisor. Shop foreman shall have a minimum of 2 years experience as a shop foreman, or supervisor in an automotive shop, and 4 years as a qualified automotive mechanic.
- 1.7.2 All mechanics shall be qualified, with a minimum of 3 years experience working on related equipment.
- 1.7.3 A qualified mechanic shall supervise mechanic helpers.

1.8 INCREASE IN PERSONNEL

- 1.8.1 Contractor shall at all times provide an adequate number of on-site personnel. Should the Director determine that Contractor is not meeting its responsibilities due to the insufficient number and/or specific job skills of on-site personnel, the Director may request Contractor to increase the number and/or specific job skills of on-site personnel in order to meet all obligations specified hereunder, at no additional cost to HAS. Upon written notification from the Director, Contractor shall be given two calendar days to assess problems and one additional day to formulate a resolution of the problem. Subsequently, if the Director determines that Contractor's responsibilities can only be met with additional on-site staff, Contractor shall provide such staff at no additional cost to HAS. Contractor's personnel shall work additional hours as required to meet Contractor's obligations at Contractor's expense.

1.9 SHOP HOURS OF OPERATION

- 1.9.1 Contractor shall operate a Maintenance Shop at each Airport that must be fully staffed with on-site personnel. Shop hours are as follows:
- 1.9.2 IAH:                   6:00 a.m. - 10:00 p.m. Mon. thru Fri.  
                              6:00 a.m. - 2:00 p.m. Sat.
- 1.9.3 HOU:                   6:00 a.m. - 10:00 p.m. Mon. thru Fri.
- 1.9.4 EFD:                   6:00 a.m. - 3:00 p.m. Mon. thru Fri.
- 1.9.5 Contractor may work at the shops outside the normal shop hours to complete Preventive Maintenance Services as required, at no additional cost to HAS. VOC and In-Service Rate do not compute between the hours of 10:00 p.m. and 6:00 a.m.
- 1.9.6 Sufficient staffing must be available for recall to the shop to meet Airport requirements. Work force for recall must be provided within a 1-hour response time.

- 1.9.7 If the recall is to complete Contractor's normal Basic Services responsibility, no compensation will be provided. If the recall is for Other Work/Services, compensation will be in accordance with Section 4.0. No compensation will be given for travel time.

1.10 TRAINING OF PERSONNEL

- 1.10.1 Contractor shall provide, at its sole expense, all training for its personnel as appropriate for the services to be provided. Training shall include the maintenance and repair procedures for equipment, record keeping procedures, procurement procedures, fuel management system operation and maintenance, oil sampling, and operation and maintenance of the CMMS.

1.11 FLEET/VEHICLE AND EQUIPMENT CONDITION AT EXPIRATION

- 1.11.1 Expiration of the Agreement means the end of the Agreement Term or termination for cause or for convenience of City. Prior to expiration, Contractor shall perform all scheduled PM work on all vehicles and equipment up to the then current date in accordance with approved PM schedules.
- 1.11.2 Sixty days before expiration of the Term of the Agreement, Contractor shall provide the Director with a complete report on the condition of all vehicles and equipment, including inspection and test reports and statements signed by an authorized representative of Contractor detailing the condition and maintenance of vehicles and equipment. Should termination occur, Contractor shall provide such reports and inspections as directed by the Director.
- 1.11.3 The Director may inspect or cause to be inspected all work and to advise Contractor of any discrepancies. Contractor shall correct any discrepancies as directed by the Director and shall advise the Director in writing upon completion of all work. Should Contractor fail to perform or complete any required work, HAS shall have such work performed at Contractor's expense.

1.12 PHASE-IN SERVICES

- 1.12.1 Contractor shall be given up to 30 days Phase-In period to accomplish a smooth and successful transition of services. Contractor's Phase-In period begins upon receipt of a Phase-In Notice from the Director. On the Phase-In start date, Contractor shall provide on-site, at a minimum, all key personnel at IAH, HOU and EFD. Contractor shall familiarize itself with the total fleet operations and requirements of HAS. Contractor will not be paid for Phase-In Services. Contractor shall not be responsible for providing maintenance services during the Phase-In period.

1.13 PHASE-OUT SERVICES

- 1.13.1 Contractor is advised that the services provided under this Agreement are vital to HAS' providing a safe and efficient Airport environment; that continuity thereof must be maintained at a consistently high level without interruption; that upon termination of the Agreement, a successor may continue these services; that its successor contractor will receive phase-in orientation by Contractor; and that Contractor must cooperate in order to effect an orderly and efficient transition. Accordingly, Contractor shall provide Phase-Out services for up to 30 days before expiration of the Agreement to the successor contractor at no additional charge to HAS. Phase-out orientation comprises a maximum of 30 working days, 8 hours per day. Orientation shall include work procedures, record keeping, and reports. Contractor shall be responsible for providing the services called for by the Agreement during its Phase-out period.

1.14 FLEET/VEHICLE AND EQUIPMENT PM SCHEDULE PER CLASS

<b>Class</b>	<b>Description</b>	<b>PM Type</b>
1	Sedan, Minivan	Ex.I.1.1
2	Truck, Pickup, SUV, Van, to 1/2 Ton	Ex.I.1.2
3	Truck, SUV, Van, 3/4 to 2 Ton	Ex.I.1.2
4	Truck ≥2 Ton	Ex.I.1.2
5	Bus, Van ≥ 2 Ton	Ex.I.1.2
6	Striper, Truck Mounted, >1 Ton Chassis	Ex.I.1.3
7	Striper, Ride On, ≤ 1 Ton Chassis	Ex.I.1.3
8	Striper, Walk Behind	Ex.I.1.3
9	Sweeper ≥5 cu. yd.	Ex.I.1.4
10	Sweepers >2<5 cu. Yd.; Scrubber, Rider, Power >50 HP; Milling Machine, Asphalt	Ex.I.1.4
11	Sweeper, Rider, < 2 cu.yd.; Ride-on Scrubber < 50 HP or Electric; Deicer Sprayer, Runway	Ex.I.1.4
12	Sweeper, Scrubber Walk Behind	Ex.I.1.4
13	Utility Vehicle/Shuttle Cart/Truckster	Ex.I.1.5
14	Tractor ≤69 HP	Ex.I.1.6
15	Tractor ≥70-≤100 HP	Ex.I.1.6
16	Tractor >100 HP	Ex.I.1.6
17	Tractor 70-115 HP, with Triple-Gang Flail, Boom Mower	Ex.I.1.6
18	Mower, Non-powered	Ex.I.1.14
19	Mower, Riding/Power Broom	Ex.I.1.16
20	Ground Equipment Attachments Non-powered, Seeder, Thatcher, Hopper Spreader	Ex.I.1.7
21	Earth Moving Equipment Including: Backhoe; Front-End Loader; Gradall; Maintainer; Articulated Loader; Excavator Crawler	Ex.I.1.8
22	Excavator Crawler, Mini, Ditch Witch; Roller Compactor, Asphalt	Ex.I.1.9
23	Forklift <5500 lbs. Capacity	Ex.I.1.10

<b>Class</b>	<b>Description</b>	<b>PM Type</b>
24	Forklift >5500 lbs. Capacity	Ex.I.1.10
25	Aerial Device, Boomlift, Scissorlift	Ex.I.1.11
26	Aerial Device, Truck Mounted	Ex.I.1.11
27	Generator Stationary ≤ 99 KVA	Ex.I.1.12
28	Generator Stationary >99 KVA	Ex.I.1.12
29	Pavement Breaker with Trailer	Ex.I.1.17
30	Concrete Saw; Cement Mixer	Ex.I.1.15
31	Detour Sign; Light Sets	Ex.I.1.13
32	Air Compressors	Ex.I.1.13
33	Hydromulcher	Ex.I.1.13
34	Agricultural Sprayer; Pressure Washer, Trailer Mounted	Ex.I.1.13
35	Trailer	Ex.I.1.17
36	Bulldozer ≤139 HP	Ex.I.1.18
37	Bulldozer ≥140HP	Ex.I.1.18
38	<b>Intentionally Left Blank</b>	
39	Wash Facility, Wand-Type	Ex.I.1.19
40	<b>Intentionally Left Blank</b>	
41	Asphalt Recycler	Ex.I.1.20
42	Pumps, Trash, Vacuum, Sewer Cleaner, Trailer Mounted	Ex.I.1.21
43	Police vehicles (Sedan)	Ex.I.1.1
44	Police vehicles (SUV)	Ex.I.1.2

#### 1.15 MOBILE MAINTENANCE

- 1.15.1 Contractor shall provide mobile scheduled and unscheduled maintenance for vehicles and equipment that are disabled, and for vehicles and equipment that because of design or immobility, cannot be economically delivered to the maintenance shops. Contractor's mobile maintenance shall include complete maintenance and repair; lubrication; tire change, repair, and replacement; and vehicle fueling. Mobile maintenance vehicles shall be equipped with all accessories, tools, and attachments to provide the necessary mobile maintenance service.
- 1.15.2 Contractor shall furnish 1 mobile field service unit at IAH and 1 mobile field service unit at HOU, each equipped with lubricant dispensers and fueling equipment with the capacity of handling at least 100 gallons each of diesel fuel and unleaded gasoline.

## 1.16 INCLUSIONS/EXCLUSIONS/TRANSFERS

1.16.1 From time to time throughout the Term of the Agreement, the Director may, by written notice to Contractor, increase and/or decrease, transfer, and determine the number of OPS-Essential vehicles and/or equipment covered by the Agreement (per Exhibit L&N). Contractor's sole compensation for such adjustment will be the monthly unit cost per the Fee Schedule. *Contractor shall maintain a current Fleet Inventory, Exhibit "L," as adjusted by inclusions/exclusions/transfers.* Pre-inclusion inspections shall be performed at HAS Facility.

## 1.17 SHOP MANUALS

1.17.1 At the start date of the Agreement, the Director will provide Contractor with its inventory of shop manuals (this may not be all inclusive). Notwithstanding this, Contractor shall be responsible for obtaining all maintenance manuals, shop manuals, and technical service bulletins for all fleet/vehicles and equipment. Upon termination or expiration of Agreement, Contractor shall return to the Director shop manuals provided by HAS.

## 1.18 SECURITY AND BADGING

1.18.1 Contractor shall comply with all applicable Federal rules governing security at the Airport, as may be amended from time to time.

1.18.2 All on-site personnel of Contractor, including subcontractors are required to undergo a fingerprint-based criminal history records check.

1.18.3 The cost of badges, which is subject to change, is currently \$45.00 each at IAH/HOU and \$6.00 each at EFD. Costs for the fingerprint-based criminal history records check are reflected in the cost of the badges. Contractor is responsible for the cost of badges, including replacements thereof. Contractor personnel losing badges will be charged for replacement badges at the then current rate.

1.18.4 Contractor acknowledges that fines or penalties associated with non-compliance with security regulations must be reimbursed to HAS.

## SECTION 2

### DUTIES OF HAS

2.0 GENERAL - HAS will provide Contractor with maintenance facilities and shop equipment at IAH, HOU, and EFD as follows. Contractor must provide all other equipment required to perform the services under this Agreement at its sole expense.

#### 2.1 EXISTING MAINTENANCE FACILITIES

2.1.1 At the Agreement start date, HAS will provide facilities as shown in Exhibit "K," as follows:

##### 2.1.1.1 George Bush Intercontinental Airport /Houston (IAH)

1. Vehicle Maintenance Shop - 18845 Colonel Fischer Drive
2. Maintenance Facility - 5051 Wright Road

##### 2.1.1.2 William P. Hobby Airport (HOU)

1. Vehicle Maintenance Shop- 9014 Randolph Street

##### 2.1.1.3 Ellington Field (EFD)

1. Vehicle Maintenance Shop - 6100 Farley Road

##### 2.1.1.4 Vehicle Wash Facilities (IAH, HOU, and EFD)

1. IAH - (3) Three vehicle wash bays w/vacuum cleaning station - 4500 Will Clayton Pkwy at the Airport Services Complex (ASC)
2. HOU - (1) One vehicle wash bay w/vacuum cleaning station- 9014 Randolph Street

3. EFD - (1) One vehicle wash bay w/ vacuum cleaning station - 6100 Farley Road

2.1.2 The shop facilities and HAS provided shop equipment remain the property of HAS, and shall be used only for performing services related to this Agreement.

## 2.2 HAS-PROVIDED MAINTENANCE FACILITY SERVICES

2.2.1 Utilities – HAS will furnish gas, electricity, water, sewage and garbage hauling services. Any additional requirements must be at Contractor's expense.

2.2.2 Postal Distribution - HAS will provide internal Department mail service.

2.2.3 Real Property Maintenance -HAS will provide normal maintenance and repair of real property facilities. Contractor shall be responsible for interior housekeeping and janitorial maintenance. HAS will provide mowing. Contractor shall be responsible for all damages to property caused by carelessness or neglect.

2.2.4 Insect and Rodent Control –HAS shall provide Pest Control services.

## 2.3 HAS-PROVIDED SHOP-TYPE MAINTENANCE EQUIPMENT

2.3.1 HAS will provide Contractor with certain HAS-owned "shop-type" equipment per Exhibit "M," in accordance with Section 2.2 above. During the Phase-In period, Contractor and HAS shall conduct a joint inventory of such equipment.

2.3.2 Contractor shall maintain and repair such equipment including, cleaning, certification, adjusting, lubricating, tightening nuts and bolts, performing PM actions recommended by the equipment manufacturer, repairing inoperable equipment, replacing components, parts, filters, handles, hinges, belts, bearings, switches, and normal wear items. Contractor shall administer warranties on such equipment on behalf of HAS.

2.3.3 Contractor shall be liable for loss and/or damage of such equipment beyond reasonable wear and tear. The amount due HAS in case of loss or damage shall be calculated in accordance with Exhibit "M."

## 2.4 HAS RADIO COMMUNICATION REQUIREMENTS

2.4.1 HAS will provide Contractor with handheld radios with batteries and chargers for Contractor's use on this contract. The radios will be programmed to transmit and receive on Harris County trunked frequencies. Upon cancellation or termination of the Agreement, Contractor shall return all radios provided to HAS.

2.4.1.1 Contractor shall operate the radios within protocols established by HAS and FAA.

2.4.1.2 Contractor shall be assessed a one time service credit in the amount of \$10.00 each, for initial programming for each radio.

2.4.1.3 Contractor will be assessed a monthly service credit in the amount of \$10.00 each, for maintenance of each radio. Contractor shall return radios requiring maintenance to HAS.

2.4.1.4 Contractor shall pay for time and materials to repair any damaged radio(s) and full replacement costs for any radio(s) that are lost.

2.4.1.5 Upon termination of the Agreement, the radios remain the property of HAS.

### SECTION 3

#### DUTIES OF CONTRACTOR

##### SUBSECTION 3A- PREVENTIVE & REMEDIAL MAINTENANCE REQUIREMENTS

### 3A.0 PREVENTIVE MAINTENANCE – GENERAL

3A.1 As a part of Basic Services, Contractor shall provide all labor, materials, equipment, parts, supplies, services, etc. required to perform Preventive Maintenance (PM) and Remedial Maintenance (RM) to maintain a 99% In-Service Rate for all equipments. *The 99% in-service rate is measured monthly per class code, by airport.*

- 3A.2 Included in PM are: all parts and labor to prolong the useful life of a vehicle or piece of equipment and to prevent premature failure to engines, components, and parts; adjustments, tightening of nuts and bolts, checks (filter, fluids, etc.), expendables such as bulbs, flashers, fuses, wiper blades, hoses, belts, etc.; repairs such as brakes, shocks, struts, front-end alignments, tire balancing, and exhaust system. PM includes tire service and replacement, battery replacement, safety inspections, mobile maintenance, winterization, oil analysis, and vehicle wash services.
- 3A.3 Maintenance services shall be performed in accordance with approved OEM maintenance procedures, codes for severe service, and acceptable fleet maintenance practices to ensure the continuity of effective and economical operation of the City vehicles and equipment. Maintenance shall include regular inspections, servicing, detection, and correction of potential failures. Contractor shall deliver written weekly schedules of planned PMs to HAS one week in advance of schedule.
- 3A.4 Contractor shall prepare a written maintenance program for seasonal equipment to ensure such equipment is fully serviceable at the beginning of the working season. Contractor shall be required to provide monthly inspections and periodic servicing during storage in non-use periods to ensure equipment does not deteriorate.
- 3A.5 Contractor shall perform winterization on vehicles and equipment as may be required. Winterization includes, but is not limited to, coolant system check (pressure and antifreeze solution), electrical system check (battery electrolyte level and terminals) and heating/air conditioning. Contractor shall be liable for any damage to vehicles due to improper winterization or failure to winterize.
- 3A.6 Contractor shall implement and perform an oil analysis program and provide documentation via lab tests with each vehicle history file for all units over 24,000 GVWR and all generators above 99 KW every 6 months. Tests shall include, but are not limited to, wear metal analysis, identifying the presence of wear metals in the oil, and specific metals/alloys; contaminants checks, water, antifreeze, and fuel; test chemical products formed through wear, anti-wear, and extreme temperature additives, and anti-oxidant additives present in the oil. HAS will use the oil analysis program to monitor effectiveness of Contractor's maintenance program.
- 3A.7 At each PM, Contractor will check vehicle's mileage against readings from fuel system and make corrections, as required.
- 3A.8 Contractor shall maintain and document a lubricant management system that:
- 3A.8.1 Document that equipment contains correct lubricants and that lubricants are physically and chemically fit for service.
  - 3A.8.2 Document contamination levels of lubricants and ensure contamination levels are within tolerable limits.
  - 3A.8.3 Document evidence of wear in advance of observable operational deterioration; Contractor shall use such data to diagnose problems and deploy root cause control measures to prevent failures.
- 3A.9 Contractor shall use a commercial laboratory approved by the Director that follows ASTM test methods.
- 3A.10 Contractor shall provide vehicle wash services to include all labor and materials for washing and cleaning certain vehicles comprised of class codes 1, 2, and 3 on a weekly basis, approximately 40 at IAH, 20 at HOU, and 5 at EFD. As part of vehicle washing services:
- 3A.10.1 Contractor shall wash all exterior surfaces of vehicle, including body panels, wheel wells, tires, wheels, wheel covers, glass (including headlamps, mirrors, and windows), bumpers, and trim, etc.
  - 3A.10.2 Contractor shall apply proper tire dressing to tires.
  - 3A.10.3 Contractor shall vacuum vehicle interiors including upholstery, floor coverings, and mats; clean interior surfaces of windows and rear view mirror; remove dust and soil from all interior surfaces, instrument panel, door panels, steering column and steering wheel; apply a UV protection to vinyl surfaces.
  - 3A.10.4 Contractor shall clean cargo areas/trunks.
  - 3A.10.5 HAS will schedule vehicle wash service, and Contractor shall pickup/deliver vehicles to applicable locations.

- 3A.10.6 Contractor shall be responsible for all maintenance supplies, soap, and replacement parts for all automatic and manual vehicle/equipment wash bays, including sludge tanks, as part of Basic Services.
- 3A.11 Contractor shall provide vehicle detailing and hand-waxing services on an as-requested basis as part of Other Work/Services.

### 3A.12 OPERATIONS ESSENTIAL VEHICLES/EQUIPMENT

3A.12.1 "Operations Essential" Equipment shall receive a monthly PM. Vehicles and equipment designated as "Operations-Essential" may be required for service when a vehicle is undergoing repair. If Contractor cannot make the unit available to HAS, Contractor shall provide the HAS vehicles or equipment to meet the Operations-Essential requirements at no cost to HAS. Contractor shall provide for the pickup, delivery, and return of replacement units when required. Contractor shall provide documentation of expenses on a monthly basis. VOC hours for Operations Essential vehicles and equipment will be multiplied by 2.

3A.12.2 Surcharge for Ops-Essential vehicles per each class shall be applied as shown in the Fee Schedule. The surcharge for Ops-Essential vehicles allows the Contractor to recover the added cost for maintaining these vehicles.

### 3A.13 REPAIR PARTS

3A.13.1 As part of Basic Services, Contractor shall provide all parts necessary to perform the Maintenance Services. Contractor shall consider stocking fast moving parts versus obtaining parts out of town (not available within Houston/Galveston Region) to avoid VOC. Contractor shall provide parts that meet or exceed OEM specifications for replacement parts. Rebuilt parts may be used only if they meet or exceed the specification requirements of the original OEM. Used parts may be used only on an exception basis, with advance written approval of HAS. Contractor shall be able to fabricate hoses and have other parts fabricated when required (weld, cut, lathe work, etc.).

3A.13.2 Contractor shall dispose of defective parts and materials that are removed from HAS vehicles/equipment at its expense as part of Basic Services.

### 3A.14 TIRES

3A.14.1 As part of Basic Services, Contractor shall repair, replace, install tires, and valve stems for all vehicles and equipment specified in Exhibit "L," as may be amended by Exhibit "N." Tire service shall include roadside and field service.

3A.14.2 Tires - All tires provided must be new, first-line premium tires from Goodyear, General, Firestone, Michelin, or equivalent. Contractor shall not mix tire brands (manufacturer) or types on vehicles/equipment. All replacement tires must match original tire sizes, tread types, load ratings, speed ratings, and, in the case of passenger vehicle applications, must be of equal Tire Quality Grade as established by the Department of Transportation (DOT) for tread-wear, traction, and temperature. All tires must meet applicable federal motor vehicle safety standards. Contractor shall not use recapped tires. Only new valve stems shall be used for new and repaired tires.

3A.14.3 Tire Repair - Repair of tires shall be accomplished by patching; the use of plugs is restricted to slow moving vehicles/equipment with HAS approval. Contractor shall not use tire sealant. Contractor shall not use inner tubes in tubeless tires.

3A.14.4 Tire Installation/Inflation/Rotation/inspection - Contractor's PM program for tires must include, at a minimum, ensuring proper inflation, tire rotation, visual inspection of sidewalls and tread wear to determine normal wear within tolerance, and/or excessive or abnormal wear requiring corrective maintenance or replacement. Contractor shall provide tire rotation at OEM recommended intervals and tire replacement when tires have reached minimum tread depths (as indicated by tread-wear indicators or as specified by the Texas Department of Public Safety) or have failed, or are otherwise unacceptable due to weathering, irregular wear patterns, ply separations, bead separations or other unacceptable conditions that affect the safety and performance of vehicles and equipment.

3A.14.5 Balancing - Contractor shall provide wheel balancing on all new tires that are mounted, and on existing tires that are repaired or that require subsequent wheel balancing.

3A.14.6 Alignment - Contractor shall provide front-end alignment to include caster, camber, and toe-in adjustment, rear-end alignment, and tandem axle alignment.

3A.14.7 Ballast - Contractor shall fill front and rear tractor tires with liquid ballast as a method of adding weight to the tractor if required. A solution of calcium chloride and water or other anti-freeze solution shall be used to give a low freezing point and provide a higher density than plain water. OEM instructions shall be followed for both filling the tire and achieving the proper mixture of water and calcium chloride/anti-freeze.

### 3A.15 BATTERIES

3A.15.1 Contractor shall provide battery requirements as part of the Basic Services. Batteries shall have adequate cold-cranking amps (CCA) and reserve capacity to meet the load requirements of the vehicle and/or equipment, including all accessories. The group size should correspond to the application. CCA, reserve capacity, and group size of replacement batteries must be of no less than the original equipment battery. Contractor shall provide storage racks for safe and efficient handling of batteries.

### 3A.16 OIL/LUBRICATION PRODUCTS

3A.16.1 Contractor shall provide oil and lubrication products as part of the Basic Services. Products shall meet the requirements established by the vehicle and/or OEM manufacturers.

### 3A.17 SOLVENTS, DETERGENTS

3A.17.1 Contractor shall furnish solvents and car wash detergents as part of Basic Services. Soap for the automatic car wash and manual spray/brush must clean grime, dirt, etc., from vehicle and not dull, degrade or fade paint finish, harm rubber, vinyl, chrome or metal surfaces. Products shall be non-hazardous and biodegradable.

### 3A.18 INSPECTION(s) and CERTIFICATIONS

3A.18.1 Contractor shall keep annual State inspection stickers current on all HAS vehicles and equipment. Contractor shall obtain any other inspections that may be required by law. Contractor shall ensure auto emissions tests are completed at government-approved testing facilities. Contractor shall bear the cost of state inspection stickers, emissions tests, and any other inspections that may be required, such as certification/testing of aerial devices/bucket trucks, as part of Basic Services.

## **SUBSECTION 3B - COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM (CMMS)**

### 3B.0 GENERAL

3B.1 Contractor shall provide, install, maintain and operate a CMMS as part of Basic Services. CMMS shall be a Web enabled/internet based application, accessible via secure browser based clients. All data, except personal employee information, shall be available to HAS.

3B.2 System to provide:

3B.2.1 Redundant environment to ensure that data is not lost should the primary database fail.

3B.2.2 On call 24 hour/7-days-per-week database administration management and technical support.

3B.2.3 24-hour archiving to remote storage as a minimum

3B.2.4 Unlimited server storage capacity to allow development of a wide range of statistical analysis

3B.2.5 SAP R/3 compatibility

3B.2.6 Communication without Contractor interface

3B.2.6.1 Should Contractor have to develop an interface for Fuel System, it shall become the property of HAS

3B.3 Contractor shall operate a CMMS work control center at the Fleet Maintenance Facility. The work control center will receive maintenance/repair calls, dispatch personnel, and generate work orders during maintenance shop hours at each airport.

3B.4 Contractor shall provide all necessary hardware, application software, networking, management services, turnkey installation/implementation, training, acceptance testing, and on-going system support. Contractor shall provide at the termination of the contract all data files in Excel Format with documented file layouts on CD-ROM.

3B.5 CMMS shall employ a graphical user interface (GUI) to access information on equipment, work orders, parts, and other system data. It shall provide on-line search functions; produce ad-hoc reports/lists of selected information and standard reports. System shall have the ability to import transactions directly from automated fueling system (PetroVend), post data to appropriate equipment records, and utilize the data for PM scheduling purposes.

3B.6 System shall include:

3B.6.1 Equipment Inventory that tracks fleet equipment and information associated with each unit, including, equipment records, history, PM, parts issued, warranties, equipment disposal.

3B.6.2 Parts Inventory that includes, inventory management, order search, records, and history.

3B.6.3 Fuel use tracking, via equipment numbers.

3B.6.4 Equipment downtime statistics.

3B.6.5 Preventive maintenance scheduling.

3B.6.6 Pre-programmed and user-definable reports.

3B.6.7 Tracking of deferred maintenance.

**3B.7 MAINTENANCE REPORTS – FREQUENCY**

3B.7.1 HAS requires the following preprogrammed maintenance reports to be submitted in hardcopy and electronic format. One (1) hard copy each shall be delivered to Technical Services Division and Finance & Administration. Electronic copies shall be delivered in Excel format on CD-ROM to the Fleet Manager and Facilities Maintenance at each airport. The content and layout of the reports will be provided prior to the commencement of work. HAS has the right to change format or frequency, or generate additional reports from the CMMS during the term of the Agreement, as a part of Basic Services, at no additional cost to HAS.

No.	Title	Required Frequency
1	Maintenance Summary Report	Monthly
2	Daily Log (Maintenance)	Daily
3	Cost Accounting Report	Monthly
4	Stock Inventory - Parts & Supplies	Monthly
5	Non-Stock Inventory- Parts & Supplies	Monthly
6	Fleet Maintenance Detail Report ASC 11	Monthly
7	Fleet Maintenance History Summary ASC 11	Monthly
8	Maintenance History Report	Monthly
9	Vehicle and Equipment Master List	Monthly
10	Automated Analysis	Monthly
11	Maintenance Request Register	Monthly
12	Work Order Master File	Twice a Year
13	Workload Status	Twice a Year
14	Deferred Maintenance List	Monthly
15	Vehicle-Out-of-Commission VOC	Daily
16	Vehicle-In-Service Report	Monthly
17	Preventive Maintenance Record	Monthly
18	Monthly Fuel Transaction/Consumption	Monthly
19	Monthly Tires/Batteries/Access. TBA Usage	Monthly
20	Monthly Machine and Tools PMS.	Monthly
21	Monthly Petroleum, Oils and Lubricants	Monthly
22	Life Cycle Cost Analysis-Annual	Annually
23	OSR Report	Monthly

24	Preventive Maintenance	Monthly
25	RM/S unscheduled Maintenance	Monthly
26	Body Shop /Subcontracted Repairs	Monthly
27	Ordering, and Inventory	Monthly
28	Wrecker Activity	Monthly
29	Small Engine Repair	Monthly
30	Fuel System	Monthly
31	Warranty Tracking and Reclamation	Monthly
32	Mechanic Utilization/Optimization	Monthly
33	Training Programs	Monthly
34	Permanently, Assigned Vehicles Contractor	Monthly
35	Trouble Call Report- Weekly	Weekly
36	Special Historical Maintenance Data	Quarterly
37	Report on inspection of Aerial Devices	Annually
38	Oil Analysis Report	Twice a Year
39	Inclusions/Exclusions/Transfers Report	Monthly

3B.7.2 Contractor shall provide a Computerized Maintenance Management System (CMMS) that is inclusive of all the features and capabilities outlined herein.

3B.7.3 As part of Basic Services, Contractor shall produce monthly fuel transaction reports for IAH, HOU and EFD listing all monthly transactions at each location. Contractor shall provide total monthly transaction/ consumption data in a HAS approved format.

### **SUBSECTION 3C - HAZARDOUS MATERIAL/CHEMICAL USE**

#### **3C.0 GENERAL**

3C.1 In addition to the requirements in this Subsection, Contractor shall be knowledgeable of, and comply with, all applicable Federal, state and local environmental laws and regulations. If there is any conflict between this subsection and Federal, state, or local environmental laws and regulations, such laws and regulations control. All fines and penalties assessed against HAS resulting from Contractor's failure to comply with such requirements, laws, and regulations shall be paid by Contractor.

#### **3C.2 HAZARDOUS CHEMICAL RECORDS**

3C.2.1 Contractor shall provide a Material Safety Data Sheet (MSDS) for each hazardous chemical or material obtained in conjunction with the performance of work.

#### **3C.3 ASBESTOS ABATEMENT**

3C.3.1 HAS maintains a comprehensive, continuing program for identification, containment and removal of asbestos materials in its facilities. To HAS' knowledge, no asbestos materials exist in the provided facilities. However, if Contractor encounters any suspected Asbestos-Containing Material (ACM) Contractor shall report it to Facilities Administration. If asbestos is verified, appropriate steps will be taken by HAS at its expense to have asbestos materials removed/contained, in accordance with applicable laws.

#### **3C.4 CHLORINATED FLUOROCARBONS (CFC) REFRIGERANTS**

3C.4.1 HAS requires full compliance with Title VI, Clean Air Act of 1990 and any subsequent amendments, and strictly prohibits the discharge of CFC Refrigerants into the atmosphere resulting from the installation, repair, maintenance, or any condition requiring the release of CFC Refrigerants from any HAS-owned vehicles/ equipment.

3C.4.2 Contractor shall be responsible for ensuring the necessary procedures and safeguards are in place to prevent the occurrence of a CFC Refrigerant discharge into the atmosphere.

3C.4.3 Contractor shall utilize only the services of a qualified vendor specializing in the recovery, recycling and reclamation of CFC Refrigerants.

- 3C.4.4 Recovery and containment of contaminated CFC Refrigerants must be in storage containers that are American Society of Mechanical Engineers (ASME) coded for refrigerant and DOT approved. Refrigerants that are not recovered or recycled must be delivered to a firm specializing in reclamation of CFC Refrigerants and handled in accordance with all applicable federal, state and local guidelines governing such.
- 3C.4.5 All costs associated with removal of CFC Refrigerants, recovery, recycling, or reclamation is at the expense of Contractor and must be included in Contractor's Basic Services.
- 3C.4.6 Contractor shall be responsible for all fines, penalties, taxes, etc., arising out of any violation or infraction of the Clean Air Act of 1990, as may be amended from time to time, or other governmental regulations related to the use of CFC Refrigerants.
- 3C.5 USED TIRE AND BATTERY DISPOSAL
- 3C.5.1 Contractor shall dispose of all used tires and batteries in compliance with applicable Federal, State and Local laws and regulations as part of Basic Services. Contractor shall collect and store used tires and batteries in a safe and orderly manner, and handle disposal in a timely manner.
- 3C.6 DISPOSAL OF USED LUBRICANTS/OILS, OIL FILTERS
- 3C.6.1 Contractor shall collect, store, and dispose of used battery acid, antifreeze, oil, oil filters, lubricants and solvents, etc., in compliance with applicable Federal, State and Local laws and regulations, as a part of Basic Services.
- 3C.7 CLEANING AND DISPOSAL OF MATERIALS FROM WASH BAY GRIT TRAPS
- 3C.7.1 Contractor shall provide, monthly as part of Basic Services, a complete evacuation of solids and liquids from grit traps located in wash bays, or more as needed, in accordance with applicable laws and regulations.

### SUBSECTION 3D - FUEL MANAGEMENT SYSTEM

#### 3D.0 AUTOMATED FUEL MANAGEMENT SYSTEM – GENERAL

- 3D.1 Contractor shall maintain HAS Automated Fuel Management System as part of Basic Services. The system includes, but is not limited to, pumps, hoses, nozzles, vapor recovery devices, piping, venting, tank gauging devices, leak detection devices, fuel card readers, computers, software, chip key encoding, database, controls, cabling, modems and network communications devices. Contractor shall provide all labor, supervision, parts, and materials for complete operation and maintenance. HAS is responsible for the underground components of the system. HAS is currently using 10% Ethanol gasoline.

#### 3D.2 AUTOMATED FUEL DISPENSING SYSTEM

- 3D.2.1 Contractor shall maintain HAS Automated Fuel Dispensing System as part of Basic Services. The HAS Automated Fuel Dispensing System comprises a PetroVend System 2 Fuel Management System which is an integrated microprocessor based system that manages the Airport fueling sites and dispensing of fuel to authorized personnel using chip-keys. The fuel management system operates on PetroVend Phoenix Plus software and runs on a PC. The PetroVend system maintains a database incorporating card, account, site, and transaction fields. The control of the system is located at IAH, but Contractor shall provide chip-key encoding at Fleet Maintenance Facilities at each Airport. Contractor shall ensure the Automated Fuel Dispensing System data is used in Contractor's CMMS for PM scheduling purposes. Contractor shall provide annual PetroVend System maintenance/ support/software updates; HAS will pay for these approved items via OSR.

#### 3D.3 LEAK DETECTION SYSTEM

- 3D.3.1 As part of Basic Services, Contractor shall maintain the Red Jacket leak detection system used for detecting leaks occurring in the vaults around the fuel storage tanks. The Red Jacket consists of ST 1400 & ST 1800 controllers, electronic tank gauging devices, and other components and subsystems for leak detection, water vapor detection, and inventory management of underground storage tanks containing petroleum based products. Data from the leak detection system is transmitted from a multiplexer at each facility to the HAS Communication Center via fiber optic cable. Contractor is not responsible for communications lines for this system beyond the multiplexer. Operation and Data from this system is separate from the operation and data from the Automated Fuel Dispensing System.

### 3D.4 AUTOMATED FUEL MANAGEMENT AND RED JACKET SYSTEM INVENTORY

3D.4.1 The Automated Fuel Management System comprises the Petro Vend System 2, active pumps, hoses, and nozzles. Locations for the Automated Fuel Management System and Red Jacket components are as follows:

#### 3D.4.1.1 George Bush Intercontinental Airport/Houston (IAH)-7 pumps/13 nozzles, and 4 Red Jacket Systems

1. Airport Services Complex (ASC) - 4500 Will Clayton Parkway
2. Terminal D
3. North side Airfield (North Vault)
4. South side Airfield (South Vault)

#### 3D.4.1.2 William P. Hobby Airport (HOU)-2 pumps/4 nozzles, and 1 Red Jacket System with 3 unconnected remote Monitors (Type SB0014B and PPM 2000+232).

1. Airfield & Grounds - 9016 Randolph

#### 3D.4.1.3 Ellington Field (EFD)-2 pumps/ 2 nozzles and 1 Red Jacket Systems

1. Maintenance Facility - 6100 Farley Road
2. Airfield backup Generator Buildings
3. NAVAID Buildings

### 3D.5 CONTRACTOR'S FUEL MANAGEMENT SERVICES

3D.5.1 As part of Basic Services, Contractor shall provide controlled dispensing of fuel to authorized employees, vehicles, and equipment. Fuel and delivery of fuel will be provided by others. The automatic fuel management system must be available on a 24/7 basis; Contractor does not provide personnel to dispense fuel from this system.

3D.5.2 Contractor shall maintain all future upgrades to the Automated Fuel Management System, such as vapor recovery system(s) or other upgrades related to the Clean Air Act of 1990, as may be amended from time to time, as part of Basic Services at no additional cost to HAS.

### **SUBSECTION 3E - QUALITY CONTROL PPROGRAM**

#### 3E.0 QUALITY CONTROL PROGRAM - GENERAL

3E.1 Contractor shall establish and maintain a Quality Control (QC) Program to ensure the requirements of this Agreement are met. A copy of the program shall be provided to HAS within 60 days of Notice to Proceed.

### **SUBSECTION 3F – MAINTENANCE/CONTROL OF FACILITIES**

#### 3F.0 MAINTENANCE/CONTROL OF FACILITIES -GENERAL

3.F.1 Physical Security - Contractor shall safeguard all HAS property in its work area. Contractor shall secure the facilities and equipment at the close of each work period.

3.F.2 Policing of Grounds - Policing shall include all interior cleaning and removal of litter from exterior areas within 100 feet from the foundation of facilities. Contractor shall keep the grounds around maintenance facilities free of debris and litter.

3.F.3 Re-lamping - Contractor shall replace all burned out lamps, ballasts, starters, and bulbs in HAS-owned maintenance facilities assigned for Contractor's use.

3.F.4 Key Control - Contractor shall ensure keys issued by HAS are not lost, misplaced, or used by unauthorized persons. Keys issued by HAS must not be duplicated. Contractor shall be charged for replacement of locks or re-keying. Contractor shall report occurrences of lost keys immediately to HAS.

3.F.5 Office Furniture and Equipment - Contractor shall provide all office furniture and computer equipment.

## **SUBSECTION 3G - CONTRACTOR-PROVIDED MAINTENANCE EQUIPMENT/TOOLS**

### **3G.0 CONTRACTOR-PROVIDED MAINTENANCE EQUIPMENT/TOOLS**

- 3G.1 Contractor shall provide all required equipment and tools, beyond those provided by HAS as detailed in Exhibit "M," and in Section 2.2, as part of Basic Services.
- 3G.2 Contractor shall mark Contractor-owned equipment to identify such equipment in a co-mingled shop environment. Throughout the Term of the Agreement, Contractor shall maintain records of Contractor-owned equipment, including purchase and payment documentation, which must be made available to HAS upon request. Upon termination or expiration of the Contract Term, Contractor must conduct an inventory of equipment. Contractor shall dismantle/remove all Contractor-owned equipment from each Airport Maintenance Facility at its sole expense, and shall repair, at its expense, any damage to HAS facilities caused by the removal of the equipment.

## **SECTION 4**

### **REQUEST FOR OTHER WORK/SERVICES**

#### **4.0 OTHER WORK/SERVICES**

- 4.1 Labor and Materials for Other Work/Services are provided at rates specified in the Fee Schedule. Contractor shall submit copies of purchase orders and invoices for materials and equipment for Other Work/Services evidencing Contractor's acquisition costs. Contractor shall maintain proper accounting procedures to facilitate City audit of Contractor's expenses.

#### **4.2 PERFORMING OTHER WORK/SERVICES**

- 4.2.1 Other Work/Services shall be performed in accordance with all provisions of the Agreement and any special provisions issued with the Other Service/Request (OSR), in accordance with this Agreement.
  - 4.2.1.1 Before issuing an OSR, the Director will first issue a written notice to Contractor detailing the specific Other Work/Services to be performed by Contractor.
  - 4.2.1.2 In response to any such written notice, Contractor shall provide the Director with a written proposal within 3 days after receipt of OSR Request. The proposal must include a description of the services to be performed, applicable labor rates, estimated labor hours, performance schedule, total estimated cost, and any other requirements set forth in the written notice to Contractor.
  - 4.2.1.3 Contractor shall furnish all materials, equipment, components, or appurtenances and any manpower required for accomplishing the described services. The Director will not approve an OSR without a specified completion date. Contractor shall complete all such Other Work/Services within the time specified in the OSR. Contractor can request in writing an extension to the completion date. However, the Director may or may not allow the extension. The Director's decision is final. If Contractor does not complete Other Work/Services within the specified time, or time extension, the vehicle or equipment shall revert to VOC status.
  - 4.2.1.4 Upon receipt of Contractor's proposal, the Director has the option to reject Contractor's proposal, require resubmission with revised or additional information, or issue an OSR. Should the Director reject Contractor's proposal and require resubmission, Contractor shall resubmit a modified proposal within three days of the rejection.
  - 4.2.1.5 Upon approval by the Director of the modified proposal, an OSR will be issued. Contractor shall commence work as stated in the OSR. Contractor shall diligently work to completion in accordance with the terms and conditions of the Agreement and the approved OSR.

- 4.2.1.6 Labor costs must not exceed the rate stated in the Fee Schedule. However, when the Other Work/Services are performed by an on-site staff in conjunction with their regular duties, Contractor shall not receive additional compensation for labor.

Contractor shall use its on-site staff during normal scheduled hours for performing Other Work/Services, provided Contractor can meet all other contractual responsibilities. Contractor shall not receive labor compensation for the use of on-site personnel, but shall be compensated for parts and materials only at cost plus 5% markup.

- 4.2.1.7 For Other Work/Services related to those listed in 4.2.1.11 that Contractor cannot perform with its on-site staff, Contractor may subcontract such work. Contractor shall obtain three (3) bids/estimates to include itemized costs for parts and labor that exceeds \$750. Contractor shall be compensated at cost plus 5% markup for parts and labor, excluding shipping and handling. Contractor shall submit the bids/estimates to HAS and obtain written approval from the Director before proceeding with the work. Contractor shall not subcontract work to a company affiliated with Contractor without prior written approval of the Director.
- 4.2.1.8 When chargeable Other Work/Services have been completed, a copy of the approved OSR must accompany the monthly invoice. Additionally, Contractor shall supply invoices for all parts and materials used in performing Other Work/Services. There will be no reimbursement to the Contractor by HAS for parts and materials used for Other Work/Services without invoices.
- 4.2.1.9 While performing work on any OSR, if hidden damage or additional cost is discovered, Contractor shall notify the Director immediately. After determining the extent of hidden damage, a supplemental OSR must be submitted.
- 4.2.1.10 In the case of emergency service, Contractor may perform Other Work/Services upon the verbal approval of the Director. However, during the next business day, the Director will submit his or her verbal Emergency Service Request in writing.

- 4.2.1.11 Examples of OSR candidate items are:

- Remedial Maintenance for vehicles and equipment.
- Parts and labor for small engine repairs.
- Equipment rental to replace inoperable fleet equipment.
- Vehicle and equipment refurbishment.
- Towing, rubber tired vehicles only.
- Installation/removal of accessories or attachments not covered under Basic Services.
- Body, frame repair and glass replacement. Other repairs associated with damage.
- Third party audits.

## SECTION 5

### VEHICLE OUT-OF-COMMISSION (VOC)

#### 5.0 GENERAL

- 5.1 The monthly unit cost per vehicle or equipment class listed in the Fee Schedule applies only to vehicles and equipment that are In-Commission, i.e. not in VOC status. In-Commission means that a vehicle or piece of equipment meets all conditions of maintenance as required in the Agreement; is available for the use intended, is in a safe operating condition, requires no remedial repair, has up-to-date PM, and does not fall below acceptable levels of Deferred Maintenance as determined by HAS.
- 5.2 In-Commission, time is computed on a 16-hour calendar day. A factor in evaluating Contractor's maintenance and quality programs is the Vehicle-Out-of-Commission (VOC) rate. VOC means that a vehicle or piece of equipment is not in a state of repair that meets all conditions of maintenance as required in the Agreement, and that the unit is not available for the use intended.

- 5.3 In determining performance levels for maintaining vehicles and equipment, the following applies:
- 5.3.1 VOC time starts when Contractor receives a work order for repair from HAS, and ends when the vehicle is repaired and issued out of the shop and back to HAS for use. These times shall be documented in the vehicle and equipment work orders.
- 5.4 In-Commission, time is computed on a 16-hour calendar day six days-per-week at IAH and five days-per-week at HOU and EFD. *Accordingly, VOC hours will accrue on Saturdays at IAH, but will not accrue at HOU and EFD (weekends for HOU and EFD begin at 10:00 p.m. on Friday and end at 6:00 a.m. on Monday).* If the vehicle or equipment is repaired and released within two hours after Facilities Administration issues a work order, no VOC credits will be assessed. Maintenance Services taking longer than two hours will be assessed full VOC credits from the time a work order is issued until work is completed.
- 5.5 Exceptions to the above are:
- 5.5.1 Units requiring parts that are not available within the Houston/Galveston Region area will not be assessed out-of-service credits during the time period parts are acquired.
- 5.5.2 VOC does not apply to vehicles and equipment for which Contractor leases a replacement while the unit is out of commission.
- 5.5.3 Units requiring major body or frame repair or minor body repair will not be assessed out-of-service credits during the first seven calendar days, or a longer period of time as mutually agreed upon by the Director and Contractor.
- 5.5.4 Units under warranty requiring service by an authorized dealer will not be assessed out-of-service credits for the first seven calendar days, or a longer period of time as mutually agreed upon by the Director and Contractor.
- 5.5.5 In-Commission for fuel management system described in Section 3.D, is computed on a 24-hour calendar day, of seven days-per-week. If the system is not in commission, VOC credits will be assessed based on the assumption, for computation purposes only, that the monthly flat fee equals \$1000.00 per month.

5.6 FACTOR BASE HOURS AND MULTIPLIER

- 5.6.1 Factor Base Hours represents the maximum allowable VOC hours in a month that can accrue before Contractor's payment is reduced to zero.
- 5.6.2 Multipliers represent the assessment Contractor shall pay after the monthly payment is reduced to zero. The Performance Requirement Summary (PRS) Table lists the Factor Base Hours and the Multipliers.
- 5.6.3 For any unit with accumulated VOC time, Contractor shall be paid the monthly cost per unit stated in the Fee Schedule less the VOC time to Factor Base Hours percentage deduction until the monthly payment is reduced to zero, then the multiplier is applied to the monthly fee to determine the additional assessment.
- 5.6.3.1 VOC Hours, for Operations-Essential Vehicles and Equipment shall be multiplied x 2.
- 5.6.3.2 No VOC Hours will accrue on weekends for HOU and EFD.
- 5.6.4 In computing VOC times, hours will be rounded off to the nearest quarter hour with fractions rounded off to 3 decimal places (e.g., .250, .500, .750, etc.). Percentages are carried to 4 decimal places.

5.7 EXAMPLE VOC CALCULATIONS

5.7.1 **A sedan (Class 1) is Out-of-Commission for 10 hours.**

The payment percentage for the unit is calculated as follows (assuming a projected monthly unit cost of \$140 and Factor Base Hours of 48):

5.7.1.1  $10/48 = .208 \times \$140 = \$29.12$  VOC credit due to the City.

5.7.1.2  $\$140 - \$29.12 = \$110.88$  Actual monthly payment to Contractor.

**5.7.2 A sedan (Class 1) has been out of commission for 30 days (480 hrs).**

5.7.2.1 After being out of commission for three days, the VOC hours equal the factor base hours (i.e. Factor Base Hours is 48, and 3 16 hour VOC days, equal 48 hours). Partial VOC credit for the 480 VOC hours is calculated as follows

$$48 / 48 = 1.0 \times \$140.00 = \$140.00 \text{ (Payment reduced to zero)}$$

5.7.2.2 On the fourth day, VOC hours exceed Factor Based hours and the multiplier must be applied to determine the additional assessment. The additional assessment for the 480 VOC hours is calculated as follows:

$$\$140.00 \times .10 = \$14.00 \text{ (The additional daily assessment until the unit is restored to service)} \times 27 \text{ days} = \$378.00$$

5.7.2.3 The total VOC deduction from the monthly invoice is calculated as follows:

$$\$140.00 \text{ (A)} + \$378.00 \text{ (B)} = \$518.00$$

**5.7.3 A sedan (Class 1) is Out-of-Commission for a day and a half. This sedan is designated Operations-Essential. The actual number of VOC hours is 24.**

5.7.3.1 The payment percentage for the unit is calculated as follows:

24 VOC hrs. x 2 = 48 (VOC hours for Operations-Essential vehicles are doubled).

A.  $48/48 = 1.0 \times \$140.00 = \$140.00$  VOC credit.

B.  $\$140 - \$140 = \$0.00$  Actual monthly payment to Contractor.

**5.7.4 A Generator (Class 27) is Out-of-Commission for a day and a half. The actual number of VOC hours is 24**

5.7.4.1 The payment percentage for the unit is calculated as follows:

A.  $24/16 = 1.5$  VOC days

B.  $16/16 = 1$  VOC day x \$400.00 = VOC credit due city.

C.  $8/16 = .5$  day x .3 x \$400 = \$60.00

D. Total VOC deduction form the monthly invoice is calculated as follows.

$$\$400.00 \text{ (B)} + \$60.00 \text{ (C)} = \$460.00$$

**5.8 PERFORMANCE REQUIREMENTS SUMMARY TABLE**

CLASS	DESCRIPTION	FACTOR BASE HOURS*	MULTIPLIER
1	Sedan, Minivan	48	.10
2	Truck, Pickup, SUV, Van, to 1/2 Ton	48	.10
3	Truck, SUV, Van, 3/4 to 2 Ton	48	.10
4	Truck ≥2 Ton	48	.10
5	Bus, Van ≥ 2 Ton	48	.10
6	Striper, Truck Mounted, >1 Ton Chassis	16	.20

CLASS	DESCRIPTION	FACTOR BASE HOURS*	MULTIPLIER
7	Striper, Ride On, ≤ 1 Ton Chassis	16	.20
8	Striper, Walk Behind	16	.10
9	Sweeper ≥5 cu. yd.	16	.20
10	Sweepers >2<5 cu. Yd.; Scrubber, Rider, Power >50 HP; Milling Machine, Asphalt	16	.20
11	Sweeper, Rider, < 2 cu.yd.; Ride-on Scrubber < 50 HP or Electric; Deicer Sprayer, Runway	48	.10
12	Sweeper, Scrubber Walk Behind	48	.10
13	Utility Vehicle/Shuttle Cart/Truckster	48	.10
14	Tractor ≤69 HP	16	.20
15	Tractor ≥70-≤100 HP	16	.20
16	Tractor >100 HP	16	.20
17	Tractor 70-115 HP, with Triple-Gang, Flail, Boom Mower	16	.20
18	Mower, Non-powered	16	.20
19	Mower, Riding/Power Broom	48	.10
20	Ground Equipment Attachments Non-powered; Seeder; Thatcher; Hopper Spreader	48	.10
21	Earth Moving Equipment Including: Backhoe; Front-End Loader; Gradall; Maintainer; Articulated Loader; Excavator Crawler	16	.20
22	Excavator Crawler, Mini, Ditch Witch; Roller Compactor, Asphalt	16	.20
23	Forklift <5500 lbs. Capacity	16	.20
24	Forklift >5500 lbs. Capacity	16	.20
25	Aerial Device, Boomlift, Scissorlift	48	.10
26	Aerial Device, Truck Mounted	16	.20
27	Generator Stationary ≤ 99 KVA	16	.30
28	Generator Stationary >99 KVA	16	.30
29	Pavement Breaker with Trailer	48	.10
30	Concrete Saw; Cement Mixer	48	.10

CLASS	DESCRIPTION	FACTOR BASE HOURS*	MULTIPLIER
31	Detour Sign; Light Sets	48	.10
32	Air Compressors	48	.10
33	Hydromulcher	48	.10
34	Agricultural Sprayer; Pressure Washer, Trailer Mounted	48	.10
35	Trailer	48	.10
36	Bulldozer ≤139 HP	16	.20
37	Bulldozer ≥140HP	16	.20
38	<b>Intentionally Left Blank</b>		
39	Wash Facility, Wand-Type	16	.10
40	<b>Intentionally Left Blank</b>		
41	Asphalt Recycler	48	.10
42	Pumps, Trash, Vacuum, Sewer Cleaner, Trailer Mounted	48	.10
43	Police vehicles (Sedan)	48	.10
44	Police vehicles (SUV)	48	.10

\* Maximum Hours Out-of-Commission

#### 5.9 VOC REVIEW MEETINGS

- 5.9.1 A meeting will be scheduled before submittal of the monthly invoice to discuss VOC accruals during the preceding billing period.
- 5.9.2 Should Contractor fail to agree with HAS' determination regarding VOC, Contractor will be afforded the opportunity to submit additional information and supporting documentation to the Director. Contractor's submissions shall be in writing to HAS before the end of next succeeding billing period.
- 5.9.3 The Director, at his or her sole discretion, will determine through review of supporting documentation what amount of VOC is to be assessed. The adjusted VOC will be carried over to the following billing period.

### SECTION 6

#### PREVENTIVE MAINTENANCE SCHEDULE

##### 6.1 PASSENGER VEHICLES

Provide scheduled maintenance in accordance with OEM manuals, technical/service bulletins, and best fleet practices. Maintenance must comply with OEM Warranty and Emissions requirements. As a minimum, maintenance routines must include, but are not limited to those listed in Exhibit "I" Preventive Maintenance Schedules.

## 7.0 ADDITIONS & DELETIONS

- 7.1 The City, by written notice from the Director to the Contractor, at any time during the term of this Agreement, may add or delete like or similar equipment, supplies, locations and/or services to the list of equipment, supplies, locations, and/or services to be provided. Any such written notice shall take effect on the date stated in the notice from the City. Similar equipment, supplies, services, or locations added to the Agreement shall be in accordance with the contract specification/scope of services, and the charges or rates for items added shall be the same as specified in the Fee Schedule. In the event that the additional equipment, supplies, locations and/or services are not identical to the item(s) already under contract, the charges therefore will then be the Contractor's normal and customary charges or rates for the equipment, supplies, locations and/or services classified in the fee schedule.

## 8.0 WARRANTY OF SERVICES

- 8.1 *Definitions:* "Acceptance" as used in this clause, means the act of an authorized representative of the City by which the City assumes for itself, approval of specific services as partial or complete performance of the contract.

"Correction" as used in this clause, means the elimination of a defect.

- 8.2 Notwithstanding inspection and acceptance by the City or any provision concerning the conclusiveness thereof, the Contractor warrants that all services performed under this Agreement will, at the time of acceptance, be free from defects in workmanship and conform to the requirements of this Agreement. The Director shall give written notice of any defect or nonconformance to the Contractor within a one-year period from the date of acceptance by the City. This notice shall state either (1) that the Contractor shall correct or re-perform any defective or non-conforming services at no additional cost to the City, or (2) that the City does not require correction or re-performance.
- 8.3 If the Contractor is required to correct or re-perform, it shall be at no cost to the City, and any services corrected or re-performed by the Contractor shall be subject to this clause to the same extent as work initially performed. If the Contractor fails or refuses to correct or re-perform, the City may, by contract or otherwise, correct or replace with similar services and charge to the Contractor the cost occasioned to the City thereby, or make an equitable adjustment in the Agreement price.
- 8.4 If the City does not require correction or re-performance, the City shall make an equitable adjustment in the contract price as determined by the Director.

**EXHIBIT "B"  
FEE SCHEDULE**

<b>BID ITEM NO.</b>	<b>DESCRIPTION</b>	<b>UNIT</b>	<b>MONTHS</b>	<b>UNIT PRICE</b>
<b>YEAR ONE (1)</b>				
	ESTIMATED ANNUAL INCREASE FOR ADDITIONAL VEHICLE EQUIPMENT UNITS MAINTAINED (WKSHT. 2)	EACH	N/A	\$175,000.00
	OTHER WORK SERVICES MATERIALS ESTIMATED COST \$100,000.00 PLUS 5% CONTRACTORS MARK UP (WKSHT. 3)	EACH	N/A	\$105,000.00
1A	SEDAN, MINIVAN - PM TYPE 5.10	EACH	12	\$134.04
1B	OPS - ESS SURCHARGE	EACH	12	\$201.06
2A	TRUCK,PICUP,SUV,VAN, TO 1/2 TON - PM TYPE 6.2	EACH	12	\$187.66
2B	OPS - ESS SURCHARGE	EACH	12	\$281.48
3A	TRUCK, SUV, VAN, 3/4 TO 2 TON - PM TYPE 6.2	EACH	12	\$201.06
3B	OPS - ESS SURCHARGE	EACH	12	\$402.12
4A	TRUCK >2 TON - PM TYPE 6.2	EACH	12	\$214.46
4B	OPS - ESS SURCHARGE	EACH	12	\$428.92
5A	BUS, VAN >2 TON - PM TYPE 6.2	EACH	12	\$227.87
5B	OPS - ESS SURCHARGE	EACH	12	\$455.74
6A	STRIPER, TRUCK MOUNTED, >1 TON CHASSIS - PM TYPE 6.3	EACH	12	\$107.23
6B	OPS - ESS SURCHARGE	EACH	12	\$214.12
7A	STRIPER, RIDE ON, <1 TON CHASSIS - PM TYPE 6.3	EACH	12	\$402.12
7B	OPS - ESS SURCHARGE	EACH	12	\$804.24
8A	STRIPER, WALK BEHIND - PM TYPE 6.3	EACH	12	\$804.24
8B	OPS - ESS SURCHARGE	EACH	12	\$1,206.36
9A	SWEEPER >5 CU. YD. - PM TYPE 6.4	EACH	12	\$402.12
9B	OPS - ESS SURCHARGE	EACH	12	\$804.24
10A	SWEEPERS >2<5 CU. YD.; SCRUBBER, RIDER, POWER>50 HP; MILLING MACHINE, ASPHALT - PM TYPE 6.4	EACH	12	\$402.12
10B	OPS - ESS SURCHARGE	EACH	12	\$804.24

11A	SWEeper, RIDER, <2 CU. YD.; RIDE-ON SCRUBBER <50 HP OR ELECTRIC; DEICER SPRAYER, RUNWAY - PM TYPE 6.4	EACH	12	\$335.10
11B	OPS - ESS SURCHARGE	EACH	12	\$670.20
12A	SWEeper, SCRUBER WALK BEHIND - PM TYPE 6.4	EACH	12	\$670.20
12B	OPS - ESS SURCHARGE	EACH	12	\$1,005.30
13A	UTILITY VEHICLE/SHUTTLE CART/TRUCKSTER - PM TYPE 6.5	EACH	12	\$442.33
13B	OPS - ESS SURCHARGE	EACH	12	\$884.66
14A	TRACTOR <69 HP - PM TYPE 6.6	EACH	12	\$201.06
14B	OPS - ESS SURCHARGE	EACH	12	\$402.12
15A	TRACTOR >70-<100 HP - PM TYPE 6.6	EACH	12	\$268.08
15B	OPS - ESS SURCHARGE	EACH	12	\$536.16
16A	TRACTOR > 100 HP - PM TYPE 6.6	EACH	12	\$335.10
16B	OPS - ESS SURCHARGE	EACH	12	\$670.20
17A	TRACTOR 70-115 HP, WITH TRIPLE-GANG FLAIL, BOOM MOWER - PM TYPE 6.6	EACH	12	\$201.06
17B	OPS - ESS SURCHARGE	EACH	12	\$402.12
18A	MOWER, NON-POWERED - PM TYPE 6.14	EACH	12	\$40.21
18B	OPS - ESS SURCHARGE	EACH	12	\$80.42
19A	MOWER, RIDING/POWER BROOM - PM TYPE 6.16	EACH	12	\$201.06
19B	OPS - ESS SURCHARGE	EACH	12	\$402.12
20A	GROUND EQUIPMENT ATTACHMENTS NON POWERED, SEEDER, THATCHER, HOPPER SPREADER - PM TYPE 6.7	EACH	12	\$80.42
20B	OPS - ESS SURCHARGE	EACH	12	\$160.84
21A	EARTH MOVING EQUIPMENT INCLUDING: BACKHOE; FRONT-END LOADER; GRADALL; MAINTAINER; ARTICULATED LOADER; EXCAVATOR CRAWLER - PM TYPE 6.8	EACH	12	\$603.18
21B	OPS - ESS SURCHARGE	EACH	12	\$1,206.36
22A	EXCAVATOR CRAWLER, MINI, DITCH WITCH; ROLLER COMPACTOR, ASPHALT - PM TYPE 6.9	EACH	12	\$402.12
22B	OPS - ESS SURCHARGE	EACH	12	\$804.24

23A	FORKLIFT <5500 LBS. CAPACITY - PM TYPE 6.10	EACH	12	\$335.10
23B	OPS - ESS SURCHARGE	EACH	12	\$670.20
24A	FORKLIFT >5500 LBS. CAPACITY - PM TYPE 6.10	EACH	12	\$402.12
24B	OPS - ESS SURCHARGE	EACH	12	\$804.21
25A	AERIAL DEVICE, BOOMLIFT - PM TYPE 6.11	EACH	12	\$536.16
25B	OPS - ESS SURCHARGE	EACH	12	\$1,072.32
26A	AERIAL DEVICE, TRUCK MOUNTED - PM TYPE 6.11	EACH	12	\$402.12
26B	OPS - ESS SURCHARGE	EACH	12	\$804.12
27A	GENERATOR STATIONARY <99 KVA - PM TYPE 6.12	EACH	12	\$335.10
27B	OPS - ESS SURCHARGE	EACH	12	\$502.65
28A	GENERATOR STATIONARY >99 KVA - PM TYPE 6.12	EACH	12	\$469.14
28B	OPS - ESS SURCHARGE	EACH	12	\$703.71
29A	PAVEMENT BREAKER WITH TRAILER - PM TYPE 6.17	EACH	12	\$67.02
29B	OPS - ESS SURCHARGE	EACH	12	\$134.04
30A	CONCRETE SAW; CEMENT MIXER - PM TYPE 6.15	EACH	12	\$335.10
30B	OPS - ESS SURCHARGE	EACH	12	\$670.20
31A	DETOUR SIGN; LIGHT SETS - PM TYPE 6.13	EACH	12	\$107.23
31B	OPS - ESS SURCHARGE	EACH	12	\$214.46
32A	AIR COMPRESSORS - PM TYPE 6.13	EACH	12	\$107.23
32B	OPS - ESS SURCHARGE	EACH	12	\$214.46
33A	HYDROMULCHER - PM TYPE 6.13	EACH	12	\$107.23
33B	OPS - ESS SURCHARGE	EACH	12	\$214.46
34A	AGRICULTURAL SPRAYER; PRESSURE WASHER, TRAILER MOUNTED - PM TYPE 6.13	EACH	12	\$134.04
34B	OPS - ESS SURCHARGE	EACH	12	\$268.08
35A	TRAILER - PM TYPE 6.17	EACH	12	\$67.02
35B	OPS - ESS SURCHARGE	EACH	12	\$134.04
36A	BULLDOZER <139 HP - PM TYPE 6.18	EACH	12	\$737.22
36B	OPS - ESS SURCHARGE	EACH	12	\$1,474.44
37A	BULLDOZER <140 - PM TYPE 6.18	EACH	12	\$1,474.44
37B	OPS - ESS SURCHARGE	EACH	12	\$2,211.66
38A	<b>Intentionally Left Blank</b>			
38B	<b>Intentionally Left Blank</b>			
39A	WASH FACILITY, WAND-TYPE - PM TYPE 6.19	EACH	12	\$267.34

39B	OPS - ESS SURCHARGE	EACH	12	\$534.68
40A	INTENTIONALLY LEFT BLANK	EACH	12	\$0.00
40B	OPS - ESS SURCHARGE	EACH	12	\$0.00
41A	ASPHALT RECYCLER - PM TYPE 6.20	EACH	12	\$227.24
41B	OPS - ESS SURCHARGE	EACH	12	\$454.48
42A	PUMPS, TRASH, VACUUM, SEWER CLEANER, TRAILER MOUNTED - PM TYPE 6.21	EACH	12	\$147.04
42B	OPS - ESS SURCHARGE	EACH	12	\$294.08
43A	POLICE VEHICLES - SEDAN - PM TYPE 6.1	EACH	12	\$267.34
43B	OPS - ESS SURCHARGE	EACH	12	\$401.04
44A	POLICE VEHICLES - SUV - PM TYPE 6.2	EACH	12	\$334.18
44B	OPS - ESS SURCHARGE	EACH	12	\$668.35
45A	STANDARD OTHER WORK SERVICES LABOR COST, MECHANIC	HOURLY	N/A	\$23.28
45B	AFTER HOURS OTHER SERVICES LABOR COST, MECHANIC	HOURLY	N/A	\$34.92

BID ITEM NO.	DESCRIPTION	UNIT	MONTHS	UNIT PRICE
YEAR TWO (2)				
	ESTIMATED ANNUAL INCREASE FOR ADDITIONAL VEHICLE EQUIPMENT UNITS MAINTAINED (WKSHT. 2)	EACH	N/A	\$175,000.00
	OTHER WORK SERVICES MATERIALS ESTIMATED COST \$100,000.00 PLUS 5% CONTRACTORS MARK UP (WKSHT. 3)	EACH	N/A	\$105,000.00
1A	SEDAN, MINIVAN - PM TYPE 5.10	EACH	12	\$131.74
1B	OPS - ESS SURCHARGE	EACH	12	\$197.61
2A	TRUCK, PICUP, SUV, VAN, TO 1/2 TON - PM TYPE 6.2	EACH	12	\$184.44
2B	OPS - ESS SURCHARGE	EACH	12	\$276.65
3A	TRUCK, SUV, VAN, 3/4 TO 2 TON - PM TYPE 6.2	EACH	12	\$197.61
3B	OPS - ESS SURCHARGE	EACH	12	\$395.22
4A	TRUCK >2 TON - PM TYPE 6.2	EACH	12	\$210.78
4B	OPS - ESS SURCHARGE	EACH	12	\$421.56
5A	BUS, VAN >2 TON - PM TYPE 6.2	EACH	12	\$223.96
5B	OPS - ESS SURCHARGE	EACH	12	\$447.92
6A	STRIPER, TRUCK MOUNTED, >1 TON CHASSIS - PM TYPE 6.3	EACH	12	\$105.39
6B	OPS - ESS SURCHARGE	EACH	12	\$210.78
7A	STRIPER, RIDE ON, <1 TON CHASSIS - PM TYPE 6.3	EACH	12	\$395.22
7B	OPS - ESS SURCHARGE	EACH	12	\$790.44
8A	STRIPER, WALK BEHIND - PM TYPE 6.3	EACH	12	\$790.44
8B	OPS - ESS SURCHARGE	EACH	12	\$1,185.66
9A	SWEEPER >5 CU. YD. - PM TYPE 6.4	EACH	12	\$395.22
9B	OPS - ESS SURCHARGE	EACH	12	\$790.44
10A	SWEEPERS >2<5 CU. YD.; SCRUBBER, RIDER, POWER>50 HP; MILLING MACHINE, ASPHALT - PM TYPE 6.4	EACH	12	\$395.22
10B	OPS - ESS SURCHARGE	EACH	12	\$790.44
11A	SWEEPER, RIDER, <2 CU. YD.; RIDE-ON SCRUBBER <50 HP OR ELECTRIC; DEICER SPRAYER, RUNWAY - PM TYPE 6.4	EACH	12	\$329.35

11B	OPS - ESS SURCHARGE	EACH	12	\$658.70
12A	SWEEPER, SCRUBER WALK BEHIND - PM TYPE 6.4	EACH	12	\$658.70
12B	OPS - ESS SURCHARGE	EACH	12	\$988.05
13A	UTILITY VEHICLE/SHUTTLE CART/TRUCKSTER - PM TYPE 6.5	EACH	12	\$434.74
13B	OPS - ESS SURCHARGE	EACH	12	\$869.48
14A	TRACTOR <69 HP - PM TYPE 6.6	EACH	12	\$197.61
14B	OPS - ESS SURCHARGE	EACH	12	\$395.22
15A	TRACTOR >70-<100 HP - PM TYPE 6.6	EACH	12	\$263.48
15B	OPS - ESS SURCHARGE	EACH	12	\$526.96
16A	TRACTOR > 100 HP - PM TYPE 6.6	EACH	12	\$329.35
16B	OPS - ESS SURCHARGE	EACH	12	\$658.70
17A	TRACTOR 70-115 HP, WITH TRIPLE-GANG FLAIL, BOOM MOWER - PM TYPE 6.6	EACH	12	\$395.22
17B	OPS - ESS SURCHARGE	EACH	12	\$790.44
18A	MOWER, NON-POWERED - PM TYPE 6.14	EACH	12	\$39.52
18B	OPS - ESS SURCHARGE	EACH	12	\$79.04
19A	MOWER, RIDING/POWER BROOM - PM TYPE 6.16	EACH	12	\$197.61
19B	OPS - ESS SURCHARGE	EACH	12	\$395.22
20A	GROUND EQUIPMENT ATTACHMENTS NON POWERED, SEEDER, THATCHER, HOPPER SPREADER - PM TYPE 6.7	EACH	12	\$79.04
20B	OPS - ESS SURCHARGE	EACH	12	\$158.08
21A	EARTH MOVING EQUIPMENT INCLUDING: BACKHOE; FRONT-END LOADER; GRADALL; MAINTAINER; ARTICULATED LOADER; EXCAVATOR CRAWLER - PM TYPE 6.8	EACH	12	\$592.83
21B	OPS - ESS SURCHARGE	EACH	12	\$1,185.66
22A	EXCAVATOR CRAWLER, MINI, DITCH WITCH; ROLLER COMPACTOR, ASPHALT - PM TYPE 6.9	EACH	12	\$395.22
22B	OPS - ESS SURCHARGE	EACH	12	\$790.44
23A	FORKLIFT <5500 LBS. CAPACITY - PM TYPE 6.10	EACH	12	\$329.35
23B	OPS - ESS SURCHARGE	EACH	12	\$658.70
24A	FORKLIFT >5500 LBS. CAPACITY - PM TYPE 6.10	EACH	12	\$395.22
24B	OPS - ESS SURCHARGE	EACH	12	\$790.44

25A	AERIAL DEVICE, BOOMLIFT - PM TYPE 6.11	EACH	12	\$526.96
25B	OPS - ESS SURCHARGE	EACH	12	\$1,053.92
26A	AERIAL DEVICE, TRUCK MOUNTED - PM TYPE 6.11	EACH	12	\$395.22
26B	OPS - ESS SURCHARGE	EACH	12	\$790.44
27A	GENERATOR STATIONARY <99 KVA - PM TYPE 6.12	EACH	12	\$329.35
27B	OPS - ESS SURCHARGE	EACH	12	\$494.03
28A	GENERATOR STATIONARY >99 KVA - PM TYPE 6.12	EACH	12	\$461.09
28B	OPS - ESS SURCHARGE	EACH	12	\$691.64
29A	PAVEMENT BREAKER WITH TRAILER - PM TYPE 6.17	EACH	12	\$65.87
29B	OPS - ESS SURCHARGE	EACH	12	\$131.74
30A	CONCRETE SAW; CEMENT MIXER - PM TYPE 6.15	EACH	12	\$329.35
30B	OPS - ESS SURCHARGE	EACH	12	\$658.70
31A	DETOUR SIGN; LIGHT SETS - PM TYPE 6.13	EACH	12	\$105.39
31B	OPS - ESS SURCHARGE	EACH	12	\$210.78
32A	AIR COMPRESSORS - PM TYPE 6.13	EACH	12	\$105.39
32B	OPS - ESS SURCHARGE	EACH	12	\$210.78
33A	HYDROMULCHER - PM TYPE 6.13	EACH	12	\$105.39
33B	OPS - ESS SURCHARGE	EACH	12	\$210.78
34A	AGRICULTURAL SPRAYER; PRESSURE WASHER, TRAILER MOUNTED - PM TYPE 6.13	EACH	12	\$131.74
34B	OPS - ESS SURCHARGE	EACH	12	\$263.48
35A	TRAILER - PM TYPE 6.17	EACH	12	\$65.87
35B	OPS - ESS SURCHARGE	EACH	12	\$131.74
36A	BULLDOZER <139 HP - PM TYPE 6.18	EACH	12	\$724.57
36B	OPS - ESS SURCHARGE	EACH	12	\$1,449.14
37A	BULLDOZER <140 - PM TYPE 6.18	EACH	12	\$1,449.14
37B	OPS - ESS SURCHARGE	EACH	12	\$2,173.71
38A	<b>Intentionally Left Blank</b>			
38B	<b>Intentionally Left Blank</b>			
39A	WASH FACILITY, WAND-TYPE - PM TYPE 6.19	EACH	12	\$263.48
39B	OPS - ESS SURCHARGE	EACH	12	\$526.96
40A	INTENTIONALLY LEFT BLANK	EACH	12	\$0.00
40B	OPS - ESS SURCHARGE	EACH	12	\$0.00
41A	ASPHALT RECYCLER - PM TYPE 6.20	EACH	12	\$233.96

41B	OPS - ESS SURCHARGE	EACH	12	\$467.92
42A	PUMPS, TRASH, VACUUM, SEWER CLEANER, TRAILER MOUNTED - PM TYPE 6.21	EACH	12	\$144.91
42B	OPS - ESS SURCHARGE	EACH	12	\$289.82
43A	POLICE VEHICLES - SEDAN - PM TYPE 6.1	EACH	12	\$263.48
43B	OPS - ESS SURCHARGE	EACH	12	\$395.22
44A	POLICE VEHICLES - SUV - PM TYPE 6.2	EACH	12	\$329.35
44B	OPS - ESS SURCHARGE	EACH	12	\$658.70
45A	STANDARD OTHER WORK SERVICES LABOR COST, MECHANIC	HOURLY	N/A	\$23.98
45B	AFTER HOURS OTHER SERVICES LABOR COST, MECHANIC	HOURLY	N/A	\$35.98

BID ITEM NO.	DESCRIPTION	UNIT	MONTHS	UNIT PRICE
<b>YEAR THREE (3)</b>				
	ESTIMATED ANNUAL INCREASE FOR ADDITIONAL VEHICLE EQUIPMENT UNITS MAINTAINED (WKSHT. 2)	EACH	N/A	\$175,000.00
	OTHER WORK SERVICES MATERIALS ESTIMATED COST \$100,000.00 PLUS 5% CONTRACTORS MARK UP (WKSHT. 3)	EACH	N/A	\$105,000.00
1A	SEDAN, MINIVAN - PM TYPE 5.10	EACH	12	\$135.11
1B	OPS - ESS SURCHARGE	EACH	12	\$202.67
2A	TRUCK, PICUP, SUV, VAN, TO 1/2 TON - PM TYPE 6.2	EACH	12	\$189.15
2B	OPS - ESS SURCHARGE	EACH	12	\$283.73
3A	TRUCK, SUV, VAN, 3/4 TO 2 TON - PM TYPE 6.2	EACH	12	\$202.67
3B	OPS - ESS SURCHARGE	EACH	12	\$405.34
4A	TRUCK >2 TON - PM TYPE 6.2	EACH	12	\$216.18
4B	OPS - ESS SURCHARGE	EACH	12	\$432.36
5A	BUS, VAN >2 TON - PM TYPE 6.2	EACH	12	\$229.69
5B	OPS - ESS SURCHARGE	EACH	12	\$459.38
6A	STRIPER, TRUCK MOUNTED, >1 TON CHASSIS - PM TYPE 6.3	EACH	12	\$108.09
6B	OPS - ESS SURCHARGE	EACH	12	\$216.18
7A	STRIPER, RIDE ON, <1 TON CHASSIS - PM TYPE 6.3	EACH	12	\$405.33
7B	OPS - ESS SURCHARGE	EACH	12	\$810.66
8A	STRIPER, WALK BEHIND - PM TYPE 6.3	EACH	12	\$810.66
8B	OPS - ESS SURCHARGE	EACH	12	\$1,215.99
9A	SWEEPER >5 CU. YD. - PM TYPE 6.4	EACH	12	\$405.33
9B	OPS - ESS SURCHARGE	EACH	12	\$810.66
10A	SWEEPERS >2<5 CU. YD.; SCRUBBER, RIDER, POWER>50 HP; MILLING MACHINE, ASPHALT - PM TYPE 6.4	EACH	12	\$405.33
10B	OPS - ESS SURCHARGE	EACH	12	\$810.66
11A	SWEEPER, RIDER, <2 CU. YD.; RIDE-ON SCRUBBER <50 HP OR ELECTRIC; DEICER SPRAYER, RUNWAY - PM TYPE 6.4	EACH	12	\$337.78
11B	OPS - ESS SURCHARGE	EACH	12	\$675.56

12A	SWEeper, SCRUBER WALK BEHIND - PM TYPE 6.4	EACH	12	\$337.78
12B	OPS - ESS SURCHARGE	EACH	12	\$675.56
13A	UTILITY VEHICLE/SHUTTLE CART/TRUCKSTER - PM TYPE 6.5	EACH	12	\$445.86
13B	OPS - ESS SURCHARGE	EACH	12	\$891.72
14A	TRACTOR <69 HP - PM TYPE 6.6	EACH	12	\$202.67
14B	OPS - ESS SURCHARGE	EACH	12	\$405.34
15A	TRACTOR >70-<100 HP - PM TYPE 6.6	EACH	12	\$270.22
15B	OPS - ESS SURCHARGE	EACH	12	\$540.44
16A	TRACTOR > 100 HP - PM TYPE 6.6	EACH	12	\$337.78
16B	OPS - ESS SURCHARGE	EACH	12	\$675.56
17A	TRACTOR 70-115 HP, WITH TRIPLE-GANG FLAIL, BOOM MOWER - PM TYPE 6.6	EACH	12	\$405.33
17B	OPS - ESS SURCHARGE	EACH	12	\$810.66
18A	MOWER, NON-POWERED - PM TYPE 6.14	EACH	12	\$40.53
18B	OPS - ESS SURCHARGE	EACH	12	\$81.06
19A	MOWER, RIDING/POWER BROOM - PM TYPE 6.16	EACH	12	\$202.67
19B	OPS - ESS SURCHARGE	EACH	12	\$405.34
20A	GROUND EQUIPMENT ATTACHMENTS NON POWERED, SEEDER, THATCHER, HOPPER SPREADER - PM TYPE 6.7	EACH	12	\$81.07
20B	OPS - ESS SURCHARGE	EACH	12	\$162.14
21A	EARTH MOVING EQUIPMENT INCLUDING: BACKHOE; FRONT-END LOADER; GRADALL; MAINTAINER; ARTICULATED LOADER; EXCAVATOR CRAWLER - PM TYPE 6.8	EACH	12	\$608.00
21B	OPS - ESS SURCHARGE	EACH	12	\$1,216.00
22A	EXCAVATOR CRAWLER, MINI, DITCH WITCH; ROLLER COMPACTOR, ASPHALT - PM TYPE 6.9	EACH	12	\$405.33
22B	OPS - ESS SURCHARGE	EACH	12	\$810.66
23A	FORKLIFT <5500 LBS. CAPACITY - PM TYPE 6.10	EACH	12	\$337.78
23B	OPS - ESS SURCHARGE	EACH	12	\$675.56
24A	FORKLIFT >5500 LBS. CAPACITY - PM TYPE 6.10	EACH	12	\$405.33
24B	OPS - ESS SURCHARGE	EACH	12	\$810.66

25A	AERIAL DEVICE, BOOMLIFT - PM TYPE 6.11	EACH	12	\$540.44
25B	OPS - ESS SURCHARGE	EACH	12	\$1,080.88
26A	AERIAL DEVICE, TRUCK MOUNTED - PM TYPE 6.11	EACH	12	\$405.33
26B	OPS - ESS SURCHARGE	EACH	12	\$810.66
27A	GENERATOR STATIONARY <99 KVA - PM TYPE 6.12	EACH	12	\$337.78
27B	OPS - ESS SURCHARGE	EACH	12	\$506.66
28A	GENERATOR STATIONARY >99 KVA - PM TYPE 6.12	EACH	12	\$472.89
28B	OPS - ESS SURCHARGE	EACH	12	\$709.33
29A	PAVEMENT BREAKER WITH TRAILER - PM TYPE 6.17	EACH	12	\$67.56
29B	OPS - ESS SURCHARGE	EACH	12	\$135.12
30A	CONCRETE SAW; CEMENT MIXER - PM TYPE 6.15	EACH	12	\$337.78
30B	OPS - ESS SURCHARGE	EACH	12	\$675.56
31A	DETOUR SIGN; LIGHT SETS - PM TYPE 6.13	EACH	12	\$108.09
31B	OPS - ESS SURCHARGE	EACH	12	\$216.18
32A	AIR COMPRESSORS - PM TYPE 6.13	EACH	12	\$108.09
32B	OPS - ESS SURCHARGE	EACH	12	\$216.18
33A	HYDROMULCHER - PM TYPE 6.13	EACH	12	\$108.09
33B	OPS - ESS SURCHARGE	EACH	12	\$216.18
34A	AGRICULTURAL SPRAYER; PRESSURE WASHER, TRAILER MOUNTED - PM TYPE 6.13	EACH	12	\$135.11
34B	OPS - ESS SURCHARGE	EACH	12	\$270.22
35A	TRAILER - PM TYPE 6.17	EACH	12	\$67.56
35B	OPS - ESS SURCHARGE	EACH	12	\$135.12
36A	BULLDOZER <139 HP - PM TYPE 6.18	EACH	12	\$743.11
36B	OPS - ESS SURCHARGE	EACH	12	\$1,486.22
37A	BULLDOZER <140 - PM TYPE 6.18	EACH	12	\$1,486.22
37B	OPS - ESS SURCHARGE	EACH	12	\$2,229.33
38A	<b>Intentionally Left Blank</b>			
38B	<b>Intentionally Left Blank</b>			
39A	WASH FACILITY, WAND-TYPE - PM TYPE 6.19	EACH	12	\$270.22
39B	OPS - ESS SURCHARGE	EACH	12	\$540.44
40A	INTENTIONALLY LEFT BLANK	EACH	12	\$0.00
40B	OPS - ESS SURCHARGE	EACH	12	\$0.00
41A	ASPHALT RECYCLER - PM TYPE 6.20	EACH	12	\$229.69

41B	OPS - ESS SURCHARGE	EACH	12	\$459.38
42A	PUMPS, TRASH, VACUUM, SEWER CLEANER, TRAILER MOUNTED - PM TYPE 6.21	EACH	12	\$148.62
42B	OPS - ESS SURCHARGE	EACH	12	\$297.24
43A	POLICE VEHICLES - SEDAN - PM TYPE 6.1	EACH	12	\$270.22
43B	OPS - ESS SURCHARGE	EACH	12	\$405.33
44A	POLICE VEHICLES - SUV - PM TYPE 6.2	EACH	12	\$337.78
44B	OPS - ESS SURCHARGE	EACH	12	\$675.55
45A	STANDARD OTHER WORK SERVICES LABOR COST, MECHANIC	HOURLY	N/A	\$24.70
45B	AFTER HOURS OTHER SERVICES LABOR COST, MECHANIC	HOURLY	N/A	\$37.05

BID ITEM NO.	DESCRIPTION	UNIT	MONTHS	UNIT PRICE
YEAR FOUR (4), OPTION YEAR ONE (1)				
	ESTIMATED ANNUAL INCREASE FOR ADDITIONAL VEHICLE EQUIPMENT UNITS MAINTAINED (WKSHT. 2)	EACH	N/A	\$175,000.00
	OTHER WORK SERVICES MATERIALS ESTIMATED COST \$100,000.00 PLUS 5% CONTRACTORS MARK UP (WKSHT. 3)	EACH	N/A	\$105,000.00
1A	SEDAN, MINIVAN - PM TYPE 5.10	EACH	12	\$138.58
1B	OPS - ESS SURCHARGE	EACH	12	\$207.87
2A	TRUCK,PICUP,SUV,VAN, TO 1/2 TON - PM TYPE 6.2	EACH	12	\$194.01
2B	OPS - ESS SURCHARGE	EACH	12	\$291.02
3A	TRUCK, SUV, VAN, 3/4 TO 2 TON - PM TYPE 6.2	EACH	12	\$207.87
3B	OPS - ESS SURCHARGE	EACH	12	\$415.74
4A	TRUCK >2 TON - PM TYPE 6.2	EACH	12	\$221.73
4B	OPS - ESS SURCHARGE	EACH	12	\$443.46
5A	BUS, VAN >2 TON - PM TYPE 6.2	EACH	12	\$235.59
5B	OPS - ESS SURCHARGE	EACH	12	\$471.18
6A	STRIPER, TRUCK MOUNTED, >1 TON CHASSIS - PM TYPE 6.3	EACH	12	\$110.86
6B	OPS - ESS SURCHARGE	EACH	12	\$221.72
7A	STRIPER, RIDE ON, <1 TON CHASSIS - PM TYPE 6.3	EACH	12	\$415.74
7B	OPS - ESS SURCHARGE	EACH	12	\$831.48
8A	STRIPER, WALK BEHIND - PM TYPE 6.3	EACH	12	\$831.48
8B	OPS - ESS SURCHARGE	EACH	12	\$1,247.22
9A	SWEEPER >5 CU. YD. - PM TYPE 6.4	EACH	12	\$415.74
9B	OPS - ESS SURCHARGE	EACH	12	\$831.48
10A	SWEEPERS >2<5 CU. YD.; SCRUBBER, RIDER, POWER>50 HP; MILLING MACHINE, ASPHALT - PM TYPE 6.4	EACH	12	\$415.74
10B	OPS - ESS SURCHARGE	EACH	12	\$831.48

11A	SWEeper, RIDER, <2 CU. YD.; RIDE-ON SCRUBBER <50 HP OR ELECTRIC; DEICER SPRAYER, RUNWAY - PM TYPE 6.4	EACH	12	\$346.45
11B	OPS - ESS SURCHARGE	EACH	12	\$692.90
12A	SWEeper, SCRUBBER WALK BEHIND - PM TYPE 6.4	EACH	12	\$692.90
12B	OPS - ESS SURCHARGE	EACH	12	\$1,039.35
13A	UTILITY VEHICLE/SHUTTLE CART/TRUCKSTER - PM TYPE 6.5	EACH	12	\$457.31
13B	OPS - ESS SURCHARGE	EACH	12	\$914.62
14A	TRACTOR <69 HP - PM TYPE 6.6	EACH	12	\$207.87
14B	OPS - ESS SURCHARGE	EACH	12	\$415.74
15A	TRACTOR >70-<100 HP - PM TYPE 6.6	EACH	12	\$277.16
15B	OPS - ESS SURCHARGE	EACH	12	\$554.32
16A	TRACTOR > 100 HP - PM TYPE 6.6	EACH	12	\$346.45
16B	OPS - ESS SURCHARGE	EACH	12	\$692.90
17A	TRACTOR 70-115 HP, WITH TRIPLE-GANG FLAIL, BOOM MOWER - PM TYPE 6.6	EACH	12	\$415.74
17B	OPS - ESS SURCHARGE	EACH	12	\$831.48
18A	MOWER, NON-POWERED - PM TYPE 6.14	EACH	12	\$41.57
18B	OPS - ESS SURCHARGE	EACH	12	\$83.14
19A	MOWER, RIDING/POWER BROOM - PM TYPE 6.16	EACH	12	\$207.87
19B	OPS - ESS SURCHARGE	EACH	12	\$415.74
20A	GROUND EQUIPMENT ATTACHMENTS NON POWERED, SEEDER, THATCHER, HOPPER SPREADER - PM TYPE 6.7	EACH	12	\$83.15
20B	OPS - ESS SURCHARGE	EACH	12	\$166.30
21A	EARTH MOVING EQUIPMENT INCLUDING: BACKHOE; FRONT-END LOADER; GRADALL; MAINTAINER; ARTICULATED LOADER; EXCAVATOR CRAWLER - PM TYPE 6.8	EACH	12	\$623.61
21B	OPS - ESS SURCHARGE	EACH	12	\$1,247.22
22A	EXCAVATOR CRAWLER, MINI, DITCH WITCH; ROLLER COMPACTOR, ASPHALT - PM TYPE 6.9	EACH	12	\$415.74
22B	OPS - ESS SURCHARGE	EACH	12	\$831.48

23A	FORKLIFT <5500 LBS. CAPACITY - PM TYPE 6.10	EACH	12	\$346.45
23B	OPS - ESS SURCHARGE	EACH	12	\$692.90
24A	FORKLIFT >5500 LBS. CAPACITY - PM TYPE 6.10	EACH	12	\$415.74
24B	OPS - ESS SURCHARGE	EACH	12	\$831.48
25A	AERIAL DEVICE, BOOMLIFT - PM TYPE 6.11	EACH	12	\$554.32
25B	OPS - ESS SURCHARGE	EACH	12	\$1,108.64
26A	AERIAL DEVICE, TRUCK MOUNTED - PM TYPE 6.11	EACH	12	\$415.74
26B	OPS - ESS SURCHARGE	EACH	12	\$831.48
27A	GENERATOR STATIONARY <99 KVA - PM TYPE 6.12	EACH	12	\$346.45
27B	OPS - ESS SURCHARGE	EACH	12	\$519.68
28A	GENERATOR STATIONARY >99 KVA - PM TYPE 6.12	EACH	12	\$485.03
28B	OPS - ESS SURCHARGE	EACH	12	\$727.55
29A	PAVEMENT BREAKER WITH TRAILER - PM TYPE 6.17	EACH	12	\$69.29
29B	OPS - ESS SURCHARGE	EACH	12	\$138.58
30A	CONCRETE SAW; CEMENT MIXER - PM TYPE 6.15	EACH	12	\$346.45
30B	OPS - ESS SURCHARGE	EACH	12	\$692.90
31A	DETOUR SIGN; LIGHT SETS - PM TYPE 6.13	EACH	12	\$110.86
31B	OPS - ESS SURCHARGE	EACH	12	\$221.72
32A	AIR COMPRESSORS - PM TYPE 6.13	EACH	12	\$110.86
32B	OPS - ESS SURCHARGE	EACH	12	\$221.72
33A	HYDROMULCHER - PM TYPE 6.13	EACH	12	\$110.86
33B	OPS - ESS SURCHARGE	EACH	12	\$221.72
34A	AGRICULTURAL SPRAYER; PRESSURE WASHER, TRAILER MOUNTED - PM TYPE 6.13	EACH	12	\$138.58
34B	OPS - ESS SURCHARGE	EACH	12	\$277.16
35A	TRAILER - PM TYPE 6.17	EACH	12	\$69.29
35B	OPS - ESS SURCHARGE	EACH	12	\$138.58
36A	BULLDOZER <139 HP - PM TYPE 6.18	EACH	12	\$762.19
36B	OPS - ESS SURCHARGE	EACH	12	\$1,524.38
37A	BULLDOZER <140 - PM TYPE 6.18	EACH	12	\$1,524.38
37B	OPS - ESS SURCHARGE	EACH	12	\$2,286.57
38A	<b>Intentionally Left Blank</b>			
38B	<b>Intentionally Left Blank</b>			
39A	WASH FACILITY, WAND-TYPE - PM TYPE 6.19	EACH	12	\$277.16

39B	OPS - ESS SURCHARGE	EACH	12	\$454.32
40A	INTENTIONALLY LEFT BLANK	EACH	12	\$0.00
40B	OPS - ESS SURCHARGE	EACH	12	\$0.00
41A	ASPHALT RECYCLER - PM TYPE 6.20	EACH	12	\$235.59
41B	OPS - ESS SURCHARGE	EACH	12	\$471.18
42A	PUMPS, TRASH, VACUUM, SEWER CLEANER, TRAILER MOUNTED - PM TYPE 6.21	EACH	12	\$152.44
42B	OPS - ESS SURCHARGE	EACH	12	\$304.88
43A	POLICE VEHICLES - SEDAN - PM TYPE 6.1	EACH	12	\$277.16
43B	OPS - ESS SURCHARGE	EACH	12	\$415.74
44A	POLICE VEHICLES - SUV - PM TYPE 6.2	EACH	12	\$346.45
44B	OPS - ESS SURCHARGE	EACH	12	\$692.90
45A	STANDARD OTHER WORK SERVICES LABOR COST, MECHANIC	HOURLY	N/A	\$25.44
45B	AFTER HOURS OTHER SERVICES LABOR COST, MECHANIC	HOURLY	N/A	\$38.16

BID ITEM NO.	DESCRIPTION	UNIT	MONTHS	UNIT PRICE
YEAR FIVE (5), OPTION YEAR TWO (2)				
	ESTIMATED ANNUAL INCREASE FOR ADDITIONAL VEHICLE EQUIPMENT UNITS MAINTAINED (WKSHT. 2)	EACH	N/A	\$175,000.00
	OTHER WORK SERVICES MATERIALS ESTIMATED COST \$100,000.00 PLUS 5% CONTRACTORS MARK UP (WKSHT. 3)	EACH	N/A	\$105,000.00
1A	SEDAN, MINIVAN - PM TYPE 5.10	EACH	12	\$142.14
1B	OPS - ESS SURCHARGE	EACH	12	\$213.21
2A	TRUCK,PICUP,SUV,VAN, TO 1/2 TON - PM TYPE 6.2	EACH	12	\$199.00
2B	OPS - ESS SURCHARGE	EACH	12	\$298.49
3A	TRUCK, SUV, VAN, 3/4 TO 2 TON - PM TYPE 6.2	EACH	12	\$213.21
3B	OPS - ESS SURCHARGE	EACH	12	\$426.42
4A	TRUCK >2 TON - PM TYPE 6.2	EACH	12	\$227.42
4B	OPS - ESS SURCHARGE	EACH	12	\$454.84
5A	BUS, VAN >2 TON - PM TYPE 6.2	EACH	12	\$241.64
5B	OPS - ESS SURCHARGE	EACH	12	\$483.28
6A	STRIPER, TRUCK MOUNTED, >1 TON CHASSIS - PM TYPE 6.3	EACH	12	\$113.71
6B	OPS - ESS SURCHARGE	EACH	12	\$227.42
7A	STRIPER, RIDE ON, <1 TON CHASSIS - PM TYPE 6.3	EACH	12	\$426.42
7B	OPS - ESS SURCHARGE	EACH	12	\$852.84
8A	STRIPER, WALK BEHIND - PM TYPE 6.3	EACH	12	\$852.84
8B	OPS - ESS SURCHARGE	EACH	12	\$1,279.26
9A	SWEEPER >5 CU. YD. - PM TYPE 6.4	EACH	12	\$426.42
9B	OPS - ESS SURCHARGE	EACH	12	\$852.84
10A	SWEEPERS >2<5 CU. YD.; SCRUBBER, RIDER, POWER>50 HP; MILLING MACHINE, ASPHALT - PM TYPE 6.4	EACH	12	\$426.42
10B	OPS - ESS SURCHARGE	EACH	12	\$852.84

11A	SWEeper, RIDER, <2 CU. YD.; RIDE-ON SCRUBBER <50 HP OR ELECTRIC; DEICER SPRAYER, RUNWAY - PM TYPE 6.4	EACH	12	\$335.35
11B	OPS - ESS SURCHARGE	EACH	12	\$670.70
12A	SWEeper, SCRUBBER WALK BEHIND - PM TYPE 6.4	EACH	12	\$670.70
12B	OPS - ESS SURCHARGE	EACH	12	\$1,006.05
13A	UTILITY VEHICLE/SHUTTLE CART/TRUCKSTER - PM TYPE 6.5	EACH	12	\$469.06
13B	OPS - ESS SURCHARGE	EACH	12	\$938.12
14A	TRACTOR <69 HP - PM TYPE 6.6	EACH	12	\$213.21
14B	OPS - ESS SURCHARGE	EACH	12	\$426.42
15A	TRACTOR >70-<100 HP - PM TYPE 6.6	EACH	12	\$284.28
15B	OPS - ESS SURCHARGE	EACH	12	\$568.56
16A	TRACTOR > 100 HP - PM TYPE 6.6	EACH	12	\$355.35
16B	OPS - ESS SURCHARGE	EACH	12	\$710.70
17A	TRACTOR 70-115 HP, WITH TRIPLE-GANG FLAIL, BOOM MOWER - PM TYPE 6.6	EACH	12	\$426.42
17B	OPS - ESS SURCHARGE	EACH	12	\$852.84
18A	MOWER, NON-POWERED - PM TYPE 6.14	EACH	12	\$42.64
18B	OPS - ESS SURCHARGE	EACH	12	\$85.28
19A	MOWER, RIDING/POWER BROOM - PM TYPE 6.16	EACH	12	\$213.21
19B	OPS - ESS SURCHARGE	EACH	12	\$426.42
20A	GROUND EQUIPMENT ATTACHMENTS NON POWERED, SEEDER, THATCHER, HOPPER SPREADER - PM TYPE 6.7	EACH	12	\$85.28
20B	OPS - ESS SURCHARGE	EACH	12	\$170.56
21A	EARTH MOVING EQUIPMENT INCLUDING: BACKHOE; FRONT-END LOADER; GRADALL; MAINTAINER; ARTICULATED LOADER; EXCAVATOR CRAWLER - PM TYPE 6.8	EACH	12	\$639.63
21B	OPS - ESS SURCHARGE	EACH	12	\$1,279.26
22A	EXCAVATOR CRAWLER, MINI, DITCH WITCH; ROLLER COMPACTOR, ASPHALT - PM TYPE 6.9	EACH	12	\$426.42
22B	OPS - ESS SURCHARGE	EACH	12	\$852.84

23A	FORKLIFT <5500 LBS. CAPACITY - PM TYPE 6.10	EACH	12	\$355.35
23B	OPS - ESS SURCHARGE	EACH	12	\$710.70
24A	FORKLIFT >5500 LBS. CAPACITY - PM TYPE 6.10	EACH	12	\$426.42
24B	OPS - ESS SURCHARGE	EACH	12	\$852.84
25A	AERIAL DEVICE, BOOMLIFT - PM TYPE 6.11	EACH	12	\$568.56
25B	OPS - ESS SURCHARGE	EACH	12	\$1,137.12
26A	AERIAL DEVICE, TRUCK MOUNTED - PM TYPE 6.11	EACH	12	\$426.42
26B	OPS - ESS SURCHARGE	EACH	12	\$852.84
27A	GENERATOR STATIONARY <99 KVA - PM TYPE 6.12	EACH	12	\$355.35
27B	OPS - ESS SURCHARGE	EACH	12	\$533.03
28A	GENERATOR STATIONARY >99 KVA - PM TYPE 6.12	EACH	12	\$497.49
28B	OPS - ESS SURCHARGE	EACH	12	\$746.24
29A	PAVEMENT BREAKER WITH TRAILER - PM TYPE 6.17	EACH	12	\$71.07
29B	OPS - ESS SURCHARGE	EACH	12	\$142.14
30A	CONCRETE SAW; CEMENT MIXER - PM TYPE 6.15	EACH	12	\$355.35
30B	OPS - ESS SURCHARGE	EACH	12	\$710.60
31A	DETOUR SIGN; LIGHT SETS - PM TYPE 6.13	EACH	12	\$113.71
31B	OPS - ESS SURCHARGE	EACH	12	\$227.42
32A	AIR COMPRESSORS - PM TYPE 6.13	EACH	12	\$113.71
32B	OPS - ESS SURCHARGE	EACH	12	\$227.42
33A	HYDROMULCHER - PM TYPE 6.13	EACH	12	\$113.71
33B	OPS - ESS SURCHARGE	EACH	12	\$227.42
34A	AGRICULTURAL SPRAYER; PRESSURE WASHER, TRAILER MOUNTED - PM TYPE 6.13	EACH	12	\$142.14
34B	OPS - ESS SURCHARGE	EACH	12	\$284.28
35A	TRAILER - PM TYPE 6.17	EACH	12	\$71.07
35B	OPS - ESS SURCHARGE	EACH	12	\$142.14
36A	BULLDOZER <139 HP - PM TYPE 6.18	EACH	12	\$781.77
36B	OPS - ESS SURCHARGE	EACH	12	\$1,563.54
37A	BULLDOZER <140 - PM TYPE 6.18	EACH	12	\$1,563.54
37B	OPS - ESS SURCHARGE	EACH	12	\$2,345.31
38A	<b>Intentionally Left Blank</b>			
38B	<b>Intentionally Left Blank</b>			
39A	WASH FACILITY, WAND-TYPE - PM TYPE 6.19	EACH	12	\$284.28

39B	OPS - ESS SURCHARGE	EACH	12	\$568.56
40A	INTENTIONALLY LEFT BLANK	EACH	12	\$0.00
40B	OPS - ESS SURCHARGE	EACH	12	\$0.00
41A	ASPHALT RECYCLER - PM TYPE 6.20	EACH	12	\$241.64
41B	OPS - ESS SURCHARGE	EACH	12	\$483.28
42A	PUMPS, TRASH, VACUUM, SEWER CLEANER, TRAILER MOUNTED - PM TYPE 6.21	EACH	12	\$156.35
42B	OPS - ESS SURCHARGE	EACH	12	\$312.70
43A	POLICE VEHICLES - SEDAN - PM TYPE 6.1	EACH	12	\$284.28
43B	OPS - ESS SURCHARGE	EACH	12	\$426.42
44A	POLICE VEHICLES - SUV - PM TYPE 6.2	EACH	12	\$355.35
44B	OPS - ESS SURCHARGE	EACH	12	\$710.70
45A	STANDARD OTHER WORK SERVICES LABOR COST, MECHANIC	HOURLY	N/A	\$26.20
45B	AFTER HOURS OTHER SERVICES LABOR COST, MECHANIC	HOURLY	N/A	\$39.29

**EXHIBIT "B"**  
**ATTACHMENT A – WORKSHEET 2**

**INCREASE IN VEHICLE/EQUIPMENT UNITS MAINTAINED**

Based on historical data for the addition and deletion of vehicle/equipment units over the last four years, a net *unit* increase overall has occurred. This does not mean each class sustained an increase in units maintained. Several classes were reduced and others were increased. To ensure the Agreement will be capable of absorbing these units as HAS continues to grow, estimated cost to cover these units are provided. These estimated costs are not guaranteed to be paid to the Contractor at any given time, or to be paid at all. These estimated costs (for budgetary purposes only), will only allow for actual increases in fleet vehicle/equipment units as they may occur during the Agreement terms, based on unit costs provided elsewhere herein. However, these estimated costs will not restrict the amount for increase that exceed the additional costs provided for in this worksheet. The Contractor will not receive the difference between the actual and estimated amounts.

The following estimated costs have been entered in the appropriate place, Summary/General Breakdown.

A.	Year No.1	Item A-2	Total \$175,000.00
B.	Year No. 2	Item B-2	Total \$175,000.00
C.	Year No.3	Item C-2	Total \$175,000.00
D.	Year No. 4 (Option Year 1)	Item D-2	Total \$175,000.00
E.	Year No.5 (Option Year 2)	Item E-2	Total \$175,000.00

**EXHIBIT "B"**  
**ATTACHMENT B – WORKSHEET 3**

**OTHER WORK SERVICES**  
**(Typical to Year 1 through Year 5)**

Other Work/Services may be required to the Fleet Vehicles and Equipment to meet desired conditions and/or repairs not required in the Basic Services. Any amounts indicated below are estimated amounts for Other Work/Services for each year of the Agreement. The actual dollar amount for Other Work/Services may be higher or lower than any estimates, and Contractor shall be paid only for actual work performed, subject to prior HAS direction and approval. **These figures are used for bidding purposes only.**

**A. Materials**

Materials to be provided at Contractor's cost plus 5%.

Total Estimate: \$100,000.00 x 5% = \$ 105,000.00

**B. Labor**

1. Standard Other Work Services Labor Cost

<u>Labor Category</u>	<u>Est. Hours</u>	<u>Hourly Rate</u>	<u>Total Est. Labor</u>
Mechanic	4,500	X _____	= \$ _____

2. After Hours Other Work/Services Labor Cost:

<u>Labor Category</u>	<u>Est. Hours</u>	<u>Hourly Rate</u>	<u>Total Est. Labor</u>
Mechanic	100	X _____	= \$ _____

Total Other Work/Services Labor Cost - (B1+B2) \$ \_\_\_\_\_

**Total Other Work/Services Materials & Labor – (A+B) \$ \_\_\_\_\_**

**EXHIBIT "C"**  
**EQUAL EMPLOYMENT OPPORTUNITY**

1. The contractor, subcontractor, vendor, supplier, or lessee will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, or age. The contractor, subcontractor, vendor, supplier, or lessee will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, sex, national origin, or age. Such action will include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship. The contractor, subcontractor, vendor, supplier or lessee agrees to post in conspicuous places available to employees, and applicants for employment, notices to be provided by the City setting forth the provisions of this Equal Employment Opportunity Clause.
2. The contractor, subcontractor, vendor, supplier, or lessee states that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, national origin or age.
3. The contractor, subcontractor, vendor, supplier, or lessee will send to each labor union or representatives of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer advising the said labor union or worker's representative of the contractor's and subcontractor's commitments under Section 202 of Executive Order No. 11246, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. The contractor, subcontractor, vendor, supplier, or lessee will comply with all provisions of Executive Order No. 11246 and the rules, regulations, and relevant orders of the Secretary of Labor or other Federal Agency responsible for enforcement of the equal employment opportunity and affirmative action provisions applicable and will likewise furnish all information and reports required by the Mayor and/or Contractor Compliance Officer(s) for purposes of investigation to ascertain and effect compliance with this program.
5. The contractor, subcontractor, vendor, supplier, or lessee will furnish all information and reports required by Executive Order No. 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to all books, records, and accounts by the appropriate City and Federal Officials for purposes of investigations to ascertain compliance with such rules, regulations, and orders. Compliance reports filed at such times as directed shall contain information as to the employment practice policies, program, and work force statistics of the contractor, subcontractor, vendor, supplier, or lessee.
6. In the event of the contractor's, subcontractor's, vendor's, supplier's, or lessee's non-compliance with the non-discrimination clause of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part, and the contractor, subcontractor, vendor, supplier, or lessee may be declared ineligible for further City contracts in accordance with procedures provided in Executive Order No. 11246, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as may otherwise be provided by law.
7. The contractor shall include the provisions of paragraphs 1-8 of this Equal Employment Opportunity Clause in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event the contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.
8. The contractor shall file and shall cause his or her subcontractors, if any, to file compliance reports with the City in the form and to the extent as may be prescribed by the Mayor. Compliance reports filed at such times as directed shall contain information as to the practices, policies, programs, and employment policies and employment statistics of the contractor and each subcontractor.

**EXHIBIT "D"**  
**MWBE SUBCONTRACT TERMS**

Contractor shall ensure that all subcontracts with MWBE subcontractors and suppliers are clearly labeled **"THIS AGREEMENT IS SUBJECT TO BINDING ARBITRATION ACCORDING TO THE TEXAS GENERAL ARBITRATION ACT"** and contain the following terms:

1. \_\_\_\_\_ (MWBE subcontractor) shall not delegate or subcontract more than 50% of the work under this subcontract to any other subcontractor or supplier without the express written consent of the City of Houston's Affirmative Action Director ("the Director").

2. \_\_\_\_\_ (MWBE subcontractor) shall permit representatives of the City of Houston, at all reasonable times, to perform (1) audits of subcontractor=s books and records, and (2) inspections of all places where work is to be undertaken in connection with this subcontract. Subcontractor shall keep its books and records available for inspection for at least 4 years after the end of its performance under this subcontract. Nothing in this provision shall change the time for bringing a cause of action.

3. Within 5 business days of execution of this subcontract, Contractor (prime contractor) and Subcontractor shall designate in writing to the Director an agent for receiving any notice required or permitted to be given under Chapter 15 of the Houston City Code of Ordinances, along with the street and mailing address and phone number of the agent.

4. Any controversy between the parties involving the construction or application of any of the terms, covenants, or conditions of this subcontract must, upon the written request of one party served upon the other or upon notice by the Director served on both parties, be submitted to binding arbitration, under the Texas General Arbitration Act (Tex. Civ. Prac. & Rem. Code Ann., Ch. 171 -- "the Act"). Arbitration must be conducted according to the following procedures:

a. Upon the decision of the Director or upon written notice to the Director from either party that a dispute has arisen, the Director shall notify all parties that they must resolve the dispute within 30 days or the matter may be referred to arbitration.

b. If the dispute is not resolved within the time specified, any party or the Director may submit the matter to arbitration conducted by the American Arbitration Association under the rules of the American Arbitration Association, except as otherwise required by the City's contract with the American Arbitration Association on file in the City's Affirmative Action Division Office.

c. Each party shall pay all fees required by the American Arbitration Association and sign a form releasing the American Arbitration Association and its arbitrators from liability for decisions reached in the arbitration.

d. If the American Arbitration Association no longer administers Affirmative Action arbitration for the City, the Director shall prescribe alternate procedures to provide arbitration by neutrals in accordance with the requirements of Chapter 15 of the Houston City Code of Ordinances.

EXHIBIT "E"

PERFORMANCE BOND

THE STATE OF TEXAS

COUNTY OF HARRIS

THAT WE, First Support Services, as Principal, (the "Contractor") and the other subscriber hereto, Fidelity and Deposit Company of Maryland, as Surety, do hereby acknowledge ourselves to be held and firmly bound to the City of Houston (the "City"), a municipal corporation, in the penal sum of \$ 500,000.00 for the payment of which sum, well and truly to be made to the City, its successors and assigns, Contractor and Surety do bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

WHEREAS, the Contractor has on or about this day executed an Agreement in writing with the City for fleet/vehicle and equipment maintenance services for the City of Houston Airport System all of such work to be done as set out in full in said Agreement therein referred to and adopted by the City Council, all of which are made a part of this instrument as fully and completely as if set out in full herein.

NOW THEREFORE, if the said Contractor shall faithfully and strictly perform the Agreement in all its terms, provisions, and stipulations in accordance with its true meaning and effect, and shall comply strictly with each and every provision of the Agreement and with this Bond, then this obligation shall become null and void and shall have no further force and effect; otherwise the same is to remain in full force and effect. Should the Contractor fail to faithfully and strictly perform the Agreement in all its terms, including but not limited to the indemnifications thereunder, the Surety shall be liable for all damages, losses, expenses and liabilities that the City may suffer in consequence thereof, as more fully set forth herein.

It is further understood and agreed that the Surety does hereby relieve the City and its representatives from the exercise of any diligence whatever in securing compliance on the part of the Contractor with the terms of the Agreement and the Surety agrees that it shall be bound to take notice of and shall be held to have knowledge of all acts or omissions of the Contractor in all matters pertaining to the Agreement.

It is further expressly agreed by Surety that the City and/or its representatives are at liberty at any time, without notice to the Surety, to make any change in the Agreement and in the Work to be done thereunder, as provided in the Agreement, and in the terms and conditions thereof, or to make any change in, addition to, or deduction from the Work to be done thereunder; and that such changes, if made, shall not in any way vitiate the obligation in this Bond and undertaking or release the Surety therefrom.

IT IS FURTHER EXPRESSLY AGREED AND UNDERSTOOD THAT THE CONTRACTOR AND SURETY WILL FULLY INDEMNIFY AND SAVE HARMLESS THE CITY FROM ANY LIABILITY, LOSS, COST, EXPENSE, OR DAMAGE ARISING OUT OF CONTRACTOR'S PERFORMANCE OF THE AGREEMENT.

If the City gives Surety notice of Contractor's default, Surety shall, within 30 days, take one of the following actions:

1. Arrange for Contractor, with consent of the City, to perform and complete the Agreement, or
2. Take over and assume completion of the Agreement itself, through its agents or through independent contractors, and become entitled to the payment of the balance of the Agreement pricing and payments for work performed.

If the Surety fails to take either of the actions set out above, it shall be deemed to have waived its right to perform and complete the Agreement and receive payment of the balance of the Agreement payment and the City shall be entitled to enforce any remedies available at law, including but not limited to completing the Agreement itself and recovering any cost in excess of the Original Contract Price from the Surety.

This Bond and all obligations created hereunder shall be performable in Harris County, Texas. This Bond is given in compliance with the provisions of Chapter 2253, Texas Government Code, as amended, (even though the statute may not apply), which is incorporated herein by this reference.

Notices required or permitted hereunder shall be in writing and shall be deemed delivered when actually received or, if earlier, on the third day following deposit in a United States Postal Service post office or receptacle, with proper postage affixed (certified mail, return receipt requested), addressed to the respective other Party at the address prescribed in the Agreement, or at such other address as the receiving party may hereafter prescribe by written notice to the sending party.

This Bond and all obligations created under it shall be performable in Harris County, Texas, and all are non-cancelable. This Bond must be automatically renewed annually on the anniversary of the effective date of the Bond for the term of the Agreement and any extensions, unless the Surety gives the Principal and the City 30 days written notice before the renewal date that the Surety will not renew this Bond, in which case the Principal shall provide the City with a replacement bond (in the same form as this Bond) before the renewal date.

If the City brings any suit or other proceeding at law on the Agreement or this Bond, or both, the Principal and the Surety shall pay to the City the additional sum of 10 percent of whatever amount the City recovers, which sum of 10 percent is agreed by all parties to be indemnity to the City for the expense of and time consumed by its City Attorney, his or her assistants, and office staff, and other costs and damages to the City. The amount of 10 percent is fixed and liquidated by the parties because the exact damage to the City would be difficult to ascertain.

IN WITNESS THEREOF, the said Contractor and Surety have signed and sealed this instrument on the respective dates written below their signatures and have attached current Power of Attorney.

ATTEST/SEAL: (if a corporation)  
WITNESS: (if not corporation)

FIRST SUPPORT SERVICES  
(Name of Contractor)

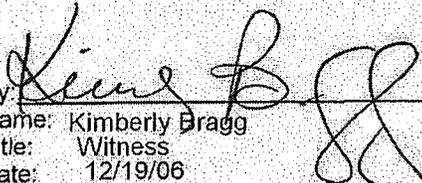
By:   
Name: GARY L. BILLIONS  
Title: SECRETARY

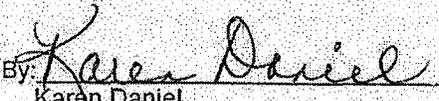
By:   
Name: ROBERT W. DAGEN  
Title: PRESIDENT  
Date: 12/20/06

ATTEST/SURETY WITNESS (SEAL)

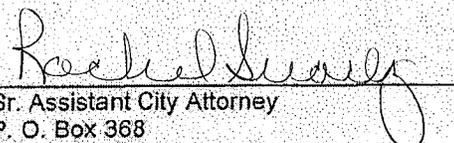
FIDELITY AND DEPOSIT COMPANY OF MARYLAND  
(Full Name of Surety)  
1400 American Lane  
Schaumburg, IL 60196  
(Address of Surety for Notice)

847-240-8100  
(Telephone Number of Surety)

By:   
Name: Kimberly Bragg  
Title: Witness  
Date: 12/19/06

By:   
Name: Karen Daniel  
Title: Attorney-in-Fact  
Date: 12/19/06

REVIEWED:

  
Sr. Assistant City Attorney  
P. O. Box 368  
Houston, TX 77001-0368

Special Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that FIRSTGROUP AMERICA, INC., and FIRST STUDENT, INC., Florida Corporations, and FIRST TRANSIT, INC., a Delaware Corporation, FIRST VEHICLE SERVICES, INC., a Delaware corporation, FIRST SERVICES, INC., an Ohio corporation, and FIRST SUPPORT SERVICES, a Texas corporation has made, continued and appointed and by these presents does make, constitute and appoint *Linda Iser, Susan A. Welsh, Karen Daniel, Jim Cuthbertson and Richard Moore* on Power, all of the City of Chicago, State of Illinois as its true and lawful attorneys in fact with full power to execute, seal and deliver on its behalf surety bonds and other documents of similar character issued in the course of its business and to bind the Company thereby as if such writings had been duly executed and acknowledged by its officers.

IN WITNESS WHEREOF, FirstGroup America, Inc., First Transit, Inc., First Student, Inc., First Vehicle Services, and First Support Services has caused its name to be subscribed by Michael L. Petrucci, Associate General Counsel and Assistant Secretary, and its corporate seal to be affixed and attested by its Assistant Secretary on this 19 day of December, 2006.

Attest:

FirstGroup America, Inc.

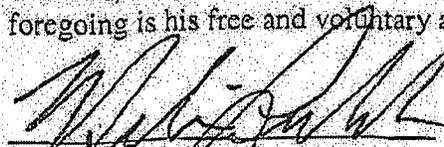
  
By: Alton Sloan  
Treasurer

  
By: Michael L. Petrucci  
Assistant Secretary

~~SEAL~~

State of OHIO  
County of HAMILTON

On this \_\_\_ day of December, 2006 personally appeared before me, a Notary Public for the State of Ohio, Michael L. Petrucci, Associate General Counsel and Assistant Secretary of FirstGroup America, Inc., First Transit, Inc. (Secretary), First Vehicle Services, Inc., First Student, Inc., and First Services, Inc. who acknowledged that the foregoing is his free and voluntary act and deed on behalf of said corporation.

  
Notary Public, State of Ohio

My Commission Expires: 6/23/08



MELISSA LUBBERS  
Notary Public, State of Ohio  
My Commission Expires 06-23-08  
~~SEAL~~

**Power of Attorney  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, a corporation of the State of Maryland, by WILLIAM J. MILLS, Vice President, and ERIC D. BARNES, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Company, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate, constitute and appoint Sandra MARTINEZ, Linda ISER, Kathleen J. MAILES, Karen DANIEL, Susan J. PREIKSA, Susan A. WELSH, Robert E. DUNCAN, Joellen M. MENDOZA, James A. CUTHBERTSON and Geoffrey E. HEEKIN, all of Chicago, Illinois, EACH its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: ~~any and all bonds and undertakings~~, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, Md., in their own proper persons. This power of attorney revokes that issued on behalf of Sandra MARTINEZ, Linda ISER, Kathleen J. MAILES, Karen DANIEL, Susan J. PREIKSA, Susan A. WELSH, Robert E. DUNCAN, Joellen M. MENDOZA, James A. CUTHBERTSON, Geoffrey E. HEEKIN, dated April 17, 2003.

The said Assistant Secretary does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article VI, Section 2, of the By-Laws of said Company, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seal of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 24th day of November, A.D. 2004.

ATTEST:

**FIDELITY AND DEPOSIT COMPANY OF MARYLAND**



*Eric D. Barnes*

Eric D. Barnes Assistant Secretary

*William J. Mills*

By:

William J. Mills

Vice President

State of Maryland }  
City of Baltimore } ss:

On this 24th day of November, A.D. 2004, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came WILLIAM J. MILLS, Vice President, and ERIC D. BARNES, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself depose and saith, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and that the said Corporate Seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



*Dennis R. Hayden*

Dennis R. Hayden

Notary Public

My Commission Expires: February 1, 2009

**EXTRACT FROM BY-LAWS OF FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

"Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertakings, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages,....and to affix the seal of the Company thereto."

**CERTIFICATE**

I, the undersigned, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that the Vice-President who executed the said Power of Attorney was one of the additional Vice-Presidents specially authorized by the Board of Directors to appoint any Attorney-in-Fact as provided in Article VI, Section 2, of the By-Laws of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed."

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said Company,

this 19<sup>th</sup> day of December, 2006.

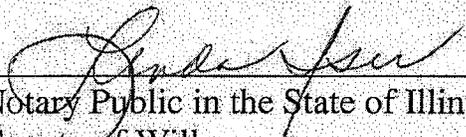
*Gerald F. Halcy*  
Assistant Secretary

ACKNOWLEDGEMENT BY SURETY

STATE OF ILLINOIS  
COUNTY OF WILL

On this 19th day of December, 2006, before me, Linda Iser a Notary Public, within and for said County and State, personally appeared Karen Daniel to me personally known to be the Attorney-in-Fact of Fidelity and Deposit Company of Maryland and acknowledged that she executed the said instrument as the free act and deed of said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in the aforesaid County, the day and year in this certificate first above written.

  
\_\_\_\_\_  
Notary Public in the State of Illinois  
County of Will

