

## AMENDMENT NO. 1

### TO AGREEMENT FOR CONTRACT SERVICES

**THIS AMENDMENT TO AGREEMENT FOR CONTRACT SERVICES** ("Amendment") by and between the CITY OF CARSON, a California municipal corporation ("City") and MV TRANSPORTATION, INC., a California Corporation ("Contractor") is effective as of the \_\_\_\_ day of April, 2019. City and Contractor are sometimes hereinafter referred to as "Party" and hereinafter collectively referred to as the "Parties."

### RECITALS

A. City and Contractor entered into that certain Agreement for Contract Services, entitled "Fixed Route Transportation Contract Services Agreement," on January 1, 2016 ("Agreement"), whereby Contractor agreed to operate the City's fixed route transit system known as the Carson Circuit ("Services") for a five-year term, from January 1, 2016 through December 31, 2020, for total not-to-exceed contract sum of \$8,100,323.

B. On July 18, 2017, City's City Council approved, via Resolution No. 17-083, a \$132,524 increase to the contract sum for additional bus driver services, resulting in a total not-to-exceed Contract Sum of \$8,232,847.

C. On August 15, 2017, City's City Council approved, via Resolution No. 17-110, a further \$41,339.88 increase to the contract sum for additional bus driver services, resulting in a total not-to-exceed Contract Sum of \$8,274,186.88.

D. Since January 1, 2016, Contractor has been providing preventative maintenance inspections and maintenance and repair services for buses owned and operated by City (the "City Fleet Maintenance Services"). Contractor provided a letter, dated December 9, 2016, detailing the City Fleet Maintenance Services (the "Letter"). City has paid Contractor a total of \$64,731.61 for the City Fleet Maintenance Services as of the date of this Amendment.

E. Neither the Agreement nor any other contract entered into by the City provided for or authorized the performance of the City Fleet Maintenance Services or the payment of any compensation to Contractor therefor.

F. Notwithstanding the Agreement's lack of authorization of the City Fleet Maintenance Services, City finds that the City Fleet Maintenance Services are necessary to the continued and uninterrupted operation of the Carson Circuit, which constitutes an essential public transit service in the City. Accordingly, City desires Contractor to continue to perform such services, at the rates specified in the Letter, through June 30, 2019. To that end, City and Contractor seek to formally authorize Contractor's continued performance of the City Fleet Maintenance Services on the terms of the Agreement as amended by this Amendment.

G. Additionally, City and Contractor have discovered certain typographical errors in certain provisions of the Agreement that need to be corrected. Parties hereby affirm that the corrections accurately reflect the original intent of the Parties in carrying out the terms of the Agreement

H. Based on the foregoing, City and Contractor now desire to correct certain typographical errors, and amend the Agreement to authorize Contractor's performance of the City Fleet Maintenance Services commencing retroactively as of January 1, 2016 and continuing through June 30, 2019, to expressly affirm that all of the terms, guarantees, warranties and protections provided by Contractor to City in the Agreement apply to all City Fleet Maintenance Services, including those services provided between January 1, 2016 and execution of this Amendment, and to increase the contract sum by: (i) \$64,731.61 for City Fleet Maintenance Services provided by Contractor from January 1, 2016 through the date of this Amendment, and (ii) \$38,997.15 for the continued provision of such services by Contractor through June 30, 2019, for a total increase of \$103,728.76, resulting in a total not-to-exceed contract sum of \$8,377,916.64.

## TERMS

1. **Contract Changes.** The Agreement is amended as provided herein (new text identified in *bold & italics*, deleted text in ~~strike through~~):

A. **Exhibit A, "Scope of Services," is hereby amended to add a new subsection "P" to Section I, to read in its entirety as follows:**

***P. Fleet Maintenance Inspections and Repairs to Buses Owned and Operated by City.***

*Contractor shall provide fleet maintenance inspections and repair services for all buses owned and operated by City, commencing January 1, 2016 and continuing through June 30, 2019. Specifically, Contractor shall perform Preventative Maintenance Inspections ("PMIs") on each bus as required. Repairs shall be done on an as-needed basis, upon written request of the Contract Officer.*

B. **Exhibit C, "Schedule of Compensation," is hereby amended to add the following tables to the end of Section I:**

I. **Contractor shall perform the Services at the rates not to exceed the following:**

[...]

<b><i>ADDITIONAL BUS DRIVERS PURSUANT TO RESOLUTION NOS. 17-083 AND 17-110</i></b>						
<b><i>Cost Category</i></b>	<b><i>Year 1</i></b>	<b><i>Year 2</i></b>	<b><i>Year 3</i></b>	<b><i>Year 4</i></b>	<b><i>Year 5</i></b>	<b><i>Total</i></b>
<b><i>Additional Bus Drivers</i></b>	<b><i>N/A</i></b>	<b><i>\$173,863.88</i></b>	<b><i>N/A</i></b>	<b><i>N/A</i></b>	<b><i>N/A</i></b>	<b><i>\$173,863.88*</i></b>

*\* This amount represents services which were authorized pursuant to Resolution Nos. 17-083 and 17-110, and for which full compensation was paid as of September 14, 2017.*

<b>MAINTENANCE AND REPAIR FOR BUSES OWNED AND OPERATED BY THE CITY</b>						
<b>Cost Category</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b> <i>(through June 30, 2019)</i>	<b>Year 5</b>	<b>Total</b>
<b>Maintenance and Repair</b>	<b>\$37,163.52*</b>	<b>\$11,601.22**</b>	<b>\$31,964.02***</b>	<b>\$23,000.00****</b>	<b>N/A</b>	<b>\$103,728.76</b>

*\* This amount represents services for which full compensation was paid as of June 30, 2017.*

*\*\* This amount represents services for which full compensation was paid as of June 21, 2018.*

*\*\*\* This amount represents services for which partial compensation, in the amount of \$15,966.87, was paid as of October 31, 2018.*

*\*\*\*\* This amount represents anticipated services for January 1, 2019 through June 30, 2019.*

C. "Total Cost" table, Section I, Exhibit C, "Schedule of Compensation," is hereby amended to read in its entirety as follows:

<b>TOTAL COST</b>						
<b>Cost Category</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Total</b>
Subtotal All Costs (operations, maintenance, administration, <i>maintenance and repair for buses owned and operated by City, additional bus drivers</i> )	\$1,504,165 <b>\$1,541,328.52</b>	\$1,471,209 <b>\$1,656,674.10</b>	\$1,480,957 <b>\$1,512,921.02</b>	\$1,503,747 <b>\$1,526,747</b>	\$1,516,283	\$7,476,360 <b>\$7,753,953.64</b>
Fees	\$90,414	\$71,572	\$72,047	\$73,155	\$73,765	\$380,953
Profit	\$49,317	\$47,715	\$48,031	\$48,770	\$49,177	\$243,010
Total Cost	\$1,643,896 <b>\$1,681,059.52</b>	\$1,590,496 <b>\$1,775,961.10</b>	\$1,601,035 <b>\$1,632,999.02</b>	\$1,625,672 <b>\$1,648,672</b>	\$1,639,225	\$8,100,323 <b>\$8,377,916.64</b>
Annual Revenue Hours	26,616	26,616	26,616	26,616	26,616	133,080
Cost Per Hour	\$61.763	\$59.757	\$60.153	\$61.079	\$61.588	\$60.868

D. Exhibit C, "Schedule of Compensation," is hereby amended to add a new Section VI, to read in its entirety as follows:

**VI. Contractor shall provide the Services specified in Subsection P of Section I of Exhibit "A" at the rate of**

*\$70.00 per hour. Contractor shall invoice the City two (2) hours for each PMI performed. Any repairs shall be invoiced at \$70.00 per hour, plus a 10% mark-up for parts. The total amounts for said services shall not exceed the amounts set forth in the "Maintenance and Repair for Buses Owned and Operated by the City" table of Section I of this Exhibit "C."*

2. **Typographical Corrections to Contract.** Parties hereby affirm that these corrections accurately reflect the original intent of the Parties in carrying out the terms of the Agreement. The Agreement is corrected as provided herein (corrected text identified in ***bold & italics***, deleted text in ~~strike through~~):

A. Section I.A.1., Exhibit A, "Scope of Services," is hereby corrected to read as follows:

"1. The ~~seveneight~~ ***(78)*** routes of the Carson Circuit are shown in this Exhibit "A" ("Carson Circuit Route Map"). Contractor shall operate ~~sixseven~~ of these routes. City will operate the G Route."

B. Section I.O.1.i., Exhibit A, "Scope of Services," is hereby corrected to read as follows:

"i. ~~SixSeven~~ ***(67)*** vehicles deployed throughout the 12-hour operating period"

C. "Operations" table, Section I, Exhibit C, "Schedule of Compensation," is hereby corrected to read in its entirety as follows:

OPERATIONS						
Cost Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Operator Wages	\$ 552,197	\$ 555,613	\$ 559,091	\$ 571,100	<del>\$</del> 574,776	\$ 2,812,777
Supervisor Salaries	\$ 44,179	\$ 44,842	\$ 45,515	\$ 46,197	\$ 46,890	\$ 227,623
Health & Welfare	\$ 79,470	\$ 81,110	\$ 90,300	\$ 101,895	\$ 111,135	\$ 463,910
FICA	\$ 55,265	\$ 55,675	\$ 56,087	\$ 57,191	\$ 57,757	\$ 281,976
Unemployment Insurance	\$ 10,486	\$ 10,486	\$ 10,486	\$ 10,486	\$ 10,486	\$ 52,429
Workers Compensation	\$ 58,566	\$ 58,965	\$ 59,366	\$ 60,557	\$ 61,132	\$ 298,586
Physicals/Drug Screen	\$ 4,787	\$ 6,694	\$ 6,879	\$ 7,064	\$ 7,270	\$ 32,693
Insurance	\$ 65,880	\$ 66,353	\$ 66,879	\$ 67,420	<del>\$</del> 67,959	\$ 334,490
Tires	\$ 21,550	\$ 22,938	\$ 24,439	\$ 25,489	\$ 26,585	\$ 121,001
Fuel & Lubes	\$ 8,928	\$ 9,503	\$ 10,125	\$ 10,560	\$ 11,014	\$ 50,129
Uniforms	\$ 956	\$ 1,974	\$ 2,035	\$ 2,096	\$ 2,157	\$ 9,218
Vehicle Depreciation	\$ 242,424	\$ 242,424	\$ 242,424	\$ 242,424	\$ 242,424	\$ 1,212,120
Radio Fees	\$ 2,520	\$ 2,592	\$ 2,664	\$ 2,748	\$ 2,832	\$ 13,356
Depreciation-(Computers, Drive-	\$ 5,772	\$ 5,772	\$ 5,765	\$ 5,350	\$ 3,991	\$ 26,651
Other Operating Costs (Interest)	\$ 76,822	\$ 56,209	\$ 41,802	\$ 26,898	\$ 11,504	\$ 213,235
Subtotal Operations	\$1,229,801	\$1,221,150	\$1,223,857	\$1,237,474	<del>\$1,273,912</del> <b><i>\$1,237,912</i></b>	\$6,150,192

3. **Continuing Effect of Agreement.** Except as amended by this Agreement, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement, as amended by this Amendment to the Agreement.

4. **Affirmation of Agreement; Warranty Re Absence of Defaults.** City and Contractor each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than as provided herein. Each party represents and warrants to the other that the Agreement is currently an effective, valid, and binding obligation. Consultant ratifies and affirms that each and every one of the respective obligations and duties of Consultant to City arising under the Agreement cover the period of time from the commencement of the Agreement through the conclusion of the Term (as amended by this Amendment), expressly including the period of time during the Term from January 1, 2016 to the execution of this Amendment.

Contractor represents and warrants to City that, as of the date of this Amendment, City is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

5. **Adequate Consideration.** The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

6. **Authority.** The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

[SIGNATURES ON FOLLOWING PAGE]

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the date and year first-above written.

**CITY:**

CITY OF CARSON, a municipal corporation

\_\_\_\_\_  
Albert Robles, Mayor

**ATTEST:**

\_\_\_\_\_  
Donesia Gause-Aldana, City Clerk

APPROVED AS TO FORM:  
ALESHIRE & WYNDER, LLP

\_\_\_\_\_  
Sunny K. Soltani, City Attorney

[ndp]

**CONTRACTOR:**

MV TRANSPORTATION, INC.

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

Name: Meg Lassarat

Title: Chief Financial Officer

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

Name: Tom Egan

Title: Chief Operating Officer

Address: Office of General Counsel  
2711 Haskell Ave, Suite 1500, LB2  
Dallas, Texas 75204

Two corporate officer signatures required when Contractor is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONTRACTOR'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONTRACTOR'S BUSINESS ENTITY.

### CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On \_\_\_\_\_, 2019 before me, \_\_\_\_\_, personally appeared \_\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

#### OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/>	INDIVIDUAL	
<input type="checkbox"/>	CORPORATE OFFICER	
	TITLE(S)	TITLE OR TYPE OF DOCUMENT
<input type="checkbox"/>	PARTNER(S) <input type="checkbox"/> LIMITED	
	<input type="checkbox"/> GENERAL	
<input type="checkbox"/>	ATTORNEY-IN-FACT	
<input type="checkbox"/>	TRUSTEE(S)	NUMBER OF PAGES
<input type="checkbox"/>	GUARDIAN/CONSERVATOR	
<input type="checkbox"/>	OTHER _____	
SIGNER IS REPRESENTING: (NAME OF PERSON(S) OR ENTITY(IES))		DATE OF DOCUMENT
_____ _____ _____		
		SIGNER(S) OTHER THAN NAMED ABOVE

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COUNTY OF LOS ANGELES

On \_\_\_\_\_, 2019 before me, \_\_\_\_\_, personally appeared \_\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

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<b>CAPACITY CLAIMED BY SIGNER</b>	<b>DESCRIPTION OF ATTACHED DOCUMENT</b>
<input type="checkbox"/> INDIVIDUAL	
<input type="checkbox"/> CORPORATE OFFICER	
<div style="text-align: center;">_____ TITLE(S)</div> <div style="display: flex; justify-content: space-between;"><div><input type="checkbox"/> PARTNER(S)</div><div><input type="checkbox"/> LIMITED <input type="checkbox"/> GENERAL</div></div>	<div style="text-align: center;">_____ TITLE OR TYPE OF DOCUMENT</div>
<input type="checkbox"/> ATTORNEY-IN-FACT	
<input type="checkbox"/> TRUSTEE(S)	
<input type="checkbox"/> GUARDIAN/CONSERVATOR	<div style="text-align: center;">_____ NUMBER OF PAGES</div>
<input type="checkbox"/> OTHER _____	
<b>SIGNER IS REPRESENTING:</b> (NAME OF PERSON(S) OR ENTITY(IES)) _____ _____	<div style="text-align: center;">_____ DATE OF DOCUMENT</div>
	<div style="text-align: center;">_____ SIGNER(S) OTHER THAN NAMED ABOVE</div>