Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the City Council:

SUBJECT: Transit – Approve contract services agreements for the Torrance Community Transit Program (Senior Taxi and Disabled Dial-A-Taxi).

Expenditure: $2,600,000 ($1,300,000 annually).

RECOMMENDATION
Recommendation of the Transit Director that City Council approve contract services agreements to provide service for the Torrance Community Transit Program (Senior Taxi and Disabled Dial-A-Taxi) as follows:

1. A two-year contract services agreement with Administrative Services Co-Op d.b.a. South Bay Yellow Cab and United Checker Cab Co-Op of Gardena, California;
2. A two-year contract services agreement with All Yellow Taxi, Incorporated of Gardena, California; and
3. A two-year contract services agreement with Bell Cab Company of Gardena, California.

The recommended term is January 26, 2016 to January 26, 2018 to align with the same term as the Taxi Franchise Agreement, at a cost not-to-exceed an aggregate total of $2,600,000 ($1,300,000 annually) for all three contracts.

FUNDING
Funding is available in the Transit Department’s Operating Budget. The expenditure is not to exceed an aggregate total of $1,300,000 per annum for all three contract.

BACKGROUND
The Dial-A-Lift program was consolidated with the Torrance Senior Ride program in October of 2003, and is now under the umbrella of the Torrance Community Transit Program (TCTP). TCTP operates in a multi-provider system in which three taxicab companies provide service to senior and disabled patrons who reside in Torrance. Under the multi-provider system, Transit invites all taxicab companies who are granted a franchise by the City of Torrance to participate in the program. All three taxicab companies have chosen to participate. Staff feels that the multi-provider arrangement gives patrons greater choice and flexibility for their transportation needs.

ANALYSIS
The TCTP program utilizes the City’s approved taxicab companies and since the Finance Department has already exercised its option to extend the current agreement by two additional years, the Transit Department is requesting the same term extension to coincide
with the City’s Tax Franchise Agreement. The attached agreements are recommended for approval with the same effective dates. The taxi meter rates are the same as allowed under the City’s taxicab ordinance. Price is the same for all taxicab companies and competition is based on quality of service provided, not price. The Transit Department is satisfied with the level of service provided by the three current taxicab companies.

Due to the emergence and popularity of transportation network companies (TNC) such as Uber and Lyft, staff has already begun researching the feasibility of adding these types of companies to the TCTP in the future. However, staff recommends keeping the TCTP program in its current format until more research can be done on the effectiveness of TNC’s in serving seniors citizens and the disabled.

Respectfully submitted,

[Signature]
Kim Turner
Transit Director

Concur:

[Signature]
LeRoy J. Jackson
City Manager

ATTACHMENTS:
B. Contract Services Agreement with All Yellow Taxi, Inc.
C. Contract Services Agreement with Bell Cab Company
CONTRACT SERVICES AGREEMENT

This CONTRACT SERVICES AGREEMENT ("Agreement") is made and entered into as of January 26, 2016 (the "Effective Date"), by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and Administrative Services Co-Op of Gardena, California, d.b.a. South Bay Yellow Cab and United Checker Cab Co-Op, a California Corporation ("CONTRACTOR").

RECITALS:

A. CITY wishes to retain the services of an experienced and qualified CONTRACTOR to provide services for the City of Torrance, Torrance Community Taxi Program (Senior Taxi and Disabled Dial-A-Ride Taxi).

B. CONTRACTOR represents that it is qualified to perform those services.

AGREEMENT:

1. SERVICES TO BE PERFORMED BY CONTRACTOR
   CONTRACTOR will provide the services listed in the Scope of Services attached as Exhibit A. CONTRACTOR warrants that all work and services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner.

2. TERM
   Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect from the Effective Date through January 26, 2018.

3. COMPENSATION
   A. CONTRACTOR's Fee.

   For services rendered pursuant to this Agreement, CONTRACTOR will be paid in accordance with the Compensation Schedule attached as Exhibit B, provided, however, that in no event will the total amount of money paid CONTRACTOR, for services initially contemplated by this Agreement, exceed the sum of $1,300,000.00 ("Agreement Sum"), unless otherwise first approved in writing by CITY.

   B. Schedule of Payment.

   Provided that CONTRACTOR is not in default under the terms of this Agreement, upon presentation of an invoice, CONTRACTOR will be paid the fees described in Paragraph 3.A. above, according to the Compensation Schedule. Payment will be due within 30 days after the date of the invoice.
4. **TERMINATION OF AGREEMENT**

A. Termination by CITY for Convenience.

1. CITY may, at any time, terminate the Agreement for CITY's convenience and without cause.

2. Upon receipt of written notice from CITY of such termination for CITY's convenience, CONTRACTOR will:
   a. cease operations as directed by CITY in the notice;
   b. take actions necessary, or that CITY may direct, for the protection and preservation of the work; and
   c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

3. In case of termination for CITY's convenience, CONTRACTOR will be entitled to receive payment for work executed, together with costs incurred by reason of the termination, along with reasonable overhead and profit on work not executed.

B. Termination for Cause.

1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 15 calendar days after the nondefaulting party gives the defaulting party written notice of the failure to perform, this Agreement may be terminated for cause; provided, however, that if during the notice period the defaulting party has promptly commenced and continues diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.

2. In the event this Agreement is terminated for cause by the default of CONTRACTOR, CITY may, at the expense of CONTRACTOR and its surety, complete this Agreement or cause it to be completed. Any check or bond delivered to the CITY in connection with this Agreement, and the money payable thereon, will be forfeited to and remain the property of the CITY. All moneys due CONTRACTOR under the terms of this Agreement will be retained by CITY, but the retention will not release CONTRACTOR and its surety from liability for the default. Under these circumstances, however, CONTRACTOR and its surety will be credited with the amount of money retained, toward any amount by which the cost of completion exceeds the Agreement Sum and any amount authorized for extra services.
3. Termination for cause will not affect or terminate any of the rights of CITY as against CONTRACTOR or its surety then existing, or that may thereafter accrue because of the default; this provision is in addition to all other rights and remedies available to the CITY under law.

C. Termination for Breach of Law.

In the event CONTRACTOR or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty that currently, seriously, and directly affects responsibility as a public consultant or contractor; (iii) under state or federal antitrust statutes arising out of the submission of bids or proposals; or (iv) of violation of Paragraph 19 of this Agreement; or for any other cause CITY determines to be so serious and compelling as to affect CONTRACTOR's responsibility as a public consultant or contractor, including but not limited to, debarment by another governmental agency, then CITY reserves the unilateral right to terminate this Agreement or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper. CITY will not take action until CONTRACTOR has been given notice and an opportunity to present evidence in mitigation.

5. **FORCE MAJEURE**

If any party fails to perform its obligations because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental control, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform, then that party's performance will be excused for a period equal to the period of that cause for failure to perform.

6. **RETENTION OF FUNDS**

CONTRACTOR authorizes CITY to deduct from any amount payable to CONTRACTOR (whether or not arising out of this Agreement) any amounts the payment of which may be in dispute or that are necessary to compensate CITY for any losses, costs, liabilities, or damages suffered by CITY, and all amounts for which CITY may be liable to third parties, by reason of CONTRACTOR's acts or omissions in performing or failing to perform CONTRACTOR's obligations under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by CONTRACTOR, or any indebtedness
exists that appears to be the basis for a claim of lien, CITY may withhold from any payment due, without liability for interest because of the withholding, an amount sufficient to cover the claim. The failure of CITY to exercise the right to deduct or to withhold will not, however, affect the obligations of CONTRACTOR to insure, indemnify, and protect CITY as elsewhere provided in this Agreement.

7. CITY REPRESENTATIVE
Kim Turner, Transit Director is designated as the “City Representative,” authorized to act in its behalf with respect to the work and services specified in this Agreement and to make all decisions in connection with this Agreement. Whenever approval, directions, or other actions are required by CITY under this Agreement, those actions will be taken by the City Representative, unless otherwise stated. The City Manager has the right to designate another City Representative at any time, by providing notice to CONTRACTOR.

8. CONTRACTOR REPRESENTATIVE(S)
The following principal(s) of CONTRACTOR are designated as being the principal(s) and representative(s) of CONTRACTOR authorized to act in its behalf with respect to the work specified in this Agreement and make all decisions in connection with this Agreement:

Marco A. Soto
Vice President - Marketing and Public Affairs

9. INDEPENDENT CONTRACTOR
CONTRACTOR is, and at all times will remain as to CITY, a wholly independent contractor. Neither CITY nor any of its agents will have control over the conduct of CONTRACTOR or any of CONTRACTOR’s employees, except as otherwise set forth in this Agreement. CONTRACTOR’s agents and employees are not and shall not be considered employees of CITY for any purpose. CONTRACTOR may not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY. CITY has no duty, obligation, or responsibility to CONTRACTOR’s agents or employees under the Affordable Care Act. CONTRACTOR is solely responsible for any tax penalties associated with the failure to offer affordable coverage to its agents and employees under the Affordable Care Act and any other liabilities, claims and obligations regarding compliance with the Affordable Care Act with respect to CONTRACTOR’s agents and employees. CITY is not responsible and shall not be held liable for CONTRACTOR’s failure to comply with CONTRACTOR’s duties, obligations, and responsibilities under the Affordable Care Act. CONTRACTOR agrees to defend, indemnify and hold CITY harmless for any and all taxes and penalties that may be assessed against CITY as a result of CONTRACTOR’s obligations under the Affordable Care Act relating to CONTRACTOR’s agents and employees.

10. BUSINESS LICENSE
CONTRACTOR must obtain a City business license prior to the start of work under this Agreement, unless CONTRACTOR is qualified for an exemption.
11. OTHER LICENSES AND PERMITS
CONTRACTOR warrants that it has all professional, contracting and other permits and licenses required to undertake the work contemplated by this Agreement.

12. FAMILIARITY WITH WORK
By executing this Agreement, CONTRACTOR warrants that CONTRACTOR (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services required under this Agreement. If the services involve work upon any site, CONTRACTOR warrants that CONTRACTOR has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of the services set forth in this Agreement. Should CONTRACTOR discover any latent or unknown conditions that will materially affect the performance of the services set forth in this Agreement, CONTRACTOR must immediately inform CITY of that fact and may not proceed except at CONTRACTOR’s risk until written instructions are received from CITY.

13. CARE OF WORK
CONTRACTOR must adopt reasonable methods during the term of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and other components to prevent losses or damages, and will be responsible for all damages to persons or property, until acceptance of the work by CITY, except those losses or damages as may be caused by CITY’s own negligence.

14. CONTRACTOR’S ACCOUNTING RECORDS: OTHER PROJECT RECORDS
Records of CONTRACTOR’s time pertaining to the project, and records of accounts between CITY and CONTRACTOR, will be kept on a generally recognized accounting basis. CONTRACTOR will also maintain all other records, including without limitation, specifications, drawings, progress reports and the like, relating to the work and services identified in Exhibit A. All records will be available to CITY during normal working hours. CONTRACTOR will maintain these records for three years after final payment.

15. INDEMNIFICATION
CONTRACTOR will indemnify, defend, and hold harmless CITY, the Successor Agency to the Former Redevelopment Agency of the City of Torrance, the City Council, each member thereof, present and future, members of boards and commissions, their officers, agents, employees and volunteers (collectively “City Affiliates”) from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts.
or omissions, or willful misconduct of CONTRACTOR, its officers, employees, 
agents, subcontractors or vendors. CONTRACTOR's obligations to indemnify, 
defend and hold harmless will apply even in the event of concurrent negligence 
on the part of City Affiliates, except for liability resulting solely from the 
negligence or willful misconduct of City Affiliates. Payment by CITY is not a 
condition precedent to enforcement of this indemnity. In the event of any dispute 
between CONTRACTOR and CITY, as to whether liability arises from the sole 
negligence of City Affiliates, CONTRACTOR will be obligated to pay for the 
defense of City Affiliates until such time as a final judgment has been entered 
adjudicating City Affiliates as solely negligent. CONTRACTOR will not be 
entitled in the event of such a determination to any reimbursement of defense 
costs including but not limited to attorney's fees, expert fees and costs of 
litigation.

16. **NON-LIABILITY OF CITY OFFICERS AND EMPLOYEES**
No officer or employee of CITY will be personally liable to CONTRACTOR, in the 
event of any default or breach by the CITY or for any amount that may become 
due to CONTRACTOR.

17. **INSURANCE**
A. CONTRACTOR and its subcontractors must maintain at their sole 
expense the following insurance, which will be full coverage, not subject to 
self insurance provisions:

1. Automobile Liability, including owned, non-owned and hired 
vehicles, with at least the following limits of liability:
   a. Primary Bodily Injury with limits of at least $500,000 per 
      person, $1,000,000 per occurrence; and
   b. Primary Property Damage of at least $250,000 per 
      occurrence; or
   c. Combined single limits of $1,000,000 per occurrence.

2. General Liability including coverage for premises, products and 
completed operations, independent contractors/vendors, personal 
injury and contractual obligations with combined single limits of 
coverage of at least $1,000,000 per occurrence.

3. Workers' Compensation with limits as required by the State of 
California and Employer's Liability with limits of at least $1,000,000.

B. The insurance provided by CONTRACTOR will be primary and non- 
contributory.
C. CITY, the Successor Agency to the Former Redevelopment Agency of the City of Torrance, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insureds under the automobile and general liability policies.

D. CONTRACTOR must provide certificates of insurance and/or endorsements indicating appropriate coverage, to the City Clerk of the City of Torrance before the commencement of work.

E. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to CITY.

18. SUFFICIENCY OF INSURERS
Insurance required by this Agreement will be satisfactory only if issued by companies admitted to do business in California, rated “B+” or better in the most recent edition of Best’s Key Rating Guide, and only if they are of a financial category Class VII or better, unless these requirements are waived by the Risk Manager of CITY (“Risk Manager”) due to unique circumstances. In the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to CITY, the CONTRACTOR agrees that the minimum limits of any insurance policies or performance bonds required by this Agreement may be changed accordingly upon receipt of written notice from the Risk Manager; provided that CONTRACTOR will have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of CITY within 10 days of receipt of notice from the Risk Manager.

19. CONFLICT OF INTEREST
A. No officer or employee of the CITY may have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to the Agreement that effects the officer or employee’s financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.

B. No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any program requirement, contract or subcontract, or to any solicitation or proposal.
20. **NOTICE**

A. All notices, requests, demands, or other communications under this Agreement will be in writing. Notice will be sufficiently given for all purposes as follows:

1. Personal delivery. When personally delivered to the recipient, notice is effective on delivery.

2. First Class mail. When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.

3. Certified mail. When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.

4. Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender’s account, notice is effective on delivery, if delivery is confirmed by the delivery service.

5. Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice, notice is effective on receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient’s time) or on a non-business day.

6. Addresses for purpose of giving notice are as follows:

**CONTRACTOR:**
Marco A. Soto, Vice President -
Marketing and Public Affairs
Administrative Services Co-Op, Inc.
2129 W. Rosecrans Avenue
Gardena, CA 90249
Phone: (310)715-1968
Email: msoto@layellowcab.com

Fax: (310) 327-1703

**CITY:**
City Clerk
City of Torrance
3031 Torrance Boulevard
Torrance, CA 90509-2970
Fax: (310) 618-2931

[TCTP Contract 2016-18 ACS]
B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.

C. Either party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

21. **PROHIBITION AGAINST ASSIGNMENT AND SUBCONTRACTING**
This Agreement and all exhibits are binding on the heirs, successors, and assigns of the parties. The Agreement may not be assigned or subcontracted by either CITY or CONTRACTOR without the prior written consent of the other.

22. **INTEGRATION; AMENDMENT**
This Agreement represents the entire understanding of CITY and CONTRACTOR as to those matters contained in it. No prior oral or written understanding will be of any force or effect with respect to the terms of this Agreement. The Agreement may not be modified or altered except in writing signed by both parties.

23. **INTERPRETATION**
The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either party by reason of the authorship of this Agreement or by any other rule of construction that might otherwise apply.

24. **SEVERABILITY**
If any part of this Agreement is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Agreement will remain in full force and effect.

25. **TIME OF ESSENCE**
Time is of the essence in the performance of this Agreement.

26. **GOVERNING LAW; JURISDICTION**
This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Agreement will be in Los Angeles County, California.

27. **COMPLIANCE WITH STATUTES AND REGULATIONS**
CONTRACTOR will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

28. **WAIVER OF BREACH**
No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default will impair the right or remedy or be construed as a waiver. A party’s consent or approval of any act by the other party requiring the first party’s consent or approval will not be deemed to waive or render unnecessary
the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and will not be a waiver of any other default concerning the same or any other provision of this Agreement.

29. **ATTORNEY'S FEES**
   Except as provided for in Paragraph 15, in any dispute, litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party will be awarded reasonable attorney's fees, together with any costs and expenses, to resolve the dispute and to enforce any judgment.

30. **EXHIBITS**
   All exhibits identified in this Agreement are incorporated into the Agreement by this reference.

31. **CONTRACTOR'S AUTHORITY TO EXECUTE**
   The persons executing this Agreement on behalf of CONTRACTOR warrant that (i) CONTRACTOR is duly organized and existing; (ii) they are duly authorized to execute this Agreement on behalf of CONTRACTOR; (iii) by so executing this Agreement, CONTRACTOR 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 CONTRACTOR is bound.

CITY OF TORRANCE, a municipal corporation

Administrative Services Co-Op, Inc., a California Corporation

_________________________________________  By: _______________________________
Patrick J. Furey, Mayor  Marco A. Soto, Vice President

ATTEST:

_________________________________________
Rebecca Poirier, MMC
City Clerk

APPROVED AS TO FORM:
JOHN L. FELLOWS III
City Attorney

By: _______________________________
Attachments:      Exhibit A  Scope of Services
                  Exhibit B  Compensation Schedule

Revised: 7/15/2014
Exhibit “A”

Scope of Work
Senior Taxi and Disabled Dial-A-Ride Taxi Program

Section I: General Requirements

A. CONTRACTOR must be in complete compliance with Article 16 of Chapter 3 of Division 3 of the Torrance Municipal Code – Taxicabs and Vehicles for Hire and currently granted a non-exclusive franchise to provide taxicab service in the CITY of Torrance.

B. CONTRACTOR will provide taxicab service to the Senior Citizens and Disabled Citizens registered with Torrance Community Transit Program (TCTP), twenty-four (24) hours per day, seven (7) days per week.

C. The CITY will determine the eligibility of all patrons for this service and will sell all trips (via Electronic Swipe Card) for patrons who reside within the City of Torrance. The CONTRACTOR will only provide this service to patrons who present an Electronic Swipe Card. The patron will be required to use the Electronic Swipe Card, which will track trip origin, trip destination, and trip date. CONTRACTOR will be required to track and monitor all transactions (i.e. - total miles, odometer start/end, driver number, pick up/drop off time, total meter amount, fare paid by patron (if any), and number of swipes successfully used).

D. CONTRACTOR must respond to the CITY within two business days on all complaints received. Response can either be done by phone or in writing. Any complaint not responded to will be deemed a valid complaint.

Section II: Work Performed by CONTRACTOR

A. Response Time

1. Each taxi cab operator must respond within twenty-five (25) minutes of the agreed upon pick up time between patron and company dispatch. In the event that a cab arrives later than the allotted 25-minute response time, neither the CITY nor the patron will be required to compensate the said taxicab company for the cost of that trip.

B. Data Collection and Reporting

1. CONTRACTOR will collect data and maintain records for ridership, service mileage, service hours, trip call number, and safety and security as required.
Reports are due on the tenth (10th) of each month for service provided in the previous month. Revised/corrected reports must be re-submitted within five (5) business days. Trip call number is defined as a unique number generated by Dispatch to identify that particular trip.

2. All supporting documentation: trip list by day, year-to-date coupon report, monthly summary report, year-to-date summary report, monthly invoices, ridership information, and safety and security information must be submitted in person or by mail and electronically in a Microsoft Excel file.

C. Driver Training

1. CONTRACTOR will provide training in the following areas to all drivers who perform services in the TCTP:
   
a. Correct use of the Electronic Swipe Card system prior to involvement in the TCTP program, as well as updates on program protocols;
   
b. Sensitivity to the Elderly and Physically Challenged, including the proper handling of wheelchairs;
   
c. Behavior Management of Forgetful, Disoriented or other Difficult Patrons; and
   
d. Defensive Driving and General Safety Procedures

2. CONTRACTOR will submit copies of all training materials and documentation signed by the driver upon completion of the training to the CITY within thirty (30) days of the execution of this Agreement.

Section III: Service Sanctions

A. Service Complaint Penalties

1. Service complaints as deemed by the CITY include, but are not limited to missed pick-ups, late arrivals/pick-ups (more than 25 minutes), and rude behavior (including asking/demanding a tip and/or drivers commenting on trip compensation).

2. If CITY receives five (5) or more complaints about the CONTRACTOR during any calendar month, the CITY will deduct one thousand dollars ($1,000.00) from the following month’s invoice.

3. CITY will notify CONTRACTOR, in writing, at their designated address that said penalty is imminent and that their invoice will be reduced by the penalty amount.
B. Missed Pick-Up / Failure to Pick-Up Penalties

1. A missed pick-up is defined as failure to pick up a patron when the patron has requested service and the CONTRACTOR has agreed to provide service at a mutually agreed upon time and place.

2. CITY will allow the CONTRACTOR to miss no more than a total of two (2) pick-ups in any calendar month.

3. CONTRACTOR will be assessed a penalty of two hundred fifty dollars ($250.00) per any missed pick-up in excess of two (2) in any calendar month. CITY will deduct the penalty amount from the following month’s invoice.

4. CITY will notify CONTRACTOR, in writing, at their designated address that said penalty is imminent and that their invoice will be reduced by the penalty amount.

C. Electronic Swipe Card Invoicing

1. The following conditions must be met or the CITY will not reimburse the CONTRACTOR for transactions reported via the Electronic Swipe Card system:

   a. When reporting via trip report sheets, all fields on the trip report sheet must be completed accurately. Each field on the trip report sheet must be completed with correct information including, but not limited to, the trip origin, trip destination, the trip date, the total amount of miles driven, the driver’s cab and badge number, the pick up/drop off time, the total meter amount, the amount of fare paid by the patron (if any), and the number of successful swipes (ride credit usage that was successful per the trip). CONTRACTOR must provide a copy of the trip receipt that corroborates the accuracy of this information.

   b. All patrons must be scheduled through the dispatch system. In addition, a unique trip call number must be assigned at the time each call is received.

2. Any appeals for penalties must be submitted within five (5) business days in writing to the CITY at:

   Torrance Transit System
   Torrance Community Transit Program
   20500 Madrona Ave.
   Torrance, CA 90503
D. Reporting Requirements

1. The following conditions must be met or the CITY will not reimburse the CONTRACTOR for Electronic Swipe Card usage:

   a. Reporting provided by the CONTRACTOR via trip report sheets must contain a unique trip call number for each trip.

Section IV: Work Performed by City of Torrance

A. Audit

1. CONTRACTOR will keep complete and accurate records, which are auditable and sufficient to show the accuracy and validity of the Electronic Swipe Card usage for which they are seeking reimbursement. The CITY shall have the right to inspect and audit such records during normal business hours for the purpose of determining the accuracy of such records.

2. CONTRACTOR will retain documentation supporting reimbursement of Electronic Swipe Card usage for a period of three (3) years. Supporting documentation will include waybills, dispatch logs, and onscreen GPS data of Torrance trips taken.

3. If, upon examination by the CITY of CONTRACTOR’S records for any year, an error of more than 5% of the Electronic Swipe Card transactions per month is discerned, the reasonable cost of such examination shall be paid by CONTRACTOR to the CITY and the erroneous Electronic Swipe Card usage charges will not be reimbursed.
EXHIBIT “B”

Compensation Schedule

CONTRACTOR will submit an invoice by the tenth (10th) of each month for the preceding month. Revised/corrected invoice(s) must be re-submitted within five (5) business days.

The compensation will be as follows:

Flag Drop: $ 2.85

Mileage: $ 0.30 each additional 1/9 mile ($ 2.70 per mile)

Wait Time: $ 0.30 each 37 seconds waiting time and/or traffic delay ($29.19 per hour)

All tickets or Electronic Swipe Card transactions will not exceed the value of $13.00 per ticket or transaction.
CONTRACT SERVICES AGREEMENT

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RECITALS:

A. CITY wishes to retain the services of an experienced and qualified CONTRACTOR to provide services for the City of Torrance, Torrance Community Taxi Program (Senior Taxi and Disabled Dial-A-Ride Taxi).

B. CONTRACTOR represents that it is qualified to perform those services.

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Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect from the Effective Date through January 26, 2018.

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A. CONTRACTOR's Fee.

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   A. Termination by CITY for Convenience.
      
   1. CITY may, at any time, terminate the Agreement for CITY's convenience and without cause.
      
   2. Upon receipt of written notice from CITY of such termination for CITY's convenience, CONTRACTOR will:
      
         a. cease operations as directed by CITY in the notice;
         b. take actions necessary, or that CITY may direct, for the protection and preservation of the work; and
         c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.
      
   3. In case of termination for CITY's convenience, CONTRACTOR will be entitled to receive payment for work executed, together with costs incurred by reason of the termination, along with reasonable overhead and profit on work not executed.
      
   B. Termination for Cause.
      
   1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 15 calendar days after the nondefaulting party gives the defaulting party written notice of the failure to perform, this Agreement may be terminated for cause; provided, however, that if during the notice period the defaulting party has promptly commenced and continues diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.
      
   2. In the event this Agreement is terminated for cause by the default of CONTRACTOR, CITY may, at the expense of CONTRACTOR and its surety, complete this Agreement or cause it to be completed. Any check or bond delivered to the CITY in connection with this Agreement, and the money payable thereon, will be forfeited to and remain the property of the CITY. All moneys due CONTRACTOR under the terms of this Agreement will be retained by CITY, but the retention will not release CONTRACTOR and its surety from liability for the default. Under these circumstances, however, CONTRACTOR and its surety will be credited with the amount of money retained, toward any amount by which the cost of completion exceeds the Agreement Sum and any amount authorized for extra services.
3. Termination for cause will not affect or terminate any of the rights of CITY as against CONTRACTOR or its surety then existing, or that may thereafter accrue because of the default; this provision is in addition to all other rights and remedies available to the CITY under law.

C. Termination for Breach of Law.

In the event CONTRACTOR or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty that currently, seriously, and directly affects responsibility as a public consultant or contractor; (iii) under state or federal antitrust statutes arising out of the submission of bids or proposals; or (iv) of violation of Paragraph 19 of this Agreement; or for any other cause CITY determines to be so serious and compelling as to affect CONTRACTOR’s responsibility as a public consultant or contractor, including but not limited to, debarment by another governmental agency, then CITY reserves the unilateral right to terminate this Agreement or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper. CITY will not take action until CONTRACTOR has been given notice and an opportunity to present evidence in mitigation.

5. **FORCE MAJEURE**
If any party fails to perform its obligations because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental control, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform, then that party’s performance will be excused for a period equal to the period of that cause for failure to perform.

6. **RETENTION OF FUNDS**
CONTRACTOR authorizes CITY to deduct from any amount payable to CONTRACTOR (whether or not arising out of this Agreement) any amounts the payment of which may be in dispute or that are necessary to compensate CITY for any losses, costs, liabilities, or damages suffered by CITY, and all amounts for which CITY may be liable to third parties, by reason of CONTRACTOR’s acts or omissions in performing or failing to perform CONTRACTOR’s obligations under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by CONTRACTOR, or any indebtedness
exists that appears to be the basis for a claim of lien, CITY may withhold from any payment due, without liability for interest because of the withholding, an amount sufficient to cover the claim. The failure of CITY to exercise the right to deduct or to withhold will not, however, affect the obligations of CONTRACTOR to insure, indemnify, and protect CITY as elsewhere provided in this Agreement.

7. **CITY REPRESENTATIVE**
Kim Turner, Transit Director is designated as the "City Representative," authorized to act in its behalf with respect to the work and services specified in this Agreement and to make all decisions in connection with this Agreement. Whenever approval, directions, or other actions are required by CITY under this Agreement, those actions will be taken by the City Representative, unless otherwise stated. The City Manager has the right to designate another City Representative at any time, by providing notice to CONTRACTOR.

8. **CONTRACTOR REPRESENTATIVE(S)**
The following principal(s) of CONTRACTOR are designated as being the principal(s) and representative(s) of CONTRACTOR authorized to act in its behalf with respect to the work specified in this Agreement and make all decisions in connection with this Agreement:

   Ali Nasrollahi
   President

9. **INDEPENDENT CONTRACTOR**
CONTRACTOR is, and at all times will remain as to CITY, a wholly independent contractor. Neither CITY nor any of its agents will have control over the conduct of CONTRACTOR or any of CONTRACTOR's employees, except as otherwise set forth in this Agreement. CONTRACTOR's agents and employees are not and shall not be considered employees of CITY for any purpose.
CONTRACTOR may not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY. CITY has no duty, obligation, or responsibility to CONTRACTOR's agents or employees under the Affordable Care Act. CONTRACTOR is solely responsible for any tax penalties associated with the failure to offer affordable coverage to its agents and employees under the Affordable Care Act and any other liabilities, claims and obligations regarding compliance with the Affordable Care Act with respect to CONTRACTOR's agents and employees. CITY is not responsible and shall not be held liable for CONTRACTOR's failure to comply with CONTRACTOR's duties, obligations, and responsibilities under the Affordable Care Act. CONTRACTOR agrees to defend, indemnify and hold CITY harmless for any and all taxes and penalties that may be assessed against CITY as a result of CONTRACTOR's obligations under the Affordable Care Act relating to CONTRACTOR's agents and employees.

10. **BUSINESS LICENSE**
CONTRACTOR must obtain a City business license prior to the start of work under this Agreement, unless CONTRACTOR is qualified for an exemption.
11. **OTHER LICENSES AND PERMITS**
CONTRACTOR warrants that it has all professional, contracting and other permits and licenses required to undertake the work contemplated by this Agreement.

12. **FAMILIARITY WITH WORK**
By executing this Agreement, CONTRACTOR warrants that CONTRACTOR (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services required under this Agreement. If the services involve work upon any site, CONTRACTOR warrants that CONTRACTOR has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of the services set forth in this Agreement. Should CONTRACTOR discover any latent or unknown conditions that will materially affect the performance of the services set forth in this Agreement, CONTRACTOR must immediately inform CITY of that fact and may not proceed except at CONTRACTOR’s risk until written instructions are received from CITY.

13. **CARE OF WORK**
CONTRACTOR must adopt reasonable methods during the term of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and other components to prevent losses or damages, and will be responsible for all damages to persons or property, until acceptance of the work by CITY, except those losses or damages as may be caused by CITY’s own negligence.

14. **CONTRACTOR’S ACCOUNTING RECORDS; OTHER PROJECT RECORDS**
Records of CONTRACTOR’s time pertaining to the project, and records of accounts between CITY and CONTRACTOR, will be kept on a generally recognized accounting basis. CONTRACTOR will also maintain all other records, including without limitation, specifications, drawings, progress reports and the like, relating to the work and services identified in Exhibit A. All records will be available to CITY during normal working hours. CONTRACTOR will maintain these records for three years after final payment.

15. **INDEMNIFICATION**
CONTRACTOR will indemnify, defend, and hold harmless CITY, the Successor Agency to the Former Redevelopment Agency of the City of Torrance, the City Council, each member thereof, present and future, members of boards and commissions, their officers, agents, employees and volunteers (collectively “City Affiliates”) from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts
or omissions, or willful misconduct of CONTRACTOR, its officers, employees, 
agents, subcontractors or vendors. CONTRACTOR's obligations to indemnify, 
defend and hold harmless will apply even in the event of concurrent negligence 
on the part of City Affiliates, except for liability resulting solely from the 
negligence or willful misconduct of City Affiliates. Payment by CITY is not a 
condition precedent to enforcement of this indemnity. In the event of any dispute 
between CONTRACTOR and CITY, as to whether liability arises from the sole 
negligence of City Affiliates, CONTRACTOR will be obligated to pay for the 
defense of City Affiliates until such time as a final judgment has been entered 
adjudicating City Affiliates as solely negligent. CONTRACTOR will not be 
entitled in the event of such a determination to any reimbursement of defense 
costs including but not limited to attorney's fees, expert fees and costs of 
litigation.

16. **NON-LIABILITY OF CITY OFFICERS AND EMPLOYEES**
No officer or employee of CITY will be personally liable to CONTRACTOR, in the 
event of any default or breach by the CITY or for any amount that may become 
due to CONTRACTOR.

17. **INSURANCE**
A. CONTRACTOR and its subcontractors must maintain at their sole 
expense the following insurance, which will be full coverage, not subject to 
self insurance provisions:

1. Automobile Liability, including owned, non-owned and hired 
vehicles, with at least the following limits of liability:
   a. Primary Bodily Injury with limits of at least $500,000 per 
   person, $1,000,000 per occurrence; and
   b. Primary Property Damage of at least $250,000 per 
   occurrence; or
   c. Combined single limits of $1,000,000 per occurrence.

2. General Liability including coverage for premises, products and 
completed operations, independent contractors/vendors, personal 
injury and contractual obligations with combined single limits of 
coverage of at least $1,000,000 per occurrence.

3. Workers' Compensation with limits as required by the State of 
California and Employer's Liability with limits of at least $1,000,000.

B. The insurance provided by CONTRACTOR will be primary and non-
contributory.
C. CITY, the Successor Agency to the Former Redevelopment Agency of the City of Torrance, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insureds under the automobile and general liability policies.

D. CONTRACTOR must provide certificates of insurance and/or endorsements indicating appropriate coverage, to the City Clerk of the City of Torrance before the commencement of work.

E. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to CITY.

18. SUFFICIENCY OF INSURERS
Insurance required by this Agreement will be satisfactory only if issued by companies admitted to do business in California, rated "B+" or better in the most recent edition of Best's Key Rating Guide, and only if they are of a financial category Class VII or better, unless these requirements are waived by the Risk Manager of CITY ("Risk Manager") due to unique circumstances. In the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to CITY, the CONTRACTOR agrees that the minimum limits of any insurance policies or performance bonds required by this Agreement may be changed accordingly upon receipt of written notice from the Risk Manager; provided that CONTRACTOR will have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of CITY within 10 days of receipt of notice from the Risk Manager.

19. CONFLICT OF INTEREST
A. No officer or employee of the CITY may have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to the Agreement that effects the officer or employee's financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.

B. No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any program requirement, contract or subcontract, or to any solicitation or proposal.
20. **NOTICE**

A. All notices, requests, demands, or other communications under this Agreement will be in writing. Notice will be sufficiently given for all purposes as follows:

1. Personal delivery. When personally delivered to the recipient, notice is effective on delivery.

2. First Class mail. When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.

3. Certified mail. When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.

4. Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender’s account, notice is effective on delivery, if delivery is confirmed by the delivery service.

5. Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice, notice is effective on receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient’s time) or on a non-business day.

6. Addresses for purpose of giving notice are as follows:

**CONTRACTOR:**
Ali Nasrollahi, President
All Yellow Taxi, Inc.
17800 S. Main St. Suite 101
Gardena, CA 90248
Phone: (310) 807-8900

Fax: (310) 807-8898

**CITY:**
City Clerk
City of Torrance
3031 Torrance Boulevard
Torrance, CA 90509-2970
Fax: (310) 618-2931

B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will
be deemed effective as of the first date the notice was refused, unclaimed
or deemed undeliverable by the postal authorities, messenger or
overnight delivery service.
C. Either party may change its address or fax number by giving the other
party notice of the change in any manner permitted by this Agreement.

21. **PROHIBITION AGAINST ASSIGNMENT AND SUBCONTRACTING**
This Agreement and all exhibits are binding on the heirs, successors, and
assigns of the parties. The Agreement may not be assigned or subcontracted by
either CITY or CONTRACTOR without the prior written consent of the other.

22. **INTEGRATION: AMENDMENT**
This Agreement represents the entire understanding of CITY and
CONTRACTOR as to those matters contained in it. No prior oral or written
understanding will be of any force or effect with respect to the terms of this
Agreement. The Agreement may not be modified or altered except in writing
signed by both parties.

23. **INTERPRETATION**
The terms of this Agreement should be construed in accordance with the
meaning of the language used and should not be construed for or against either
party by reason of the authorship of this Agreement or by any other rule of
construction that might otherwise apply.

24. **SEVERABILITY**
If any part of this Agreement is found to be in conflict with applicable laws, that
part will be inoperative, null and void insofar as it is in conflict with any applicable
laws, but the remainder of the Agreement will remain in full force and effect.

25. **TIME OF ESSENCE**
Time is of the essence in the performance of this Agreement.

26. **GOVERNING LAW; JURISDICTION**
This Agreement will be administered and interpreted under the laws of the State
of California. Jurisdiction of any litigation arising from the Agreement will be in
Los Angeles County, California.

27. **COMPLIANCE WITH STATUTES AND REGULATIONS**
CONTRACTOR will be knowledgeable of and will comply with all applicable
federal, state, county and city statutes, rules, regulations, ordinances and orders.

28. **WAIVER OF BREACH**
No delay or omission in the exercise of any right or remedy by a nondefaulting
party on any default will impair the right or remedy or be construed as a waiver.
A party’s consent or approval of any act by the other party requiring the first
party’s consent or approval will not be deemed to waive or render unnecessary
the other party’s consent to or approval of any subsequent act. Any waiver by
either party of any default must be in writing and will not be a waiver of any other default concerning the same or any other provision of this Agreement.

29. **ATTORNEY’S FEES**
   Except as provided for in Paragraph 15, in any dispute, litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party will be awarded reasonable attorney’s fees, together with any costs and expenses, to resolve the dispute and to enforce any judgment.

30. **EXHIBITS**
   All exhibits identified in this Agreement are incorporated into the Agreement by this reference.

31. **CONTRACTOR’S AUTHORITY TO EXECUTE**
   The persons executing this Agreement on behalf of CONTRACTOR warrant that (i) CONTRACTOR is duly organized and existing; (ii) they are duly authorized to execute this Agreement on behalf of CONTRACTOR; (iii) by so executing this Agreement, CONTRACTOR 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 CONTRACTOR is bound.

CITY OF TORRANCE, a municipal corporation

All Yellow Taxi, Inc., a California Corporation

__________________________________________
Patrick J. Furey, Mayor

__________________________________________
By: ____________________________

By: ____________________________

Ali Nasrollahi, President

ATTEST:

__________________________________________
Rebecca Poirier, MMC
City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By: ____________________________
Attachments: Exhibition A Scope of Services
Exhibit B Compensation Schedule

Revised: 7/15/2014
Exhibit “A”

Scope of Work
Senior Taxi and Disabled Dial-A-Ride Taxi Program

Section I: General Requirements

A. CONTRACTOR must be in complete compliance with Article 16 of Chapter 3 of Division 3 of the Torrance Municipal Code – Taxicabs and Vehicles for Hire and currently granted a non-exclusive franchise to provide taxicab service in the CITY of Torrance.

B. CONTRACTOR will provide taxicab service to the Senior Citizens and Disabled Citizens registered with Torrance Community Transit Program (TCTP), twenty-four (24) hours per day, seven (7) days per week.

C. The CITY will determine the eligibility of all patrons for this service and will sell all trips (via Electronic Swipe Card) for patrons who reside within the City of Torrance. The CONTRACTOR will only provide this service to patrons who present an Electronic Swipe Card. The patron will be required to use the Electronic Swipe Card, which will track trip origin, trip destination, and trip date. CONTRACTOR will be required to track and monitor all transactions (i.e. - total miles, odometer start/end, driver number, pick up/drop off time, total meter amount, fare paid by patron (if any), and number of swipes successfully used).

D. CONTRACTOR must respond to the CITY within two business days on all complaints received. Response can either be done by phone or in writing. Any complaint not responded to will be deemed a valid complaint.

Section II: Work Performed by CONTRACTOR

A. Response Time

1. Each taxi cab operator must respond within twenty-five (25) minutes of the agreed upon pick up time between patron and company dispatch. In the event that a cab arrives later than the allotted 25-minute response time, neither the CITY nor the patron will be required to compensate the said taxicab company for the cost of that trip.

B. Data Collection and Reporting

1. CONTRACTOR will collect data and maintain records for ridership, service mileage, service hours, trip call number, and safety and security as required.
Reports are due on the tenth (10th) of each month for service provided in the previous month. Revised/corrected reports must be re-submitted within five (5) business days. Trip call number is defined as a unique number generated by Dispatch to identify that particular trip.

2. All supporting documentation: trip list by day, year-to-date coupon report, monthly summary report, year-to-date summary report, monthly invoices, ridership information, and safety and security information must be submitted in person or by mail and electronically in a Microsoft Excel file.

C. Driver Training

1. CONTRACTOR will provide training in the following areas to all drivers who perform services in the TCTP:
   a. Correct use of the Electronic Swipe Card system prior to involvement in the TCTP program, as well as updates on program protocols;
   b. Sensitivity to the Elderly and Physically Challenged, including the proper handling of wheelchairs;
   c. Behavior Management of Forgetful, Disoriented or other Difficult Patrons; and
   d. Defensive Driving and General Safety Procedures

2. CONTRACTOR will submit copies of all training materials and documentation signed by the driver upon completion of the training to the CITY within thirty (30) days of the execution of this Agreement.

Section III: Service Sanctions

A. Service Complaint Penalties

1. Service complaints as deemed by the CITY include, but are not limited to missed pick-ups, late arrivals/pick-ups (more than 25 minutes), and rude behavior (including asking/demanding a tip and/or drivers commenting on trip compensation).

2. If CITY receives five (5) or more complaints about the CONTRACTOR during any calendar month, the CITY will deduct one thousand dollars ($1,000.00) from the following month’s invoice.

3. CITY will notify CONTRACTOR, in writing, at their designated address that said penalty is imminent and that their invoice will be reduced by the penalty amount.
B. Missed Pick-Up / Failure to Pick-Up Penalties

1. A missed pick-up is defined as failure to pick up a patron when the patron has requested service and the CONTRACTOR has agreed to provide service at a mutually agreed upon time and place.

2. CITY will allow the CONTRACTOR to miss no more than a total of two (2) pick-ups in any calendar month.

3. CONTRACTOR will be assessed a penalty of two hundred fifty dollars ($250.00) per any missed pick-up in excess of two (2) in any calendar month. CITY will deduct the penalty amount from the following month’s invoice.

4. CITY will notify CONTRACTOR, in writing, at their designated address that said penalty is imminent and that their invoice will be reduced by the penalty amount.

C. Electronic Swipe Card Invoicing

1. The following conditions must be met or the CITY will not reimburse the CONTRACTOR for transactions reported via the Electronic Swipe Card system:

   a. When reporting via trip report sheets, all fields on the trip report sheet must be completed accurately. Each field on the trip report sheet must be completed with correct information including, but not limited to, the trip origin, trip destination, the trip date, the total amount of miles driven, the driver’s cab and badge number, the pick up/drop off time, the total meter amount, the amount of fare paid by the patron (if any), and the number of successful swipes (ride credit usage that was successful per the trip). CONTRACTOR must provide a copy of the trip receipt that corroborates the accuracy of this information.

   b. All patrons must be scheduled through the dispatch system. In addition, a unique trip call number must be assigned at the time each call is received.

2. Any appeals for penalties must be submitted within five (5) business days in writing to the CITY at:

   Torrance Transit System
   Torrance Community Transit Program
   20500 Madrona Ave.
   Torrance, CA 90503
D. Reporting Requirements

1. The following conditions must be met or the CITY will not reimburse the CONTRACTOR for Electronic Swipe Card usage:
   
a. Reporting provided by the CONTRACTOR via trip report sheets must contain a unique trip call number for each trip.

Section IV: Work Performed by City of Torrance

A. Audit

1. CONTRACTOR will keep complete and accurate records, which are auditable and sufficient to show the accuracy and validity of the Electronic Swipe Card usage for which they are seeking reimbursement. The CITY shall have the right to inspect and audit such records during normal business hours for the purpose of determining the accuracy of such records.

2. CONTRACTOR will retain documentation supporting reimbursement of Electronic Swipe Card usage for a period of three (3) years. Supporting documentation will include waybills, dispatch logs, and onscreen GPS data of Torrance trips taken.

3. If, upon examination by the CITY of CONTRACTOR’S records for any year, an error of more than 5% of the Electronic Swipe Card transactions per month is discerned, the reasonable cost of such examination shall be paid by CONTRACTOR to the CITY and the erroneous Electronic Swipe Card usage charges will not be reimbursed.
EXHIBIT “B”

Compensation Schedule

CONTRACTOR will submit an invoice by the tenth (10th) of each month for the preceding month. Revised/corrected invoice(s) must be re-submitted within five (5) business days.

The compensation will be as follows:

Flag Drop: $ 2.85

Mileage: $ 0.30 each additional 1/9 mile ($ 2.70 per mile)

Wait Time: $ 0.30 each 37 seconds waiting time and/or traffic delay ($29.19 per hour)

All tickets or Electronic Swipe Card transactions will not exceed the value of $13.00 per ticket or transaction.
CONTRACT SERVICES AGREEMENT

This CONTRACT SERVICES AGREEMENT ("Agreement") is made and entered into as of January 26, 2016 (the "Effective Date"), by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and Bell Cab Company, Inc. and TM-MTM, Inc. (Management Company) of Hawthorne, California, a California Corporation ("CONTRACTOR").

RECITALS:

A. CITY wishes to retain the services of an experienced and qualified CONTRACTOR to provide services for the City of Torrance, Torrance Community Taxi Program (Senior Taxi and Disabled Dial-A-Ride Taxi).

B. CONTRACTOR represents that it is qualified to perform those services.

AGREEMENT:

1. SERVICES TO BE PERFORMED BY CONTRACTOR
   CONTRACTOR will provide the services listed in the Scope of Services attached as Exhibit A. CONTRACTOR warrants that all work and services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner.

2. TERM
   Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect from the Effective Date through January 26, 2018.

3. COMPENSATION
   A. CONTRACTOR's Fee.

      For services rendered pursuant to this Agreement, CONTRACTOR will be paid in accordance with the Compensation Schedule attached as Exhibit B, provided, however, that in no event will the total amount of money paid CONTRACTOR, for services initially contemplated by this Agreement, exceed the sum of $1,300,000.00 ("Agreement Sum"), unless otherwise first approved in writing by CITY.

   B. Schedule of Payment.

      Provided that CONTRACTOR is not in default under the terms of this Agreement, upon presentation of an invoice, CONTRACTOR will be paid the fees described in Paragraph 3.A. above, according to the Compensation Schedule. Payment will be due within 30 days after the date of the invoice.
4. **TERMINATION OF AGREEMENT**
   A. Termination by CITY for Convenience.

   1. CITY may, at any time, terminate the Agreement for CITY’s convenience and without cause.

   2. Upon receipt of written notice from CITY of such termination for CITY’s convenience, CONTRACTOR will:
      
      a. cease operations as directed by CITY in the notice;
      b. take actions necessary, or that CITY may direct, for the protection and preservation of the work; and
      c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

   3. In case of termination for CITY’s convenience, CONTRACTOR will be entitled to receive payment for work executed, together with costs incurred by reason of the termination, along with reasonable overhead and profit on work not executed.

   B. Termination for Cause.

   1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 15 calendar days after the nondefaulting party gives the defaulting party written notice of the failure to perform, this Agreement may be terminated for cause; provided, however, that if during the notice period the defaulting party has promptly commenced and continues diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.

   2. In the event this Agreement is terminated for cause by the default of CONTRACTOR, CITY may, at the expense of CONTRACTOR and its surety, complete this Agreement or cause it to be completed. Any check or bond delivered to the CITY in connection with this Agreement, and the money payable thereon, will be forfeited to and remain the property of the CITY. All moneys due CONTRACTOR under the terms of this Agreement will be retained by CITY, but the retention will not release CONTRACTOR and its surety from liability for the default. Under these circumstances, however, CONTRACTOR and its surety will be credited with the amount of money retained, toward any amount by which the cost of completion exceeds the Agreement Sum and any amount authorized for extra services.
3. Termination for cause will not affect or terminate any of the rights of CITY as against CONTRACTOR or its surety then existing, or that may thereafter accrue because of the default; this provision is in addition to all other rights and remedies available to the CITY under law.

C. Termination for Breach of Law.

In the event CONTRACTOR or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty that currently, seriously, and directly affects responsibility as a public consultant or contractor; (iii) under state or federal antitrust statutes arising out of the submission of bids or proposals; or (iv) of violation of Paragraph 19 of this Agreement; or for any other cause CITY determines to be so serious and compelling as to affect CONTRACTOR's responsibility as a public consultant or contractor, including but not limited to, debarment by another governmental agency, then CITY reserves the unilateral right to terminate this Agreement or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper. CITY will not take action until CONTRACTOR has been given notice and an opportunity to present evidence in mitigation.

5. FORCE MAJEURE
If any party fails to perform its obligations because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental control, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform, then that party's performance will be excused for a period equal to the period of that cause for failure to perform.

6. RETENTION OF FUNDS
CONTRACTOR authorizes CITY to deduct from any amount payable to CONTRACTOR (whether or not arising out of this Agreement) any amounts the payment of which may be in dispute or that are necessary to compensate CITY for any losses, costs, liabilities, or damages suffered by CITY, and all amounts for which CITY may be liable to third parties, by reason of CONTRACTOR's acts or omissions in performing or failing to perform CONTRACTOR's obligations under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by CONTRACTOR, or any indebtedness
exists that appears to be the basis for a claim of lien, CITY may withhold from any payment due, without liability for interest because of the withholding, an amount sufficient to cover the claim. The failure of CITY to exercise the right to deduct or to withhold will not, however, affect the obligations of CONTRACTOR to insure, indemnify, and protect CITY as elsewhere provided in this Agreement.

7. **CITY REPRESENTATIVE**
Kim Turner, Transit Director is designated as the “City Representative,” authorized to act in its behalf with respect to the work and services specified in this Agreement and to make all decisions in connection with this Agreement. Whenever approval, directions, or other actions are required by CITY under this Agreement, those actions will be taken by the City Representative, unless otherwise stated. The City Manager has the right to designate another City Representative at any time, by providing notice to CONTRACTOR.

8. **CONTRACTOR REPRESENTATIVE(S)**
The following principal(s) of CONTRACTOR are designated as being the principal(s) and representative(s) of CONTRACTOR authorized to act in its behalf with respect to the work specified in this Agreement and make all decisions in connection with this Agreement:

   Simon H. Momennasab  
   General Manager

9. **INDEPENDENT CONTRACTOR**
CONTRACTOR is, and at all times will remain as to CITY, a wholly independent contractor. Neither CITY nor any of its agents will have control over the conduct of CONTRACTOR or any of CONTRACTOR’s employees, except as otherwise set forth in this Agreement. CONTRACTOR’s agents and employees are not and shall not be considered employees of CITY for any purpose. CONTRACTOR may not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY. CITY has no duty, obligation, or responsibility to CONTRACTOR’s agents or employees under the Affordable Care Act. CONTRACTOR is solely responsible for any tax penalties associated with the failure to offer affordable coverage to its agents and employees under the Affordable Care Act and any other liabilities, claims and obligations regarding compliance with the Affordable Care Act with respect to CONTRACTOR’s agents and employees. CITY is not responsible and shall not be held liable for CONTRACTOR’s failure to comply with CONTRACTOR’s duties, obligations, and responsibilities under the Affordable Care Act. CONTRACTOR agrees to defend, indemnify and hold CITY harmless for any and all taxes and penalties that may be assessed against CITY as a result of CONTRACTOR’s obligations under the Affordable Care Act relating to CONTRACTOR’s agents and employees.

10. **BUSINESS LICENSE**
CONTRACTOR must obtain a City business license prior to the start of work under this Agreement, unless CONTRACTOR is qualified for an exemption.
11. **OTHER LICENSES AND PERMITS**
CONTRACTOR warrants that it has all professional, contracting and other permits and licenses required to undertake the work contemplated by this Agreement.

12. **FAMILIARITY WITH WORK**
By executing this Agreement, CONTRACTOR warrants that CONTRACTOR (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services required under this Agreement. If the services involve work upon any site, CONTRACTOR warrants that CONTRACTOR has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of the services set forth in this Agreement. Should CONTRACTOR discover any latent or unknown conditions that will materially affect the performance of the services set forth in this Agreement, CONTRACTOR must immediately inform CITY of that fact and may not proceed except at CONTRACTOR's risk until written instructions are received from CITY.

13. **CARE OF WORK**
CONTRACTOR must adopt reasonable methods during the term of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and other components to prevent losses or damages, and will be responsible for all damages to persons or property, until acceptance of the work by CITY, except those losses or damages as may be caused by CITY's own negligence.

14. **CONTRACTOR'S ACCOUNTING RECORDS; OTHER PROJECT RECORDS**
Records of CONTRACTOR's time pertaining to the project, and records of accounts between CITY and CONTRACTOR, will be kept on a generally recognized accounting basis. CONTRACTOR will also maintain all other records, including without limitation, specifications, drawings, progress reports and the like, relating to the work and services identified in Exhibit A. All records will be available to CITY during normal working hours. CONTRACTOR will maintain these records for three years after final payment.

15. **INDEMNIFICATION**
CONTRACTOR will indemnify, defend, and hold harmless CITY, the Successor Agency to the Former Redevelopment Agency of the City of Torrance, the City Council, each member thereof, present and future, members of boards and commissions, their officers, agents, employees and volunteers (collectively "City Affiliates") from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts
or omissions, or willful misconduct of CONTRACTOR, its officers, employees, agents, subcontractors or vendors. CONTRACTOR’s obligations to indemnify, defend and hold harmless will apply even in the event of concurrent negligence on the part of City Affiliates, except for liability resulting solely from the negligence or willful misconduct of City Affiliates. Payment by CITY is not a condition precedent to enforcement of this indemnity. In the event of any dispute between CONTRACTOR and CITY, as to whether liability arises from the sole negligence of City Affiliates, CONTRACTOR will be obligated to pay for the defense of City Affiliates until such time as a final judgment has been entered adjudicating City Affiliates as solely negligent. CONTRACTOR will not be entitled in the event of such a determination to any reimbursement of defense costs including but not limited to attorney’s fees, expert fees and costs of litigation.

16. **NON-LIABILITY OF CITY OFFICERS AND EMPLOYEES**
No officer or employee of CITY will be personally liable to CONTRACTOR, in the event of any default or breach by the CITY or for any amount that may become due to CONTRACTOR.

17. **INSURANCE**
   A. CONTRACTOR and its subcontractors must maintain at their sole expense the following insurance, which will be full coverage, not subject to self insurance provisions:

   1. Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:
      a. Primary Bodily Injury with limits of at least $500,000 per person, $1,000,000 per occurrence; and
      b. Primary Property Damage of at least $250,000 per occurrence; or
      c. Combined single limits of $1,000,000 per occurrence.

   2. General Liability including coverage for premises, products and completed operations, independent contractors/vendors, personal injury and contractual obligations with combined single limits of coverage of at least $1,000,000 per occurrence.

   3. Workers’ Compensation with limits as required by the State of California and Employer’s Liability with limits of at least $1,000,000.

   B. The insurance provided by CONTRACTOR will be primary and non-contributory.
C. CITY, the Successor Agency to the Former Redevelopment Agency of the City of Torrance, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insureds under the automobile and general liability policies.

D. CONTRACTOR must provide certificates of insurance and/or endorsements indicating appropriate coverage, to the City Clerk of the City of Torrance before the commencement of work.

E. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to CITY.

18. SUFFICIENCY OF INSURERS
Insurance required by this Agreement will be satisfactory only if issued by companies admitted to do business in California, rated "B+" or better in the most recent edition of Best's Key Rating Guide, and only if they are of a financial category Class VII or better, unless these requirements are waived by the Risk Manager of CITY ("Risk Manager") due to unique circumstances. In the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to CITY, the CONTRACTOR agrees that the minimum limits of any insurance policies or performance bonds required by this Agreement may be changed accordingly upon receipt of written notice from the Risk Manager; provided that CONTRACTOR will have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of CITY within 10 days of receipt of notice from the Risk Manager.

19. CONFLICT OF INTEREST
A. No officer or employee of the CITY may have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to the Agreement that effects the officer or employee's financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.

B. No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any program requirement, contract or subcontract, or to any solicitation or proposal.
20. **NOTICE**

A. All notices, requests, demands, or other communications under this Agreement will be in writing. Notice will be sufficiently given for all purposes as follows:

1. Personal delivery. When personally delivered to the recipient, notice is effective on delivery.

2. First Class mail. When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.

3. Certified mail. When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.

4. Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.

5. Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice, notice is effective on receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

6. Addresses for purpose of giving notice are as follows:

**CONTRACTOR:**
Simon H. Momennasab,  
General Manager  
Bell Cab Company, Inc.  
13030 Cerise Avenue  
Hawthorne, CA 90250  
Phone: (424) 363-1200 Ext 220

Fax: (424) 363-1201

**CITY:**
City Clerk  
City of Torrance  
3031 Torrance Boulevard  
Torrance, CA 90509-2970  
Fax: (310) 618-2931
B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.

C. Either party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

21. **PROHIBITION AGAINST ASSIGNMENT AND SUBCONTRACTING**
   This Agreement and all exhibits are binding on the heirs, successors, and assigns of the parties. The Agreement may not be assigned or subcontracted by either CITY or CONTRACTOR without the prior written consent of the other.

22. **INTEGRATION: AMENDMENT**
   This Agreement represents the entire understanding of CITY and CONTRACTOR as to those matters contained in it. No prior oral or written understanding will be of any force or effect with respect to the terms of this Agreement. The Agreement may not be modified or altered except in writing signed by both parties.

23. **INTERPRETATION**
   The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either party by reason of the authorship of this Agreement or by any other rule of construction that might otherwise apply.

24. **SEVERABILITY**
   If any part of this Agreement is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Agreement will remain in full force and effect.

25. **TIME OF ESSENCE**
   Time is of the essence in the performance of this Agreement.

26. **GOVERNING LAW; JURISDICTION**
   This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Agreement will be in Los Angeles County, California.

27. **COMPLIANCE WITH STATUTES AND REGULATIONS**
   CONTRACTOR will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

28. **WAIVER OF BREACH**
   No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default will impair the right or remedy or be construed as a waiver. A party’s consent or approval of any act by the other party requiring the first party’s consent or approval will not be deemed to waive or render unnecessary
the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and will not be a waiver of any other default concerning the same or any other provision of this Agreement.

29. **ATTORNEY'S FEES**
   Except as provided for in Paragraph 15, in any dispute, litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party will be awarded reasonable attorney's fees, together with any costs and expenses, to resolve the dispute and to enforce any judgment.

30. **EXHIBITS**
   All exhibits identified in this Agreement are incorporated into the Agreement by this reference.

31. **CONTRACTOR'S AUTHORITY TO EXECUTE**
   The persons executing this Agreement on behalf of CONTRACTOR warrant that (i) CONTRACTOR is duly organized and existing; (ii) they are duly authorized to execute this Agreement on behalf of CONTRACTOR; (iii) by so executing this Agreement, CONTRACTOR 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 CONTRACTOR is bound.

CITY OF TORRANCE,  
a municipal corporation  

______________________________  
Patrick J. Furey, Mayor

Bell Cab Company, Inc.,  
a California Corporation

______________________________  
By: Simon H. Momennasab

General Manager

ATTEST:

______________________________  
Rebecca Poirier, MMC  
City Clerk

APPROVED AS TO FORM:  
JOHN L. FELLOWS III  
City Attorney

By:______________________________
Attachments:   Exhibit A   Scope of Services
              Exhibit B   Compensation Schedule

Revised: 7/15/2014
Exhibit “A”

Scope of Work
Senior Taxi and Disabled Dial-A-Ride Taxi Program

Section I: General Requirements

A. CONTRACTOR must be in complete compliance with Article 16 of Chapter 3 of Division 3 of the Torrance Municipal Code – Taxicabs and Vehicles for Hire and currently granted a non-exclusive franchise to provide taxicab service in the CITY of Torrance.

B. CONTRACTOR will provide taxicab service to the Senior Citizens and Disabled Citizens registered with Torrance Community Transit Program (TCTP), twenty-four (24) hours per day, seven (7) days per week.

C. The CITY will determine the eligibility of all patrons for this service and will sell all trips (via Electronic Swipe Card) for patrons who reside within the City of Torrance. The CONTRACTOR will only provide this service to patrons who present an Electronic Swipe Card. The patron will be required to use the Electronic Swipe Card, which will track trip origin, trip destination, and trip date. CONTRACTOR will be required to track and monitor all transactions (i.e. - total miles, odometer start/end, driver number, pick up/drop off time, total meter amount, fare paid by patron (if any), and number of swipes successfully used).

D. CONTRACTOR must respond to the CITY within two business days on all complaints received. Response can either be done by phone or in writing. Any complaint not responded to will be deemed a valid complaint.

Section II: Work Performed by CONTRACTOR

A. Response Time

1. Each taxi cab operator must respond within twenty-five (25) minutes of the agreed upon pick up time between patron and company dispatch. In the event that a cab arrives later than the allotted 25-minute response time, neither the CITY nor the patron will be required to compensate the said taxicab company for the cost of that trip.

B. Data Collection and Reporting

1. CONTRACTOR will collect data and maintain records for ridership, service mileage, service hours, trip call number, and safety and security as required.
Reports are due on the tenth (10th) of each month for service provided in the previous month. Revised/corrected reports must be re-submitted within five (5) business days. Trip call number is defined as a unique number generated by Dispatch to identify that particular trip.

2. All supporting documentation: trip list by day, year-to-date coupon report, monthly summary report, year-to-date summary report, monthly invoices, ridership information, and safety and security information must be submitted in person or by mail and electronically in a Microsoft Excel file.

C. Driver Training

1. CONTRACTOR will provide training in the following areas to all drivers who perform services in the TCTP:

   a. Correct use of the Electronic Swipe Card system prior to involvement in the TCTP program, as well as updates on program protocols;
   b. Sensitivity to the Elderly and Physically Challenged, including the proper handling of wheelchairs;
   c. Behavior Management of Forgetful, Disoriented or other Difficult Patrons; and
   d. Defensive Driving and General Safety Procedures

2. CONTRACTOR will submit copies of all training materials and documentation signed by the driver upon completion of the training to the CITY within thirty (30) days of the execution of this Agreement.

Section III: Service Sanctions

A. Service Complaint Penalties

1. Service complaints as deemed by the CITY include, but are not limited to missed pick-ups, late arrivals/pick-ups (more than 25 minutes), and rude behavior (including asking/demanding a tip and/or drivers commenting on trip compensation).

2. If CITY receives five (5) or more complaints about the CONTRACTOR during any calendar month, the CITY will deduct one thousand dollars ($1,000.00) from the following month’s invoice.

3. CITY will notify CONTRACTOR, in writing, at their designated address that said penalty is imminent and that their invoice will be reduced by the penalty amount.
B. Missed Pick-Up / Failure to Pick-Up Penalties

1. A missed pick-up is defined as failure to pick up a patron when the patron has requested service and the CONTRACTOR has agreed to provide service at a mutually agreed upon time and place.

2. CITY will allow the CONTRACTOR to miss no more than a total of two (2) pick-ups in any calendar month.

3. CONTRACTOR will be assessed a penalty of two hundred fifty dollars ($250.00) per any missed pick-up in excess of two (2) in any calendar month. CITY will deduct the penalty amount from the following month’s invoice.

4. CITY will notify CONTRACTOR, in writing, at their designated address that said penalty is imminent and that their invoice will be reduced by the penalty amount.

C. Electronic Swipe Card Invoicing

1. The following conditions must be met or the CITY will not reimburse the CONTRACTOR for transactions reported via the Electronic Swipe Card system:

   a. When reporting via trip report sheets, all fields on the trip report sheet must be completed accurately. Each field on the trip report sheet must be completed with correct information including, but not limited to, the trip origin, trip destination, the trip date, the total amount of miles driven, the driver’s cab and badge number, the pick up/drop off time, the total meter amount, the amount of fare paid by the patron (if any), and the number of successful swipes (ride credit usage that was successful per the trip). CONTRACTOR must provide a copy of the trip receipt that corroborates the accuracy of this information.

   b. All patrons must be scheduled through the dispatch system. In addition, a unique trip call number must be assigned at the time each call is received.

2. Any appeals for penalties must be submitted within five (5) business days in writing to the CITY at:

Torrance Transit System
Torrance Community Transit Program
20500 Madrona Ave.
Torrance, CA 90503
D. Reporting Requirements

1. The following conditions must be met or the CITY will not reimburse the CONTRACTOR for Electronic Swipe Card usage:

   a. Reporting provided by the CONTRACTOR via trip report sheets must contain a unique trip call number for each trip.

Section IV: Work Performed by City of Torrance

A. Audit

1. CONTRACTOR will keep complete and accurate records, which are auditable and sufficient to show the accuracy and validity of the Electronic Swipe Card usage for which they are seeking reimbursement. The CITY shall have the right to inspect and audit such records during normal business hours for the purpose of determining the accuracy of such records.

2. CONTRACTOR will retain documentation supporting reimbursement of Electronic Swipe Card usage for a period of three (3) years. Supporting documentation will include waybills, dispatch logs, and onscreen GPS data of Torrance trips taken.

3. If, upon examination by the CITY of CONTRACTOR’S records for any year, an error of more than 5% of the Electronic Swipe Card transactions per month is discerned, the reasonable cost of such examination shall be paid by CONTRACTOR to the CITY and the erroneous Electronic Swipe Card usage charges will not be reimbursed.
EXHIBIT “B”

Compensation Schedule

CONTRACTOR will submit an invoice by the tenth (10th) of each month for the preceding month. Revised/corrected invoice(s) must be re-submitted within five (5) business days.

The compensation will be as follows:

Flag Drop: $ 2.85

Mileage: $ 0.30 each additional 1/9 mile ($ 2.70 per mile)

Wait Time: $ 0.30 each 37 seconds waiting time and/or traffic delay ($ 29.19 per hour)

All tickets or Electronic Swipe Card transactions will not exceed the value of $13.00 per ticket or transaction.