

1 JOINT SERVICE AGREEMENT

2 between

3 Omnitrans)
4 1700 W. Fifth Street)
5 San Bernardino, CA 92411)

6 and)

7 Riverside Transit Agency)
8 1825 Third Street)
9 Riverside, CA 92507)

10 and)

11 Los Angeles County Transportation Commission)
12 403 W. Eighth Street)
13 Los Angeles, CA 90041)

14 SERVICE CONTRACT AGREEMENT

15 This AGREEMENT is made and entered into this 1st day of
16 August, 1990 by and between Omnitrans, 1700 W. Fifth Street, San
17 Bernardino, CA 92411, a joint powers authority established under the
18 laws of the State of California (OMNITRANS), Riverside Transit
19 Agency, 1825 Third Street, Riverside, California 92507, a public
20 corporation of the State of California (RTA) and the Los Angeles
21 County Transportation Commission, 403 W. Eighth Street, Los Angeles,
22 CA 90041 a public corporation of the State of California (LACTC).

23 WITNESSETH

24
25 WHEREAS, OMNITRANS, and RTA are the primary regional carriers in
26 San Bernardino and Riverside Counties respectively and LACTC is the
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1 transportation planning commission for Los Angeles County, and these
2 counties are an integrated economic entity resulting in travel
3 demands not necessarily constrained by political boundaries, and;

4 WHEREAS, to efficiently serve these regional travel demands it
5 may be necessary for one carrier to operate to, within or through
6 another carrier's service area, and for equity, the financial
7 responsibility for public transit service benefitting a county's
8 residents must be borne by that county, and;

9 WHEREAS, the carriers within these counties are obligated to
10 provide the general public with safe, convenient public
11 transportation by coordinating and cooperating in route planning and
12 scheduling, the provision of transfer privileges, coordinated fare
13 structures and information dissemination, and;

14 WHEREAS, the two above mentioned transit agencies within their
15 respective counties and LACTC have expressed a desire to begin a
16 cooperative effort for the provision of public transit service
17 described in Exhibit A, provided by a CONTRACTOR secured by the
18 competitive bid process.

19 WHEREAS, RTA, OMNITRANS, AND LACTC have agreed that OMNITRANS
20 will act as the LEAD AGENCY for purpose of contract administration;
21 NOW, THEREFORE, OMNITRANS, RTA and LACTC agree as follows:

22
23 AGREEMENT

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25 ARTICLE 1. DEFINITION OF TERMS

1 As used throughout this Agreement, the following terms have the
2 meanings set forth below:

3 1. "AGENCY" means The Riverside Transit Agency,
4 OMNITRANS and the Los Angeles County Transportation Commission.

5 2. "SERVICE" means the designated 496/110 fixed route
6 transportation between Riverside, San Bernardino and Los Angeles
7 Counties, as described and established in Exhibit A.

8 3. "CONTRACTOR" means the business entity represented by
9 the person or persons, partnership, corporation, or combination
10 thereof, which has entered into an external contract with AGENCY to
11 operate the SERVICE.

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13 ARTICLE 2. TERM OF AGREEMENT

14 A. The term of this Agreement shall be for the period
15 commencing July 1, 1990 and ending June 30, 1993 ("initial term"),
16 unless earlier terminated or extended as provided elsewhere in this
17 Agreement.

18 B. AGENCY, at its sole discretion, may elect to extend the
19 term of this Agreement for the provision of SERVICE for an additional
20 twelve (12) months, commencing July 1, 1993 and continuing through
21 June 30, 1994 ("first option term"). Each member of agency must
22 elect to so extend in order for said extension to become effective.

23 C. If AGENCY exercises its option to extend the term of this
24 Agreement as provided in paragraph B of this Article, then the
25 AGENCY, at its discretion, may elect to extend the term of this
26 Agreement for the provision of SERVICE for an additional twelve (12)
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1 months commencing July 1, 1994 continuing through June 30, 1995
2 ("second option term"). Each member of agency must elect to so
3 extend in order for said extension to become effective.

4 D. Six months prior to the expiration of the initial term of
5 the contract with CONTRACTOR; RTA, OMNITRANS and LACTC will notify
6 CONTRACTOR in writing, of their intentions to exercise the first
7 option term of the contract with CONTRACTOR.

8 E. Six months prior to the expiration of the first option term
9 of the contract with CONTRACTOR; RTA, OMNITRANS and LACTC will notify
10 CONTRACTOR in writing, of their intentions to exercise the second
11 option term of the contract with CONTRACTOR.

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13 ARTICLE 3. COMPLETE AGREEMENT

14 A. This Agreement, including all exhibits and other documents,
15 incorporated herein and made applicable by reference, constitutes the
16 complete and exclusive statement of the terms and conditions of the
17 agreement between OMNITRANS, RTA and LACTC and supersedes all prior
18 representations, understandings and communications. The validity of
19 the whole or part of any term or condition of the Agreement shall not
20 affect the validity of other terms or conditions.

21 B. Changes hereto shall not be binding upon parties except
22 when specifically confirmed in writing by a authorized
23 representatives of OMNITRANS, RTA and LACTC respectively.

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25 ARTICLE 4. REPRESENTATIVES
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1 The General Manager of OMNITRANS, or his designee, shall have
2 the authority to act for and exercise any of the rights of OMNITRANS
3 as set forth in this Agreement, subsequent to and in accordance with
4 the authorization by OMNITRANS' Board of Directors. The General
5 Manager of RTA, or his designee, shall have the authority to act for
6 and exercise any of the rights of RTA as set forth in this Agreement
7 subsequent to and in accordance with the authorization granted by
8 RTA's Board of Directors. The Executive Director of LACTC, or his
9 designee, shall have the authority to act for and exercise any of the
10 rights of LACTC as set forth in this Agreement, subsequent to and in
11 accordance with the authorization by LACTC's Board of Directors.
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13 ARTICLE 5. ADDITIONS/REDUCTIONS IN SERVICE

14 A. Minor route or schedule modifications which do not increase
15 the cost of service provided, may be made without prior approval of
16 all parties and without amendment to this Agreement. The initiating
17 party shall notify all parties of such changes during the course of
18 normal operations.

19 B. Substantial changes to routes or changes in schedules,
20 short of termination of service, which will affect the cost of the
21 provided service shall be made only by mutual agreement and amendment
22 to this Agreement.
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24 ARTICLE 6. INTERRUPTIONS OF SERVICE

25 Should the CONTRACTOR become unable to provide service hereunder
26 due to work stoppage, riot, civil commotion, act of God, insufficient
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1 fuel or other resources, or other causes beyond the control of the
2 affected party, it shall have no liability therefor and its monetary
3 claim shall be proportionally adjusted.
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5 ARTICLE 7. FARES

6 A. Fares may vary in accordance with the adopted policies of
7 each party and the regulations governing them, as shown on the
8 schedule of fares attached hereto as Exhibit B, and incorporated
9 herein by reference as though fully set forth.

10 B. In lieu of payment of fare, the annual pass issued to
11 employees of OMNITRANS, RTA and SCRTD shall be honored with all of
12 the allowances accorded that pass, subject to normal restrictions in
13 effect by the honoring agency.

14 C. Each party allows CONTRACTOR, to carry local passengers
15 within their jurisdictions whose origins and destinations coincide
16 with the route alignment of the SERVICE.

17 D. The parties agree to issue TLAC-V transfers.
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19 ARTICLE 8. TRANSFERS/TRANSFER CONNECTIONS

20 A. Each party shall accept the other's transfers valued at the
21 cash purchase price toward the patron's applicable base fare within
22 the prevailing fare zone.

23 B. There will be no charge to either party or the patron for
24 this transfer within the prevailing fare zone.
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1 C. In order to minimize a patron's waiting time all parties
2 shall, wherever and whenever practical, coordinate their respective
3 transfer schedules.

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5 ARTICLE 9. PUBLIC INFORMATION

6 RTA and OMNITRANS shall cooperate in providing the general
7 public with specific transit information for the SERVICE as well as
8 advertising the operation of all agencies in promoting the general
9 use of public transit.

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11 ARTICLE 10. COMPLAINT PROCEDURES

12 The Agency shall institute and install procedures for the
13 recording, investigation and monitoring of all service complaints and
14 shall coordinate and inform appropriate agencies of the recording and
15 findings of all complaint information.

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17 ARTICLE 11. BUS STOPS

18 A. The parties shall cooperate, to the extent practical, in
19 the location, installation, expenses and maintenance of all jointly
20 used bus stops.

21 B. The parties shall permit the use of existing standards
22 (posts, poles) for the installation of bus stop signs by either party
23 at jointly used bus stop locations.

24 C. Each party shall be solely responsible for any claims for
25 damages which may arise out of the installation of its own bus stop
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1 signs and for the installation of sub-stop signs by either party at
2 jointly used bus stop locations.

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5 ARTICLE 12. INDEMNIFICATION

6 Each party to this Agreement shall indemnify, defend and hold
7 harmless each other party, their officers, directors, employees and
8 agents from and against any and all claims (including attorney's fees
9 and reasonable expenses for litigation or settlement) for any loss or
10 damages for bodily injuries, including death, or loss of, damage to
11 or loss of use of property as a result of that party's acts or
12 omissions in connection with or arising out of the performance under
13 this Agreement.

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15 ARTICLE 13. ACCIDENT/INCIDENT REPORTING

16 Each party, within its service area, shall institute and install
17 procedures for the recording, investigation and monitoring of all
18 accidents/incidents on service and shall coordinate and inform
19 appropriate agencies of the reporting, adjusting and monitoring of
20 accident/incident information.

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22 ARTICLE 14. CONTRACT PERFORMANCE/MONITORING

23 A. During each monthly accounting period, each agency will
24 randomly survey the CONTRACTOR's performance to ensure compliance
25 with service objectives and contract compliance. RTA and LACTC shall
26 notify OMNITRANS, the agency responsible for the reimbursement
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1 computations of the monthly claim for service, for the assessment of
2 penalties against the CONTRACTOR for failure to perform in accordance
3 with the AGENCY's service objectives and Statement of Work on or
4 before the 10th of each month. Penalties shall be in the form of
5 deductions from total service hours billed during the accounting
6 period.

7 B. OMNITRANS shall administer the provisions of the agreement
8 with CONTRACTOR. Each party shall designate one staff member as the
9 project liaison for purposes of this Agreement.

10 C. OMNITRANS shall collect from the CONTRACTOR all ridership
11 and revenue data for SERVICE and submit it in a report format to each
12 party on a monthly basis. If the parties conduct an audit of
13 CONTRACTOR's fare collection, accounting records, or operating
14 performance to verify accuracy, all parties shall receive a copy of
15 each audit report including all relevant information.

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17 ARTICLE 15. VEHICLES

18 A. All vehicles required to provide service as outlined in
19 Exhibit A shall be provided and procured by RTA and OMNITRANS. The
20 equipment purchased will be fourteen (14) 1986 Neoplan Metroliner
21 AN340/3 Coaches and will be used exclusively for routes 496/110 and
22 149.

23 B. The CONTRACTOR is completely responsible for the insurance
24 and maintenance of these vehicles.

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26 ARTICLE 16. FINANCIAL OBLIGATION OF AGENCY MEMBERS

1 A. On or before the 10th day of each month, CONTRACTOR shall
2 submit an invoice to OMNITRANS, itemizing CONTRACTOR's full and
3 complete performance hereunder for the previous period. OMNITRANS
4 shall pay in accordance with the vehicle service hours successfully
5 completed after such adjustment as OMNITRANS may make in accordance
6 with the hereinabove provisions.

7 B. All cash revenues collected by CONTRACTOR on behalf of
8 AGENCY shall be the sole property of AGENCY with OMNITRANS having
9 accounting responsibility. CONTRACTOR shall report all fares,
10 transfers, passes, etc., used by passengers as well as an accurate
11 passenger count.

12 C. OMNITRANS shall reimburse the CONTRACTOR on a gross vehicle
13 service hour basis less penalties for failure to meet the performance
14 objectives during an accounting period and plus incentives for
15 performance above performance objectives.

16 D. Notwithstanding any other provision of this Agreement
17 (including its exhibits and attachments), except paragraph B of
18 Article 5 above, RTA, OMNITRANS and LACTC mutually agree that
19 AGENCY's maximum cumulative payment, excluding ancillary costs, to
20 CONTRACTOR hereunder for a total of three (3) years shall be Six
21 Million Six Hundred Eighty Six Thousand Eight Hundred Eighty Eight
22 Dollars (\$6,686,888.00) including all amounts payable to CONTRACTOR
23 for its subcontracts, leases, materials and costs arising from, or
24 due to, termination of this Agreement.

25 E. The sum of the CONTRACTOR's net invoice plus vehicle
26 depreciation and administrative costs shall be divided proportionally
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1 based on each party's percentage of total mileage under this SERVICE.

2 F. OMNITRANS will issue payment to the CONTRACTOR within
3 thirty (30) days of the submission of proper invoices in accordance
4 with the rate(s) stated elsewhere in this agreement.

5 G. OMNITRANS shall compute each party's contribution of
6 contract and ancillary costs based on vehicle service miles operated
7 in each party's jurisdiction under the conduct of SERVICE. The
8 parties shall pay OMNITRANS within ten (10) days of receipt of
9 invoice according to the rate(s) stated elsewhere in this agreement.

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11 ARTICLE 17. AUDITS

12 OMNITRANS shall conduct an audit of actual costs, revenue and
13 bus miles of service provided under this Agreement and shall be
14 completed no later than four months following the last date specified
15 in this Agreement, and a final adjustment to the claim shall be
16 reached no later than six months following the last date specified in
17 this Agreement.

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19 Article 18. NOTICES

20 All notices hereunder and communications regarding the
21 interpretation of the terms of this Agreement, or changes thereto,
22 shall be effected by delivery of said notices in person to the
23 destinations specified below or by depositing said notices in the
24 U.S. mail, registered or certified mail, return receipt requested,
25 postage prepaid and addressed as follows:

26 To OMNITRANS:

To RTA:

1 OMNITRANS
2 1700 W. Fifth Street
3 San Bernardino, CA 92411
4 ATTENTION: Mr. Robert E. Chafin
5 (714/889-0811)

Riverside Transit Agency
1825 Third Street
Riverside, CA 92507
ATTENTION: Ms. Susan J. Hafner
(714/684-0850)

6 DESIGNEE: Ms. Jean M. Koenig
7 (714/889-0811)

DESIGNEE: Mr. Stephen C. Oller
(714/684-0850)

8 To LACTC:
9 Los Angeles County Transportation Commission
10 403 W. Eighth Street
11 Los Angeles, CA 90041
12 ATTENTION: Mr. Neil Peterson
13 (213/236-9450)

DESIGNEE: Ms. Sharon Neeley
(213/236-9456)

14 Article 19. TERMINATION

15 A. Any party may terminate this Agreement for its convenience
16 any time, in whole or part, by giving the other parties sixty (60)
17 days written notice thereof.

18 B. Any party may terminate this Agreement for default if any
19 party breaches any material term(s) or violates any material
20 provision(s) of this Agreement and does not cure such breach or
21 violations within ten (10) days after written notice thereof.

22 C. If two (2) parties receive a notice of termination, for
23 reason of the third party's convenience or default, all parties shall
24 exercise all reasonable controls to promptly terminate further
25 charges against this Agreement. After giving all parties notice of
26 termination, the terminating party shall pay AGENCY for its share of
27 costs incurred to date of termination as follows:

1. Contract prices for supplies or services accepted
under the contract;

1 2. Costs incurred in preparing to perform and performing
2 the terminated portion of the work plus the stated profit on such
3 portion of the work (such profit shall not include anticipatory
4 profit of consequential damages), less amounts paid or to be paid for
5 accepted supplies or services; provided, however, that if it appears
6 that the contractor would have sustained a loss if the entire
7 contract would have been completed, no profit shall be allowed or
8 included, and the amount of compensation shall be reduced to reflect
9 the anticipated rate of loss;

10 3. Costs of settling and paying claims arising out of the
11 termination of subcontracts (these costs must not include costs paid
12 in accordance with subparagraph B of this paragraph); and,

13 4. The reasonable settlement costs of the contractor
14 including accounting, clerical, and other expenses reasonably
15 necessary for the preparation of settlement claims and supporting
16 data with respect to the terminated portion of the contract and for
17 the termination and settlement of subcontracts thereunder, together
18 with reasonable storage, transportation, and other costs incurred in
19 connection with the protection or disposition of property allocable
20 to the terminated portion of this contract.

21 D. OMNITRANS shall keep adequate records to substantiate
22 costs and shall provide all parties with copies in the event of
23 termination.

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25 Article 20. ASSIGNMENTS AND SUBCONTRACTS
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1 Neither this Agreement nor any interest herein not claimed may
2 be assigned by any party to this Agreement either voluntarily or by
3 operation of law, nor may all or any part of this Agreement be
4 subcontracted without the prior written consent of all parties.
5 Consent shall not be deemed to relieve a party of its obligations to
6 comply fully with all terms and conditions of this Agreement until
7 duly terminated under Article 19 of this Agreement.

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1 IN WITNESS THEREOF, the parties hereto have caused this
2 Agreement to be executed on August 1st, 1990 at, San Bernardino,
3 California. Riverside, and
Los Angeles

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5 OMNITRANS
6 By: [Signature]
7 Chairman, Board of Directors
8 Vice
9 APPROVED AS TO FORM:

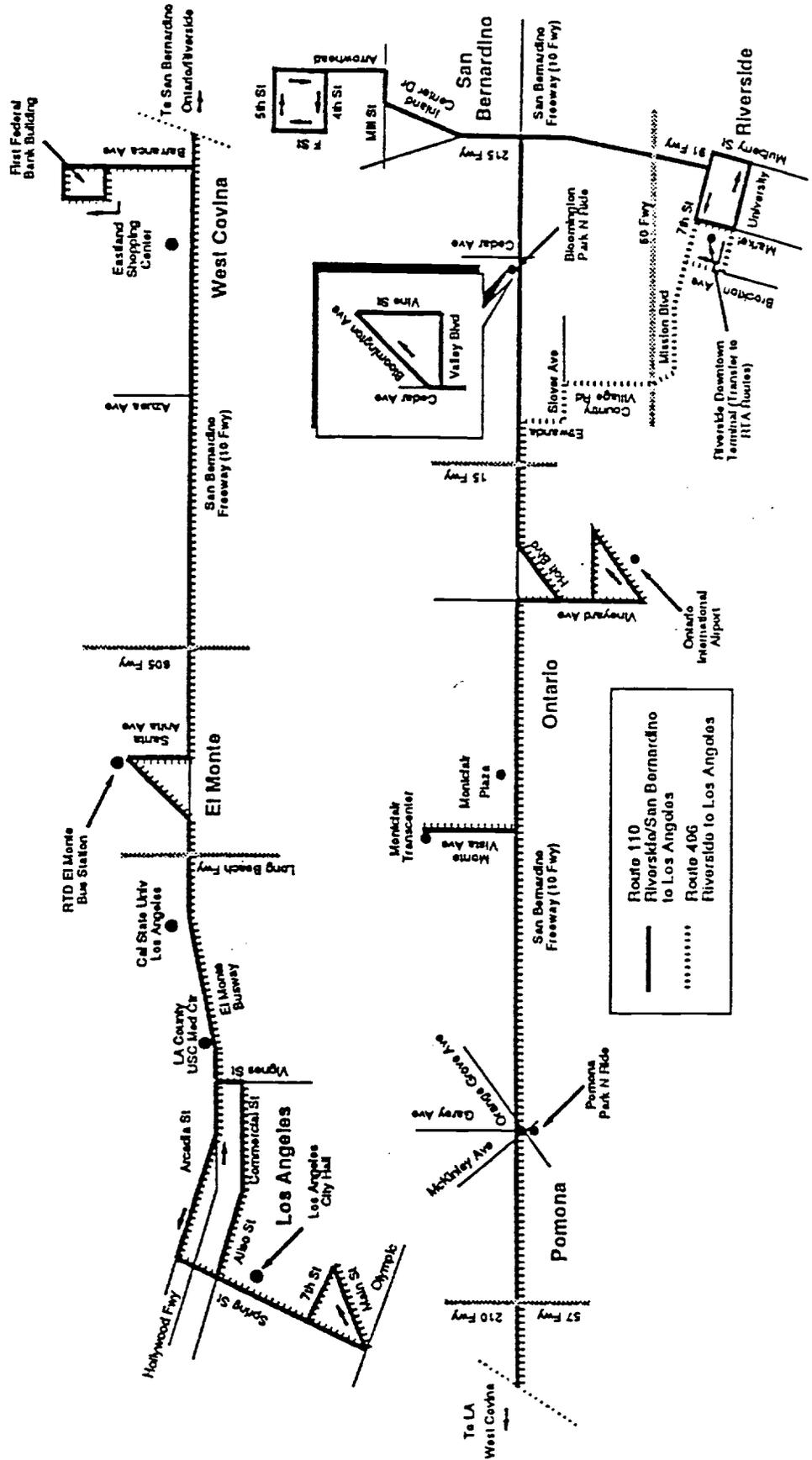
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11 By: [Signature]
12 OMNITRANS Counsel

13 RIVERSIDE TRANSIT AGENCY
14 By: [Signature]
15 Chairman, Board of Directors

16 APPROVED AS TO FORM:
17 By: [Signature]
18 RTA Counsel

19 LOS ANGELES COUNTY TRANSPORTATION COMMISSION
20 By: [Signature]
21 Chairman, Board of Directors

22 APPROVED AS TO FORM:
23 By: [Signature]
24 LACTC Counsel
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MILEAGE SCHEDULE
LINE 496/110

COUNTY	WEEKDAY (255)	SATURDAY (52)	SUNDAY (58)	TOTAL BY COUNTY	% OF TOTAL
Riverside County	104,667	19,703	15,322	139,692	10.01%
San Bernardino County	443,470	79,483	28,907	551,860	39.54%
Los Angeles County	<u>546,480</u>	<u>100,477</u>	<u>57,059</u>	<u>704,016</u>	<u>50.45%</u>
TOTAL	1,094,617	199,663	101,288	1,395,568	100.00%

EXHIBIT B

ROUTE 496/110
PASSENGER FARE ZONE STRUCTURE

INLAND COUNTIES:

Passengers pay one full fare for each Inland Empire zone travelled up to a maximum of two base fares. Maximum fare:

\$1.20 Full Fare Riders
60-cents Elderly & Handicapped Riders

Fare zones are crossed at county boundaries and at Etiwanda Avenue in San Bernardino County. Omnitrans No Fare Passes in San Bernardino County and RTA Monthly Passes in Riverside County may be used in place of one cash fare. Transfers equal one cash fare.

LOS ANGELES COUNTY:

Travellers bound to and from points in Los Angeles County pay the appropriate Inland County fare plus one Los Angeles County (SCRTD) base fare plus zone charges for each zone entered. Los Angeles County cash fares are as follows:

Base Fare - \$1.10 Full Fare
- 55-cents Elderly & Handicapped
- No Charge to Blind Riders
- Transfers equal one Base Fare

Zone Fare - 40-cents/zone Full Fare
- 20-cents/zone Elderly & Handicapped (Cash Only)
- No Charge to the following discount monthly pass holders: Elderly, Handicapped, Student (All)

Los Angeles County Cash Fare Table:

<u>Base Rate</u>	<u>---Add Zone</u>	<u>---For Travel To or From</u>	<u>---Total Charge</u>
\$1.10	40-cents	Pomona/Garey Avenue Park-and-Ride	\$1.50
	40-cents	Eastland Shopping Center	1.90
	40-cents	Azusa Ave. @ I-10 Fwy.	2.30
	40-cents	Puente Ave. @ I-10 Fwy.	2.70
	40-cents	El Monte Station CSULA Busway Station LAC/USC Med. Ctr. Station Downtown Los Angeles	3.10

BOARDING & ALIGHTING RESTRICTIONS:

Limited Service in Los Angeles County -

Westbound - Alightings ONLY.

Eastbound - Boardings ONLY.

Unrestricted Access in San Bernardino/Riverside Counties