

STANDARD CONDITIONS
SERVICES

1. INDEPENDENT CONTRACTOR

Contractor hereby declares that it is engaged in an independent business and agrees that in the performance of this agreement it shall act as an independent contractor and not as an employee of SDTI. Contractor has and hereby retains full control of all the employment, compensation, and discharge of all employees of Contractor assisting in its performance hereunder. Contractor shall be fully responsible for all matters relating to payment of its employees, including compliance with Social Security, withholding tax, and all other laws and regulations governing such matters. Contractor shall be responsible for its own acts and those of its agents and employees during the term of this agreement. SDTI shall be responsible for its own acts and those of its agents and employees during the term of this agreement. Except as otherwise specifically provided, as an independent contractor, Contractor will be solely responsible for determining means and methods for performing the services described in the scope of work. Contractor shall perform the work contemplated with resources available within its own organization.

2. INSURANCE

Contractor will include the contract number on all insurance-related correspondence, i.e., the insurance certificate itself.

All policies required shall be issued by companies who are licensed to do business in the State of California and hold a current policyholder's alphabetic and financial-size category rating of not less than A-VI, in accordance with A.M. Best.

A. COVERAGE REQUIRED - ALL CONTRACTS

(1) Liability

(a) Commercial General Liability. At all times during this contract and, with respect to Products and Completed Operations Liability, for 12 months following the acceptance of the work by SDTI, Contractor agrees to maintain Commercial General Liability Insurance for bodily injury and property damage in an occurrence form and with insurance companies acceptable to SDTI. Commercial General Liability Insurance must include coverage for the following:

- Premises/Operations Liability
- Products/Completed Operations Liability
- No Explosion, Collapse, and Underground (XCU) exclusion
- Contractual Liability, with respect to this agreement
- Personal Injury Liability
- Broad Form Property Damage
- Independent Contractors

All such policies shall name in an endorsement San Diego Metropolitan Transit System (MTS), San Diego Trolley, Inc. (SDTI), San Diego and Arizona Eastern Railway (SD&AE), San Diego and Imperial Valley Railroad (SD&IV), and San Diego Transit Corporation (SDTC), their directors, officers, agents, and employees as additional insureds as their interests may appear.

- (b) Automobile Liability. At all times during this contract, Contractor agrees to maintain Automobile Liability Insurance for bodily injury and property damage including coverage for all owned, nonowned, and hired vehicles.
- (c) Workers' Compensation/Employer Liability. At all times during this contract, Contractor agrees to maintain Workers' Compensation and Employers' Liability Insurance in compliance with the applicable statutory requirements.

B. ADDITIONAL COVERAGES REQUIRED (AS INDICATED)

- (1) Owner-Provided Builder's Risk
PROVIDED

SDTI will provide Builder's Risk Insurance on a special form basis, excluding the perils of earthquake and flood, at a limit of not less than the full replacement value of the work and covering the work and all materials and equipment to be incorporated therein, including property in transit elsewhere, and insuring the interests of the Contractor, subcontractors, materialmen, and SDTI, MTS, SD&AE, SD&IV, SDTC, SDTI's contractor for design, and SDTI's contractor for construction management. However, Contractor is responsible for the portion of any loss that is within the deductible amount of this Builder's Risk Insurance, which is currently at \$50,000 but is subject to change.

- (2) Railroad Protective or Equivalent
REQUIRED

Any exclusions relating to performance of operations within the vicinity of any railroad, bridge, trestle, track, roadbed, tunnel, underpass, or crossing must be deleted. Option: purchase separate Railroad Protective Liability Policy as required.

- (3) Professional Liability
REQUIRED

At all times during this contract, and for 12 months following acceptance of work by owner, Contractor agrees to maintain Professional Liability Insurance with respect to services or operations under this agreement.

(4) Pollution Legal Liability
REQUIRED

At all times during this contract, and for 24 months following, Contractor agrees to maintain Pollution Legal Liability Insurance with respect to services or operations under this agreement. The extended discovery period must be no less than 24 months.

(5) Contractor Equipment
REQUIRED

At all times during this contract, Contractor agrees to maintain Contractor's Equipment Insurance on a special form basis covering equipment owned, leased, or used by Contractor. Contractor waives any rights of subrogation against MTS, SDTI, SD&AE, SD&IV, and SDTC, and the policy form must permit and accept such waiver. Contractor hereby releases and holds harmless SDTI for any loss or damage to its equipment.

(6) Installation Floater
REQUIRED

At all times during this contract, Contractor agrees to maintain Installation Floater Insurance on a special form basis covering property owned or provided by Contractor. Contractor waives any rights of subrogation against MTS, SDTI, SD&AE, SD&IV, and SDTC, and the policy form must permit and accept such waiver. Contractor hereby releases and holds harmless these entities for any loss or damage to its property.

(7) Primary and Non-Contributory Insurance
REQUIRED

Contractor agrees that all general liability coverages required under this insurance section are PRIMARY and that any insurance of MTS, SDTI, SD&AE, SD&IV, and SDTC shall be excess and noncontributory. (Endorsement required)

C. MINIMUM POLICY LIMITS REQUIRED

	Combined Single Limit (CSL)
Commercial General Liability (Per Occurrence)	<u>\$5,000,000</u>
Automobile Liability	<u>\$1,000,000</u>
Worker's Compensation Employer's Liability	<u>\$1,000,000</u>

Additional Coverages (as indicated under Section B, Additional Coverages Required):

<input type="checkbox"/> B (1) Builder's Risk	Replacement Cost
<input checked="" type="checkbox"/> B (2) Railroad Protective	<u>\$ 5,000 000</u>

<input checked="" type="checkbox"/>	B (3) Professional Liability	\$ 3,000,000
<input type="checkbox"/>	B (4) Pollution Liability	\$ _____
<input type="checkbox"/>	B (5) Contractor Equipment	Replacement Cost
<input type="checkbox"/>	B (6) Installation Floater	Replacement Cost

D. POLICY PROVISION REQUIRED

All policies and coverages shall contain a provision for 30 days written notice by the Insurer(s) to the SDTI President-General Manager of any cancellation or material reduction of coverage. 10 day notice for non-payment of premium.

E. EVIDENCE REQUIRED

Within ten working days following receipt of notice that a contract has been awarded, Contractor shall have provided the SDTI President-General Manager with satisfactory certification by a qualified representative of the Insurer(s) that Contractor's insurance complies with all provisions in this insurance section.

F. SPECIAL PROVISIONS

The foregoing requirements as to the types and limits of insurance coverage to be maintained by Contractor, and any approval of said insurance by MTS, SDTI, SD&AE, SD&IV, and SDTC, or their insurance Contractor(s) are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by Contractor pursuant to this agreement, including but not limited to the provisions concerning indemnification.

SDTI reserves the right to withhold payments to Contractor in the event of material noncompliance with the insurance requirements outlined above.

3. TERMINATION OF AGREEMENT

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

The Contractor shall notify subcontractors and service or supply vendors providing services under this contract of the early termination date of this contract. Failure to notify any subcontractor and service or supply vendor shall result in the Contractor being liable for the

termination costs incurred by any subcontractor and service or supply vendor for work performed under this contract, except those specifically agreed to in the termination notice to the Contractor.

4. INDEMNITY

As between SDTI and Contractor, Contractor is deemed to assume responsibility and liability for, and Contractor shall indemnify and hold harmless, SDTI and any and all of its officers or employees from and against any and all claims, loss, damage, charge, or expense, whether direct or indirect, which SDTI or such officers or employees may be put or subjected, by reason of any damage, loss, or injury of any kind or nature whatever to persons or property caused by or resulting from or in connection with any negligent act or action, or any neglect, omission, or failure to act when under a duty to act on the part of Contractor or any of its officers, agents, servants, employees or subcontractors in its or their performance hereunder. In addition to any other remedy authorized by law, so much of the money due Contractor under this agreement as shall be considered necessary by SDTI may be retained until disposition has been made of any claim for damages.

5. NONASSIGNMENT

Any attempt by Contractor to assign, subcontract, or transfer all or part of this agreement shall be void and unenforceable without SDTI's prior written consent; which consent shall not be unreasonably withheld. Any such consent shall not relieve Contractor from full and direct responsibility for all services performed prior to the date of assigning, subcontracting, or transferring this agreement.

6. SUBCONTRACTORS

Any contract in excess of \$25,000, entered into as a result of this contract, shall contain all of the provisions stipulated in this contract to be applicable to subcontractors, including, but not limited to, provisions pertaining to costs, records, and payment methods.

7. NOTICES

All notices or other communications to either party by the other shall be deemed given when made in writing and deposited in the United States Post Office, addressed as follows:

To SDTI:

San Diego Trolley, Inc. (SDTI)
Attention: President-General Manager
1255 Imperial Avenue, Suite 900
San Diego, CA 92101-7490

To Contractor:

As shown on front page.

8. **CONSIDERATION PAID**

SDTI shall reimburse the Contractor for actual costs (including labor costs, employee benefits, overhead, and other direct costs) incurred by the Contractor in performance of the work, in an amount not to exceed \$15,000,000 exclusive of any fixed fee. Actual costs shall not exceed the estimated wage rates and other costs set forth in the Contractor's proposal.

In addition, SDTI shall pay the Contractor a fixed fee of \$0.00. Said fixed fee shall not be altered unless there is a significant alteration in scope, complexity, or character of the work to be performed.

Fees and all other charges will be billed monthly as the work progresses, and the net amount shall be due at the time of billing.

Total expenditures made under this contract, including the fixed fee, shall not exceed the sum of \$15,000,000.

Reimbursement for transportation and subsistence costs shall not exceed the rates to be paid nonrepresented/excluded state employees under current State Department of Personnel Administration rules detailed in the State Travel and Expense Guide.

Equipment purchases shall be made in accordance with 49 CFR, Part 18.32.

9. **EQUAL EMPLOYMENT OPPORTUNITY PROGRAM**

SDTI's Equal Employment Opportunity Program for Contractors, MTDB Policy No. 25, is part of this agreement (a copy can be obtained from SDTI's Clerk of the Board). A Certificate of Compliance and a Workforce Report form signed by the Contractor is a condition for the award of this contract.

10. **COST PRINCIPLES**

The Contractor agrees that the Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, shall be used to determine the allowability of individual items of cost.

The Contractor also agrees to comply with federal procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to state and local governments.

Any costs for which payment has been made to the Contractor that are determined by subsequent audit to be unallowable under 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, or 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to state and local governments, are subject to repayment by the Contractor to SDTI.

11. NOTICE OF POTENTIAL CLAIM FOR OUT-OF-SCOPE WORK

The Contractor shall not be entitled to additional compensation for out-of-scope work unless he has given SDTI a written notice of potential claim for any such work. The written notice of potential claim shall set forth the reasons for which the Contractor believes additional compensation will or may be due, the nature of the out-of-scope work involved, and, insofar as possible, the amount of the potential claim. The notice must be given to SDTI prior to the time Contractor shall have performed the work, if based on an act or failure to act by SDTI or in all other cases within 15 days after the happening of the event, thing, occurrence, or other cause, giving rise to the potential claim.

It is the intention of this section that any claim for out-of-scope work be brought to the attention of SDTI at the earliest possible time in order that matters related to any such work can be settled in a prompt manner. The Contractor hereby agrees that he shall have no right to additional compensation for any claim for out-of-scope work for which no written notice of potential claim as herein required was filed.

12. LITIGATION EXPENSES

Should litigation be necessary to enforce any term or provision of this agreement, or to collect any portion of the amount payable under this agreement, then all litigation and collection expenses, witness fees, court costs, and attorney's fees shall be paid to the prevailing party.

13. EXCLUSIVE USE

The services hereunder are provided for the exclusive use of SDTI and such services, data, recommendations, proposals, reports, design criteria, and similar information provided by Contractor, are not to be used or relied upon by other parties except as authorized by SDTI.

14. DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION

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

The Contractor shall include the above assurance in each subcontract it signs with a subcontractor.

Individual contract goals for DBE participation are assigned based upon the potential availability of qualified DBE firms to participate in the procurement process. The DBE goal for this project is 0 percent of the total dollar value. This goal also applies to all contract amendments unless otherwise specified. Contractor is required to list all DBE subcontractors on the attached Certificate of Compliance with SDTI Equal Opportunity Programs form. The Contractor shall submit with its monthly invoice, a detailed list of payments made to date to all listed DBE

subcontractors. Failure to comply with these requirements may result in retention of 10 percent of the progress payments. Retentions for failure to submit DBE subcontractor's payment report will be released for payment on the next monthly invoice following the date that all of the delinquent reports for which the retention was made are submitted.

15. **PROMPT PAYMENT**

No retainage will be held by the agency from progress payments due to the prime contractor. Any retainage kept by the prime contractor or by a subcontractor must be paid in full to the earning subcontractor in 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment may take place only for good cause and with SDTI's prior written approval. Any violation of these provisions shall subject the violating contractor or subcontractor to the penalties, sanctions, and remedies specific in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies otherwise, available to the prime contractor, or subcontractor in the event of a dispute involving late payment, or nonpayment by the contractor, or deficient subcontractor's performance, or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

16. **RECORDS RETENTION**

The Contractor shall maintain all books, documents, papers, accounting records, and other evidence pertaining to the performance of the contract including, but not limited to, the costs of administering the contract. The Contractor shall make such materials available at its respective office at all reasonable times during the contract period and for three years from the date of final payment under the contract. SDTI, the state, the State Auditor, or any duly authorized representative of the federal government shall have access to any books, records, and documents of the Contractor that are pertinent to the contract for audit examination, excerpts, and transactions, and copies thereof shall be furnished if requested.

17. **COVENANT AGAINST CONTINGENT FEES**

Contractor warrants that she or he has not employed or retained any company or person, other than a bona fide employee working for the Contractor, to solicit or secure this agreement, and that she or he has not agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or formation of this agreement. For breach or violation of this warranty, SDTI shall have the right to annul this agreement without liability or, at its discretion, to deduct from the agreement a price or consideration, or otherwise recover the full amount of such fee, percentage, brokerage fee, gift, or contingent fee.

18. **OWNERSHIP OF DOCUMENTS**

Tracings, plans, specifications, and maps prepared or obtained under the terms of this agreement shall be delivered to and become the property of SDTI. Basic survey notes and sketches, charts, computations, and other data prepared or obtained under this agreement shall be made available, upon request, to SDTI without restriction or limitation on its use.

19. TIME

The Contractor acknowledges that timely performance is an important element of this agreement. Accordingly, the Contractor shall put forth its best professional effort to complete its services in accordance with the agreed-upon schedule.

20. ENTIRE AGREEMENT

This agreement is the entire agreement of the parties and no attempted modification shall be binding unless in writing and signed by SDTI and the Contractor. All questions pertaining to the validity and interpretation of this agreement shall be determined in accordance with the laws of California applicable to contracts made to be performed within the state.

WCassi/
SA-C.O.066.0-06.TRANSITSYSTEMSSECURITY
1/27/06

Attachments: Certificate of Compliance
Cost Proposal
Federal Requirements

**CERTIFICATE OF COMPLIANCE
WITH SDTI EQUAL OPPORTUNITY PROGRAMS**

I hereby certify that, in performing under contract(s) or purchase order(s) awarded by San Diego Trolley, Inc. (SDTI), I will comply with the provisions of SDTI Equal Employment Opportunity Program, and rules and regulations adopted pursuant thereto, Title VI of the Civil Rights Act of 1964, the California Fair Employment Practices Act, and any other applicable federal and state laws and regulations relating to equal employment opportunity, including laws and regulations hereinafter enacted.

DBE subcontractor participants are listed below:

Company Name and Address	Description of Work	Dollar Amount

I agree to make a good faith effort to meet the goals of this plan as part of my contractual obligations to SDTI.

Date: 1/27/06

Firm: Transport Systems Security Inc

By: [Signature]

Signature

Title: Chairman

COST PROPOSAL

UNARMED Officers @ 2.5% Annual Step Increases

	Hourly Pay	Multiplier	Bill Rate	No. of Unarmed Officers Goal 30	Hourly charge for total number of officers	Annual hours Per Officer	Annual Cost
P	9.00	1.66	14.94	3	44.82	2080	93,225.60 3 mo.
NOW	9.50						
A 1.0125	\$ 9.62	1.66	15.97	13.5	215.56	2080	448,356.87 3 mo.
B	\$ 9.74	1.66	16.17	13.5	218.25	2080	453,961.33 6 mo.
C	\$ 9.86	1.66	16.37	0	0.00	2080	0.00
D	\$ 9.98	1.66	16.57	0	0.00	2080	0.00
E	\$ 10.11	1.66	16.78	0	0.00	2080	0.00
F	\$ 10.24	1.66	16.99	0	0.00	2080	0.00
G	\$ 10.36	1.66	17.20	0	0.00	2080	0.00
H	\$ 10.49	1.66	17.42	0	0.00	2080	0.00
I	\$ 10.62	1.66	17.64	0	0.00	2080	0.00
J	\$ 10.76	1.66	17.86	0	0.00	2080	0.00
				30			995,543.80
				Officers			Includes Annual Increase of 2.5%

ARMED Officers @ 3.5% Annual Step Increases

	Hourly Pay	Multiplier	Bill Rate	No. of Armed Officers Goal 85	Hourly charge for total number of officers	Annual hours Per Officer	Annual Cost
P	10.50	1.66	17.43	6	104.58	2080	217,526.40 3 mo.
NOW	10.70						
A 1.0175	\$ 10.89	1.66	18.07	21.25	384.05	2080	798,819.31 3 mo.
B	\$ 11.08	1.66	18.39	21.25	390.77	2080	812,798.64 6 mo.
C	\$ 11.27	1.66	18.71	17.5	327.44	2080	681,077.45
D	\$ 11.47	1.66	19.04	8.5	161.83	2080	336,598.21
E	\$ 11.67	1.66	19.37	5.5	106.54	2080	221,610.32
F	\$ 11.87	1.66	19.71	5	98.55	2080	204,989.55
G	\$ 12.08	1.66	20.06	0	0.00	2080	0.00
H	\$ 12.29	1.66	20.41	0	0.00	2080	0.00
I	\$ 12.51	1.66	20.76	0	0.00	2080	0.00
J	\$ 12.73	1.66	21.13	0	0.00	2080	0.00
				85			3,273,419.88
				Officers			Includes Annual Increase of 3.5%

ARMED Part Time EVENT Officers @ 2.5% Annual Step Increases

	Hourly Pay	Multiplier	Bill Rate	No. of Armed PT EVENT Officers Goal 7	Hourly charge for total number of officers	Annual hours Per Officer	Annual Cost
NOW	10.70						
A	1.0125 \$ 10.83	1.66	17.98	3	53.95	960	51,793.99 6 mo.
B	\$ 10.97	1.66	18.21	3	54.63	960	52,441.42
C	\$ 11.11	1.66	18.44	1	18.44	960	17,698.98
D	\$ 11.25	1.66	18.67	0	0.00	960	0.00
E	\$ 11.39	1.66	18.90	0	0.00	960	0.00
F	\$ 11.53	1.66	19.14	0	0.00	960	0.00
G	\$ 11.67	1.66	19.38	0	0.00	960	0.00
H	\$ 11.82	1.66	19.62	0	0.00	960	0.00
I	\$ 11.97	1.66	19.86	0	0.00	960	0.00
J	\$ 12.12	1.66	20.11	0	0.00	960	0.00
				7			121,934.39
				Officers			Includes Annual Increase of 2.5%

UNARMED Part Time EVENT Officers @ 2.5% Annual Step Increases

	Hourly Pay	Multiplier	Bill Rate	No. of Unarmed Event Officers Goal 25	Hourly charge for total number of officers	Annual hours Per Officer	Annual Cost
	7.50						
A	1.0125 \$ 7.59	1.68	12.76	11.25	143.52	960	137,781.00 6 mo.
B	\$ 7.69	1.68	12.92	10.75	138.86	960	133,303.12
C	\$ 7.78	1.68	13.08	3	39.24	960	37,665.88
D	\$ 7.88	1.68	13.24	0	0.00	960	0.00
E	\$ 7.98	1.68	13.41	0	0.00	960	0.00
F	\$ 8.08	1.68	13.58	0	0.00	960	0.00
G	\$ 8.18	1.68	13.74	0	0.00	960	0.00
H	\$ 8.28	1.68	13.92	0	0.00	960	0.00
I	\$ 8.39	1.68	14.09	0	0.00	960	0.00
J	\$ 8.49	1.68	14.27	0	0.00	960	0.00
				25			308,750.00
				Officers			Includes Annual Increase of 2.5%

ARMED Supervisors @ 3.5% Annual Step Increases

	Hourly Pay	Multiplier	Bill Rate	No. of Armed Supvs. Goal 4	Hourly charge for total number of officers	Annual hours Per Officer	Annual Cost
NOW	13.40						
A	13.76	1.62	22.29	1	22.29	2080	46,365.70 6 mo.
B	1.0175 \$ 14.00	1.62	22.68	1	22.68	2080	47,177.10
C	\$ 14.25	1.62	23.08	1	23.08	2080	48,002.69
D	\$ 14.50	1.62	23.48	1	23.48	2080	48,842.74
E	\$ 14.75	1.62	23.89	0	0.00	2080	0.00
F	\$ 15.01	1.62	24.31	0	0.00	2080	0.00
G	\$ 15.27	1.62	24.74	0	0.00	2080	0.00
H	\$ 15.54	1.62	25.17	0	0.00	2080	0.00
I	\$ 15.81	1.62	25.61	0	0.00	2080	0.00
J	\$ 16.09	1.62	26.06	0	0.00	2080	0.00
				4			190,388.23
				Supervisors			Includes Annual Increase of 3.5%

ARMED Lieutenant @ 3.5% Annual Step Increases

	Hourly Pay	Multiplier	Bill Rate	No. of Armed Lt. Goal 2	Hourly charge for total number of officers	Annual hours Per Officer	Annual Cost
A	15.15	1.4	21.21	1	21.21	2080	44,116.80 6 mo.
B	1.0175 \$ 15.42	1.4	21.58	0	0.00	2080	0.00
C	\$ 15.68	1.4	21.96	0	0.00	2080	0.00
D	\$ 15.96	1.4	22.34	0	0.00	2080	0.00
E	\$ 16.24	1.4	22.73	0	0.00	2080	0.00
F	\$ 16.52	1.4	23.13	0	0.00	2080	0.00
G	\$ 16.81	1.4	23.54	0	0.00	2080	0.00
H	\$ 17.11	1.4	23.95	0	0.00	2080	0.00
I	\$ 17.41	1.4	24.37	0	0.00	2080	0.00
J	\$ 17.71	1.4	24.79	0	0.00	2080	0.00
K	\$ 18.02	1.4	25.23	1	25.23	2080	52,474.48
L	\$ 18.34	1.4	25.67	0	0.00	2080	0.00
				2			96,591.28
				Lieutenants			Includes Annual Increase of 3.5%

ARMED Captain @ 3.5% Annual Step Increases

	Hourly Pay	Multiplier	Bill Rate	No. of Armed Cpts. Goal 1	Hourly charge for total number of officers	Annual hours Per Officer	Annual Cost
	22.31	1.4	31.23	0	0.00	2080	0.00
A	1.0175 \$ 22.70	1.4	31.78	0	0.00	2080	0.00
B	\$ 23.10	1.4	32.34	1	32.34	2080	67,260.45
C	\$ 23.50	1.4	32.90	0	0.00	2080	0.00
D	\$ 23.91	1.4	33.48	0	0.00	2080	0.00
E	\$ 24.33	1.4	34.06	0	0.00	2080	0.00
F	\$ 24.76	1.4	34.66	0	0.00	2080	0.00
G	\$ 25.19	1.4	35.27	0	0.00	2080	0.00
H	\$ 25.63	1.4	35.88	0	0.00	2080	0.00
I	\$ 26.08	1.4	36.51	0	0.00	2080	0.00
J	\$ 26.54	1.4	37.15	0	0.00	2080	0.00
K	\$ 27.00	1.4	37.80	0	0.00	2080	0.00
L	\$ 27.47	1.4	38.46	0	0.00	2080	0.00
				1			67,260.45
				Captain			Includes Annual Increase of 3.5%

Courier Per Pick Up 13.75 240 <-- est. # of pickups 3,300.00

	Per Mo.	# of Mo./Vehicles		
Equipment	680	12		8,160.00
Contract Admin.	950	12		11,400.00
Auto Insurance	130.45	13	\$130.45/veh/mo	12 20,350.20
			Four Line Subtotal	43,210.20

30	Unarmed (Incl 4 CCTV)	995,543.80
85	Armed(Incl 3 Rev/4 Aux Sup)	3,273,419.88
7	Armed Event Part Time	121,934.39
25	Unarmed Event Part Time	308,750.00
4	Armed Supervisors	190,388.23
2	Armed Lieutenants	96,591.28
1	Armed Captain	67,260.45
154	Persons	TOTAL 5,097,098.23

Upon hire, officers enter at the Probationary (P) wage for a 3-month period (520 hours, not incl. OT/DT). Upon satisfactory performance during Probation, Officers may be moved into Step A for a period of three months, then to Step B for 6 months (1,040 hours, not incl. OT/DT). All other steps are at 6-month (1,040 hours, not incl. OT/DT) intervals and contingent upon satisfactory performance in the officer's current step. For those classifications that do not have Step P, Officers are hired into Step A for a period of six months (1,040 hours, not incl. OT/DT). With the exception of Part-Time Employees, all "time" is based on hours of service.

Fees and all other charges will be billed bimonthly, on the first and sixteenth, and the net amount shall be due at the time of billing. Invoices must include officer name, hire date, and classification date, officer classification and step, part-time or full-time, the classification multiplier, and overtime/double-time charges, and a summary of the number of officers in each step per classification. Invoices must be auditable by MTS staff.

The attached Cost Proposal accounts for 85 armed officers. MTS accepts that the exact number in each classification may not be feasible on the start date of this contract. It is expected, however, that the overall total FTE hours be met without over-time charges to MTS (nonbillable over-time). It is expected that the armed officer classification be increased by twelve (12) officers per year/one (1) per month to reach 85-armed officers by the end of the contract term.

Upon contract approval, officers who have been employed in a full-time status at least three months and have satisfactory performance may be moved into Step A of their classification. Step increases are based on satisfactory officer performance at their current step. All step increases will be effective with the first or sixteenth of each month, whichever date falls after the actual classification anniversary date.