

INDEPENDENT CONTRACTOR  
AGREEMENT FOR  
TRANSPORTATION SERVICES  
BETWEEN  
VALLEY MOUNTAIN REGIONAL CENTER  
AND  
**A&E TRANSPORTATION LLC**

VENDOR NUMBER: **HV0655**

SERVICE CODE: **875**

TERM: **February 1, 2022** through **June 30, 2026**  
(Includes renewal options)

Contact Person: **Walter Williams**

Billing Address: **104 Julia Island Circle,  
Sacramento, CA 95834**

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**VALLEY MOUNTAIN REGIONAL CENTER  
INDEPENDENT CONTRACTOR  
AGREEMENT FOR TRANSPORTATION SERVICES  
(Service Code 875)**

THIS AGREEMENT FOR TRANSPORTATION SERVICES (this “Agreement”), dated for reference purposes only as of **February 1, 2022**, is entered into by and between VALLEY MOUNTAIN REGIONAL CENTER, a California Not-For-Profit Corporation (“the CENTER”), and **A&E TRANSPORTATION LLC**, a California **Limited Liability** Corporation (“the CONTRACTOR”), in accordance with the following facts:

**RECITALS**

The CENTER requires specialized transportation services for individuals with developmental disabilities within the CENTER’s service area.

The CONTRACTOR represents that it has experience and expertise in the business of providing specialized transportation and wishes to provide such services to the CENTER.

The CONTRACTOR represents that it has been vendored to provide transportation services in accordance with the requirements of California Code of Regulations, Title 17, Division 2, and the California Department of Developmental Services (“DDS”).

The CONTRACTOR agrees to provide efficient, safe, and cost-effective transportation to individuals served by the CENTER, and the CENTER agrees to compensate the CONTRACTOR for such services, pursuant to the terms and conditions of this Agreement.

THEREFORE, based on the above Recitals, the CENTER and the CONTRACTOR agree as follows:

**1 PARTIES TO THE AGREEMENT**

The parties to this Agreement are:

1.1 VALLEY MOUNTAIN REGIONAL CENTER, INC., having its principal office at P.O. Box 692290, Stockton, CA 95269-2290; and

1.2 **A&E Transportation LLC**, having its office at **104 Julia Island Circle, Sacramento, CA 95834**.

**2 AUTHORIZED REPRESENTATIVES; SEPARATION OF OWNERSHIP**

Representatives of the respective parties who are authorized to administer this Agreement, and to whom formal notices, demands and communications shall be given, are as follows:

2.1 The Representative of the CENTER shall be the Director of Client Services and the Chief Financial Officer, and in their absence, designated staff persons of the CENTER.

2.2 The Representative of the CONTRACTOR shall be **Walter Williams** and in his/her absence, designated staff persons of the CONTRACTOR.

### 3 DEFINITIONS

3.1 “Actual Time” means the combined total of (1) Deadhead Time (defined below) and (2) actual times traveled during Vehicle Service Hours (defined below) which encompass an entire vehicle route or route portion in connection with the CONTRACTOR’s provision of Transportation Services.

3.2 “Attendant” or “Aide” is a person assigned by the CENTER to a route or a site for the purpose of assisting and monitoring individuals receiving the CONTRACTOR’s Transportation Services. The addition of Attendant services is at the sole discretion of the CENTER and authorization must be provided prior to implementation via the BROKER.

3.3 “Attendant Required” (or “individual requiring an Attendant” or “site requiring an Attendant”) means an individual or site, as specified in writing by the CENTER, which must have an Attendant present at all times for the service specified.

3.4 “Transportation Broker” (or “Broker/Designee”) refers to a separate vendored service provider with which the CENTER contracts for specified transportation functions that also relate to this Agreement. The BROKER’s services commonly include the establishment and maintenance of a transportation database, planning, and scheduling of trips for individuals served, route design and maintenance, direct contacts with individuals served and families, and resolution of complaints or operational problems which may impact safety, quality and/or cost effectiveness. For purposes of this Agreement, the CENTER may additionally delegate to the BROKER any function otherwise reserved to the CENTER if not specifically listed herein.

3.5 “Center” includes all officers and employees of the CENTER plus any Designee, including the BROKER as Designee. The CENTER shall identify in writing all Designees to the CONTRACTOR.

3.6 “Contractor” includes all officers and employees of the CONTRACTOR, plus any agent, person, corporation, or other entity rendering any services under this Agreement on behalf of the CONTRACTOR.

3.7 “Deadhead Times” means the amount of time (1) between the point where a vehicle leaves the parking yard (or other starting location for that day) on a route for the purpose of Transportation Services, and the point where the vehicle picks up the first individual served and (2) between the point where the vehicle drops off the last individual served, and the point where the vehicle returns to the parking yard or other ending location for that day (including travel to and from refueling stations if a part of the route).

3.8 “Rate of Payment” means the price(s) charged to the CENTER by CONTRACTOR, and paid to the CONTRACTOR by the CENTER, for each unit of service as identified in Attachment 1, entitled “Payment Agreement”.

3.9 “Special Incidents” are defined by Title 17, Division 2, Chapter 3, Sections 54327(b), and include but not limited to the following events in which individuals served are involved:

3.9.1 Any incident in which an individual served is missing when the individual is under the care and supervision of the CONTRACTOR, and sufficient time has passed (but in any event not to exceed 24 hours) so that a missing persons report is required by law to be filed concerning the individual.

3.9.2 Any incident involving reasonably suspected abuse/exploitation when the individual served is under the care and supervision of the CONTRACTOR.

3.9.3 Any incident involving reasonably suspected neglect when the individual served is under the care and supervision of the CONTRACTOR.

3.9.4 Any incident involving a serious bodily injury when the individual served is under the care and supervision of the CONTRACTOR.

3.9.5 The death of any individual served, regardless of cause or living arrangement.

3.9.6 “Title 17” refers generally (or specifically as cited) to the California Code of Regulations, Title 17, Division 2 - Health and Welfare Agency (Department of Developmental Services).

3.10 “Transportation Services” means the CONTRACTOR’s conveyance of individuals served, including boarding, and exiting the vehicle.

3.11 “Vehicle Service Hours” (which will be calculated on a “live” time basis) is defined as the time from the point of the first individual served pick-up to the last individual served is drop-off on any given portion of the CONTRACTOR’s daily route assignment. Any times traveled during which individuals served are not aboard a bus will be considered Deadhead Time. However, any such Deadhead Times that are traveled between dropping off an individual served on one portion of a route and picking up an individual served on a subsequent portion of the same route, and that is less than 61 minutes in duration, will be included in the Vehicle Service Hours calculation. Any Deadhead Time traveled of 61 minutes or more between portions of a route will be considered as unpaid time. Deadhead Times traveled from the bus yard or parking location to the first pick-up, and from the last drop-off back to the bus yard or parking location, will not be included in the Vehicle Service Hours calculation.

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3.12 “Attendant Service Hours” will be calculated as follows: The Attendant Service Hours calculation will begin as soon as the Attendant is onboard the assigned vehicle, even if the Vehicle Service Hours calculation has not yet begun. If an Attendant boards the vehicle midway on any given portion of a route, the Attendant Service Hours calculation will begin at the time the Attendant boards the vehicle. If an Attendant boards their assigned vehicle at the bus yard or parking location, the Attendant Service Hours calculation will begin at such time. The Attendant Service Hour calculation will end at the time the Attendant is no longer on their assigned vehicle.

#### 4 TERM OF THE AGREEMENT

The term of this Agreement is for a period starting **February 1, 2022** and ending June 30, **2026**. This Agreement shall be terminable by either party (i) without cause on ninety (90) days’ written notice or (ii) in accordance with Sections 13 or 14 below.

**NOTWITHSTANDING THE FOREGOING, THE CENTER MUST EXERCISE ITS RENEWAL RIGHTS AS LONG AS THE CENTER IS SATISFIED WITH THE QUALITY OF CONTRACTOR’S PERFORMANCE DURING THE PREVIOUS YEAR, AS MEASURED BY THE CENTER’S ISSUANCE OF SATISFACTORY PERFORMANCE REVIEW RATINGS OF THE CONTRACTOR’S SERVICES HEREUNDER.**

4.1 The CENTER shall conduct performance reviews approximately quarterly during each year of this Agreement, as described in greater detail in Paragraph 12.10 below. To obtain a satisfactory performance review rating, CONTRACTOR must meet or exceed all of the CENTER’s minimum performance criteria, which shall include, but not be limited to, the following:

4.1.1 Maintenance of 95 percent or greater on-time performance in the pickup and drop off of individuals served.

4.1.2 Satisfactory ratings on individuals served’ s satisfaction surveys and/or site visits conducted by the CENTER or its BROKER.

4.1.3 Satisfactory ratings on the CENTER’s performance standards.

4.1.4 Satisfactory safety records and safety program; and

4.1.5 Satisfactory ratings on audit and/or inspection(s) of the CONTRACTOR’s vehicles, maintenance records, facilities, incident reporting and driver performance reviews.

4.1.6 Satisfactory ratings in the additional areas identified in Paragraphs 12.10, 12.10.1 and 12.10.2.

4.2 For purpose of this Agreement, any and all references herein to “the term of this Agreement” shall include any renewals and/or extensions hereof, unless specifically provided to the contrary.

4.3 The representations, indemnities and other promises of the parties as set forth herein shall survive the termination of this Agreement.

4.4 After the expiration of this Agreement, the term may only be extended by written agreement of both parties. If the CONTRACTOR provides any Transportation Services to individuals served by the CENTER after the expiration of the term (as it may be extended as provided herein), the CENTER shall have the right and option to terminate such arrangement at any time and without cause on thirty (30) days written notice.

## **5 SCOPE OF WORK**

5.1 The CONTRACTOR shall, at the times and locations specified by the CENTER, furnish vehicles, drivers and Attendants, administrative and support staff, special equipment as specified herein, facilities and other equipment and supplies as required, to provide safe, reliable and efficient Transportation Services to program sites designated by the CENTER for authorized individuals who reside in the CENTER's service area.

5.2 In accordance with Title 17, Section 50608 (Contract Duties and Responsibilities), CONTRACTOR agrees that the level of services provided pursuant to this Agreement shall, at a minimum, be consistent with the provisions of this Agreement and with any other program design required by the CENTER, as well as with any other program-related documentation relied upon by the CENTER or the DDS (Department of Developmental Services) in establishing the rates of payment which are attached hereto and incorporated by reference into this Agreement. Any such program design shall be a part of this Agreement and shall comply with the provisions of Title 17, Section 50608(a)(2).

## **6 ADMINISTRATION AND REPORTING**

The CONTRACTOR shall administer services in accordance with the provisions of this Agreement, maintain records and provide the CENTER and/or its BROKER with reports of individual ridership, service and performance as indicated in this Agreement, in order to fulfill the CENTER's reporting requirements to sponsoring agencies, and to enable the CENTER to monitor and evaluate the performance of the CONTRACTOR's services pursuant to this Agreement. Upon the CENTER's request, the CONTRACTOR shall provide additional information necessary for the CENTER to fulfill the CENTER's reporting requirements. The CONTRACTOR's records and reports shall include the following:

### **6.1 ACCOUNTING AND SERVICE REPORTING**

6.1.1 CONTRACTOR shall establish and maintain a clear system of internal control, established in accordance with generally accepted accounting practices and in compliance with all relevant Federal, State, and local statutes and guidelines.

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6.1.2 CONTRACTOR shall submit monthly billing to the BROKER by the 5<sup>th</sup> working day of each month. Upon completion of the billing review and authorization process BROKER will forward the billings to the CENTER before the 5<sup>th</sup> working day of the month, thus allowing the CENTER to remit payment to the CONTRACTOR on the 14<sup>th</sup> day of the month. CONTRACTOR agrees to submit billings to CENTER for ongoing services by utilizing CENTER's electronic billing system. CONTRACTOR shall prepare and submit a monthly invoice and supporting documentation as required by this Agreement, in a format approved by the CENTER, which shall include:

- a. A Summary of Performance Information, including information in accordance with Title 17, section 50604:
  1. Attendance data information identifying each individual served by the regional center including the Unique Consumer Identifier (UCI) and individual's name;
  2. Documentation for each individual served reflecting the dates of service, location and number of miles driven or trips provided;
  3. Total passengers served, identified by sponsoring regional center or funding source as identified to the CONTRACTOR by the BROKER;
  4. Total Actual Times traveled for the month;
  5. Total times traveled for the month during Vehicle Service Hours;
  6. Total authorized Vehicle Service Hours for the month;
  7. Total service days for the month;
  8. Actual number of vehicles used per day to transport individuals served;
  9. Actual number of spare vehicles available per day for use during the month;
  10. Total authorized Attendant Service Hours for the month;
  11. Total Actual Attendant Service Hours for the month;
  12. Total dollars billable for the month;
  13. Prorating of total amount billable to include separate billings to other regional centers and/or private individuals served.
- b. A Summary of General Information, which shall include, for each day of service, Attendant identification, route, or site assignment worked, and number of authorized hours billed.

6.1.3 Upon the CENTER's or BROKER's request, the CONTRACTOR shall provide completed route logs for specific days or routes, when such requests are related to a reported incident or to other individuals served or performance monitoring issues which affect or may affect the cost or quality of service, or the safety and welfare of the individuals being transported. The CONTRACTOR will retain on site all completed route logs for a minimum period of five (5) years, for review by the CENTER or BROKER, in accordance with Title 17, Section 50603(a) (Regional Center Auditing Requirements).

## 6.2 NOTICE OF SPECIAL INCIDENTS

6.2.1 The CONTRACTOR shall timely report all Special Incidents (as defined in Paragraph 3.9 of this Agreement), to the CENTER in accordance with Title 17, Section 54327.1 (Requirements for Special Incident Reporting by Vendors) and as follows:

- a. CONTRACTOR shall submit a verbal report by telephone to the CENTER, directly and via the BROKER, the same day and as soon as possible, and in no case later than the end of the same business day that the accident/incident occurs. CONTRACTOR may submit a verbal report directly to the CENTER and BROKER via the CENTER's and BROKER's voice mail or 24-hour answering service procedure, if the report is being made after the CENTER's and BROKER's business hours. If CONTRACTOR cannot reach an appropriate CENTER or BROKER staff by telephone, CONTRACTOR shall send a message by facsimile during working hours or by the CENTER's and BROKER's answering service after hours, and CONTRACTOR shall document its attempt to contact the CENTER and BROKER.
- b. CONTRACTOR shall submit a written report by fax or e-mail on all Special Incidents to the CENTER and the BROKER as soon as possible and no later than within forty-eight (48) hours of the incident.
- c. The CONTRACTOR's written incident reports for Special Incidents shall contain at least the following basic information:
  1. Identification of individual(s) served and/or other parties involved (including names of any alleged perpetrators and/or witnesses as applicable);
  2. Description of occurrence and any effect on individual(s) served and others;
  3. Any treatment or medical intervention provided to individual(s) served;
  4. Any initial action taken by CONTRACTOR's personnel, the individual served or other individuals during and/or in response to the incident;
  5. Any additional follow-up action planned by the CONTRACTOR;
  6. Any law enforcement, licensing, protective services and/or other agency involved in the Special Incident; and
  7. Identification of family members and/or the individual(s) served's authorized representative, if applicable, who have been contacted or informed of the incident.

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6.2.2 NOTICE OF EVENTS OTHER THAN SPECIAL INCIDENTS. The CONTRACTOR shall immediately verbally notify the BROKER, and also report in writing to the CENTER within twenty-four (24) hours: (1) any accident involving a vehicle of the CONTRACTOR which occurs when any individual served by the CENTER is onboard, whether or not involving an injury and (2) any other occurrences which are or may be detrimental to health or safety, or which involve individuals served by the CENTER and/or CONTRACTOR's equipment or personnel. Further, the CONTRACTOR shall require all of its personnel to report any concerns, problems or incidents relating to individuals served, their wellbeing or behavior during the provision of services, and the CONTRACTOR shall communicate such reports in writing to the CENTER and the BROKER within one (1) working day of the occurrence of the problem or incident.

6.2.3 FOLLOW-UP REPORTING FOR ALL EVENTS AND INCIDENTS. The CONTRACTOR shall provide any additional follow-up information concerning an accident/incident as may be requested by the CENTER and BROKER.

### 6.3 OTHER RECORD-KEEPING AND MONITORING OF INDIVIDUALS SERVED.

6.3.1 If in the CONTRACTOR's opinion the health and/or safety of an individual served, or others, may be jeopardized; the CONTRACTOR shall verbally communicate such concerns to the CENTER and BROKER as soon as possible, and in writing within one (1) working day of the event.

6.3.2 In accordance with Title 17, Section 58521 (Consumer Information), CONTRACTOR shall assure that all of its personnel maintain, and keep confidential, all information received from the CENTER pertaining to individuals served and utilize such information only as necessary to provide safe and effective transportation services. All parties shall at all times remain in compliance with the mandatory provisions of the HIPAA Privacy Rule (Standards for Privacy of Individually Identifiable Health Information at 45 Code of Federal Regulations Part 150 and Part 164, Subparts A & E). CONTRACTOR acknowledges that information provided to it in furtherance of its obligations under this Agreement are confidential and proprietary in nature and shall not be disclosed to third parties without the prior written consent of the CENTER. Disclosure without consent shall be considered a material breach of the Agreement's terms.

## 7 PLANNING, ROUTING AND SCHEDULING

The CONTRACTOR shall provide the following services to the CENTER at all times during the term of this Agreement:

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## 7.1 ROUTE IMPLEMENTATION

7.1.1 CONTRACTOR shall receive from the CENTER, via its BROKER, all route sheets, and schedules for the provision of authorized services described herein. All routes and schedules are subject to continuous approval and revision by the CENTER.

7.1.2 Route sheets shall identify all individuals to be transported. Route sheets shall include the name of each individual served, the order of pickup or delivery, pickup and delivery address, the program/site to which each individual is assigned, the scheduled arrival and departure times of vehicles assigned, vehicle requirements, and an indication of whether or not any individual requires an Attendant or other special service or equipment.

7.1.3 The CONTRACTOR shall implement each route exactly as established by the BROKER.

7.1.4 The BROKER shall also supply additional route documentation as mutually agreed upon to support the CONTRACTOR in the implementation of the routes.

7.1.5 In the implementation of the authorized routes and schedules, the CONTRACTOR shall take into consideration and be responsive to the special needs of individuals served by the CENTER, including health and safety needs, as observed by the CONTRACTOR, and as conveyed by designated representatives of individual served by the CENTER and by the individual themselves and/or care providers respectively.

7.1.6 The CONTRACTOR shall advise or communicate any of its concerns about the safety, efficiency, or effectiveness of any route to the CENTER via its BROKER in a timely manner.

7.1.7 Routing and scheduling shall be aimed at providing the optimum mix of efficient, effective, and high-quality services, as determined by the CENTER in its sole and absolute discretion. In the absence of other objectives articulated by the CENTER, the CONTRACTOR shall strive in cooperation with the CENTER to reduce total Vehicle Service Hours and individual and average ride times for individuals served to the minimum necessary for safe transportation.

7.2 CONTACTS WITH AN INDIVIDUAL'S, FAMILIES, CARE PROVIDERS, PROGRAMS, THE BROKER AND CENTER STAFF. While the CENTER and the BROKER are the primary contacts for individuals served and the community concerning the scope and quality of the CONTRACTOR's services, the CONTRACTOR's personnel shall also be available for contacts with CENTER or BROKER staff, program personnel, counselors, individuals served and families or guardians as necessary for the safe and efficient provision of services and the resolution of problems.

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**7.3 GENERAL TRANSPORTATION PLANNING ASSISTANCE.** The CONTRACTOR shall cooperate with and assist the CENTER and BROKER in planning for the transportation needs of individuals served by the CENTER under this Agreement, and in accommodating changes in eligibility, program hours, location of individuals served' s origins and/or destinations, or other variables affecting the provision of services as described herein.

**7.4 GRIEVANCE PROCEDURE.** At the beginning of the term, the CONTRACTOR shall provide to the CENTER, as part of the CONTRACTOR's program design, a copy of the CONTRACTOR's written internal procedure to resolve grievances initiated by individuals served, in accordance with the provisions of Title 17, Section 50608(e) (Contract Duties and Responsibilities). The CONTRACTOR shall also provide to the CENTER all revisions to such grievance procedure as they are implemented.

## **8 OPERATIONS**

### **8.1 TYPE AND CONDITION OF VEHICLE FLEET**

8.1.1 Individuals served by the CENTER may be transported in a combination of lift-equipped and non-lift-equipped vehicles as long as CONTRACTOR provides lift-equipped vehicles for all routes requiring lift access. CONTRACTOR shall insure that all vehicles shall be in excellent mechanical and safe operating condition during the entire term of this Agreement.

8.1.2 The CONTRACTOR shall submit to the CENTER, for advance approval and acceptance, the design, year, and mileage of any vehicle CONTRACTOR proposes to furnish, including replacement or substitute vehicles. A vehicle offered which, in the opinion of the CENTER, is not suitable for its intended use, shall be removed from service and immediately replaced by CONTRACTOR with a vehicle of a design acceptable to the CENTER at no additional cost to the CENTER.

8.1.3 The CONTRACTOR shall ensure spare vehicles equal to at least 10 percent of the CONTRACTOR's total fleet are always available to substitute for regularly deployed vehicles so that no interruption in services pursuant to this Agreement shall be experienced as a result of insufficient vehicles.

8.1.4 Before any services are rendered by the CONTRACTOR under this Agreement, and at all times during the term of this Agreement: (1) the CONTRACTOR shall provide and maintain vehicles, including spares, which meet all legal requirements, including the California Highway Patrol annual terminal inspection pursuant to California Vehicle Code Sections 34501(c) and (e), as such statute may be amended; and (2) CONTRACTOR shall submit all vehicles to an annual inspection as required by the California Highway Patrol, Motor Carrier Division. The CONTRACTOR shall provide copies of such inspection reports, and documentation that any items cited for repair or completion have been satisfactorily addressed, to be immediately forwarded to the CENTER and the BROKER.

**8.2 EQUIPMENT.** All vehicles deployed by CONTRACTOR in Transportation Services shall be equipped as follows:

8.2.1 The CONTRACTOR shall ensure that lifts and appropriate tie-downs are available on all vehicles needed to transport individuals served by the CENTER dependent upon wheelchairs for their general mobility. All lift-equipped vehicles used under this Agreement shall be equipped with dual batteries in which the lift battery shall be isolated from the vehicle ignition system.

8.2.2 All vehicles, including spare vehicles, and the CONTRACTOR's dispatch office shall be equipped with functioning two-way communications equipment, (e.g., cell phone) which is fully capable of both sending and receiving messages to and from the CONTRACTOR's dispatch personnel. No vehicle with communications equipment which has not been fully functional for an aggregate of 48 workday hours or more shall be placed in service under this Agreement until such equipment is, in the opinion of the CENTER or BROKER, again fully operational. The CONTRACTOR shall maintain, repair, and replace such equipment at the CONTRACTOR's expense.

8.2.3 All vehicles, including spare vehicles, shall be equipped with heat, and air-conditioning in good working order.

8.2.4 All vehicles, including spare vehicles, shall be clearly marked, and labeled with the CONTRACTOR's name, contract number and route number.

8.2.5 All vehicle equipment shall at all times comply with all applicable State, Federal and local vehicle codes and specifications.

8.2.6 If, during the term of this Agreement, any modification or installation of equipment is required due to a change in the Federal, State, or local law or applicable rules and regulations promulgated pursuant thereof, the CONTRACTOR shall promptly make such modification or installation as required. The CONTRACTOR shall bear all costs of such modification or installation. The CONTRACTOR may at its option present its proposed costs to the CENTER prior to expenditure. The CENTER, in its sole discretion, may elect to share in such costs.

8.2.7 The CONTRACTOR shall provide seat belts for all passengers, and on all vehicles. Drivers shall require individuals served to use seat belts on vehicles.

8.2.8 Shoulder harnesses or other special devices that may be required due to the unique needs of an individual served being transported shall be provided by the CONTRACTOR upon prior written authorization by the CENTER. The CENTER shall bear the additional costs of such devices, and these costs shall not be included in the calculation of the approved CONTRACTOR rate.

8.2.9 Infant and child safety seats for any individual served by the CENTER who is under the age of eight (8) and/or under the height of 4'9" shall be provided by the CONTRACTOR, in clean condition and good working order. All infant and child safety seats must conform to federal standards for use in motor vehicles, must have been manufactured after January 1, 2011, and are subject to approval of the CENTER.

8.3 MAINTENANCE AND CLEANING. All vehicles and equipment must be clean and in good functional, safe working order, and the CONTRACTOR must maintain such vehicles as such on a regular basis.

8.3.1 Prior to beginning their daily routes, each driver shall conduct and record a daily-standardized safety inspection of their vehicles and related equipment used in the provision of services under this Agreement. At the completion of the route each driver shall conduct and record a post trip inspection that verifies all passengers have been cleared from the vehicle. The CONTRACTOR shall also perform periodic inspections and shall record such inspections and their results.

8.3.2 The CONTRACTOR shall perform regular preventive maintenance on all vehicles deployed under this Agreement.

8.3.3 Vehicles shall be clean and sanitary and shall have a good exterior and interior appearance during the term of this Agreement.

#### 8.4 FACILITIES AND OTHER EQUIPMENT

8.4.1 CONTRACTOR shall maintain in reasonable proximity to the CENTER's service area adequate parking, maintenance, planning, operational, and administrative facilities, and the equipment required to provide efficient and safe Transportation Services, to fulfill all reporting and other requirements pursuant to this Agreement.

8.4.2 CONTRACTOR shall have appropriate equipment, as identified by the BROKER, to electronically receive timely route information from the BROKER.

8.4.3 If the CONTRACTOR needs to relocate its operations and/or vehicle storage facilities during the term of this Agreement, any relocation shall be planned with at least thirty (30) days advance notice to CENTER and BROKER and shall be mutually agreed upon, with consideration given to any impact of the relocation upon the cost and quality of services hereunder.

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8.4.4 If the CONTRACTOR's main radio dispatch system fails to operate at any time, the CONTRACTOR shall immediately notify BROKER and the CENTER of such event, as well as when the system is again properly functioning.

8.5 PERSONNEL: DRIVERS/ATTENDANTS. All drivers and Attendants assigned to service responsibilities pursuant to this Agreement shall be subject to the continuous approval of the CENTER as to conformance with the requirements of this Agreement. The CENTER therefore reserves the right to require that CONTRACTOR's personnel be re-assigned or not assigned to services under this Agreement if the CENTER has any legal or service-related concerns. CONTRACTOR shall require that all drivers and Attendants shall meet the following qualifications, requirements, and conditions:

8.5.1 All drivers shall have and maintain a valid California license with a Passenger Vehicle endorsement pursuant to the California Vehicle Code Section 12500 and the applicable valid California driver's license for the vehicle(s) used. As well as a Current VDDP (Vehicle for Developmentally Disabled Persons) Certificate. All Attendants are required to have a valid California license or California ID. Vehicle Code Section 12523.6 (d), (g), (f).

8.5.2 All personnel shall have any other valid clearance, approval or permit as required prior to assignment to any route including, if applicable, a medical certificate pursuant to Vehicle Code Section 12804.

8.5.3 CONTRACTOR shall adhere to the Federal drug and alcohol testing requirements for all drivers and Attendants.

8.5.4 All personnel shall be at least twenty-one (21) years of age and, to the best of the CONTRACTOR's knowledge, be in good physical and mental health at all times when driving or riding in vehicles.

8.5.5 All personnel shall be well groomed and shall wear CONTRACTOR provided identification at all times when driving or riding in vehicles.

8.5.6 All personnel shall have adequate command of the English language for communicating with individuals served, families, program staff and/or emergency personnel. When bilingual personnel are available, it is desirable that they be assigned on routes serving individuals or families who primarily speak the other languages in which the driver/Attendant may be fluent.

8.5.7 All drivers shall be in possession of a map of the service area (or GPS technology), appropriate route lists and have a working timepiece or vehicle clock when driving on a route. CONTRACTOR shall assure that each driver can read and comprehend the maps and routes provided.



8.5.8 All personnel shall be courteous and interact with individuals served, families, and program destination staff in a positive and professional manner. CONTRACTOR recognizes that personnel who have contact with individuals served and families must be of a stable personality and high moral character for the protection of individuals served. CONTRACTOR shall not allow any person to drive a vehicle or be an Attendant who is not, at the time, in a condition of mental and emotional stability.

8.5.9 The CONTRACTOR shall implement during the term a pre-employment screening program satisfactory to the CENTER, which shall include appropriate reference checks, a California Department of Motor Vehicles (DMV) check and pre-employment drug screening. Such screening information shall be placed in the employee's permanent record, which shall be maintained by the CONTRACTOR.

8.5.10 The CONTRACTOR shall review personnel performance at least once each year for the purpose of observing their actual performance with respect to:

- a. safety and mechanical operation; and
- b. conformance with laws; and
- c. policies and regulations; and
- d. adherence to established routes and schedules; and
- e. quality of service to individuals served; and
- f. other factors inherent in determining compliance with required operating practices.

8.5.11 Copies of the personnel reviews shall be maintained by the CONTRACTOR in its permanent employee record during the term of each person's employment by the CONTRACTOR and one (1) year thereafter and shall be available for review by the CENTER upon request. All personnel assigned to perform services under this Agreement shall maintain a minimum evaluation rating of satisfactory in all of the CONTRACTOR's evaluation categories, which shall be a part of the CONTRACTOR's program design.

8.5.12 The CONTRACTOR shall participate in the DMV 'pull notice' program for all drivers and Attendants. Such reports shall be reviewed and prepared by the CONTRACTOR, reviewed by the BROKER, and filed by the CONTRACTOR. In accordance with Title 17, Section 58520.(d) (Standards for Drivers and Transportation Aides), the CONTRACTOR shall, at a minimum, require that each driver it hires has not been convicted of (1) driving under the influence of alcoholic beverage or any drug or a combination of the two pursuant to Vehicle Code Sections 23152 and 23153 within five years immediately preceding employment, or at any time during employment, or (2) reckless driving, or speed contest pursuant to Vehicle Code Sections 23103, 23104 and 23109 within three years immediately preceding employment, or at any time during employment.

8.5.13 Use of tobacco, alcohol, or illegal drugs by personnel on a vehicle, or while in the CENTER's service, is prohibited. Firearms, knives, and other weapons are also prohibited on said vehicles, and when detected, the CONTRACTOR shall take immediate action in accordance with applicable laws.

8.5.14 The CONTRACTOR shall establish and maintain a legally compliant drug-testing program for all personnel providing services hereunder, which shall include pre-employment and random testing. No personnel who test positive for illegal drug use shall be assigned to provide services under this Agreement.

8.5.15 Any personnel reported as having committed any verbal or physical abuse toward an individual served, or any potential felony while on duty, shall be subject to suspension by the CONTRACTOR pending investigation. The CONTRACTOR shall immediately terminate any driver or Attendant who has actually committed abuse toward an individual served or felony while on duty.

8.5.16 The CENTER shall identify specific individuals or sites that need or require an Attendant and shall authorize the number of hours per day for the utilization of Attendants for such individuals and sites. This number shall be designated in writing to the CONTRACTOR and reviewed periodically by the CENTER. Individuals or sites which require an Attendant at all specified times will be identified in writing as a part of the total Attendant Service Hours authorized by the CENTER.

8.5.17 The CONTRACTOR shall assure an Attendant is provided for each site or route on which an individual served is identified by the CENTER as requiring such an Attendant is riding. The CONTRACTOR shall also comply with the daily assignment of needed Attendants to other routes.

8.5.18 The CONTRACTOR shall designate and monitor appropriate seating for Attendants on vehicles, in order to give optimum attention and supervision to individuals designated by the CENTER as requiring Attendants.

8.5.19 All Attendants are required to keep daily logs tracking behaviors and incidents as they occur on transportation. All logs/reports are subject to review by the CENTER and its BROKER for use in evaluating the needs of the individuals served.

## **8.6 PERSONNEL: ADMINISTRATION, SUPERVISION & OPERATIONS**

8.6.1 The CONTRACTOR shall maintain personnel as required for effective management, supervision and operation of the Transportation Services provided to the CENTER under this Agreement. This shall include the availability of personnel to receive and place telephone calls, to monitor/dispatch the service during the hours individuals served are being transported, and to respond to emergencies within a reasonable period of time.

8.6.2 In addition to such other management and supervisory personnel as may be required to perform services hereunder, the CONTRACTOR shall assure that one (1) person shall be available during all operating hours for the purpose of monitoring service delivery and with the authority to act on behalf of the CONTRACTOR.

8.6.3 The management of the day-to-day operations of services performed by the CONTRACTOR under this Agreement shall be vested in a Project Manager, who shall be an experienced transportation professional. The Project Manager shall function as the primary contact person for the service and shall be knowledgeable in all areas of the project. The Project Manager shall be subject to approval by the CENTER.

8.6.4 The CONTRACTOR shall maintain a standby work force, including back-up drivers and spare vehicles equal to at least 10 percent of the CONTRACTOR's total driver work force and total fleet, as well as back-up Attendants as may be required, to assure that individuals served by the CENTER are transported as scheduled during the entire term of this Agreement. The cost of maintaining a standby work force and spare vehicles shall be borne by the CONTRACTOR and is included in the calculation for the rate of reimbursement as presented in Attachment 1, entitled "Payment Agreement".

8.6.5 CONTRACTOR shall insure its personnel are knowledgeable about all service expectations under this Agreement.

8.7 TRAINING. The CONTRACTOR shall be responsible for all driver and Attendant training necessary for the safe and efficient provision of services under this Agreement. The scope of training includes, but is not limited to, new staff orientation and training, review/renewal training, in-service training, and remedial training. Supplementary, CONTRACTOR will make all personnel available to participate in Quarterly Workshops provided by the BROKER for the purpose of understanding the service requirements of this Agreement.

8.7.1 Initial orientation shall consist of at least forty (40) hours of CONTRACTOR instruction (for new drivers) and at least twenty (20) hours of CONTRACTOR instruction (for new Attendants) prior to assignment to a route. The initial orientation and on-going in-service training for drivers and Attendants shall include the following as applicable:

- a. defensive driving; and
- b. safety program; and
- c. cardio-pulmonary resuscitation; and
- d. emergency first aid; and
- e. map reading and service orientation; and
- f. cultural sensitivity and sensitivity around individuals served; and
- g. overview of developmental disabilities and the regional center service system; and
- h. epilepsy and seizure procedures; and
- i. passenger assistance and supervision; and
- j. vehicle handling and care; and

- k. reporting and documentation; and
- l. and confidentiality of individuals served.

8.7.2 Pre-qualified (that is, licensed and experienced) drivers and Attendants hired by the CONTRACTOR shall be fully evaluated and have, at minimum, ten (10) hours of refresher training and orientation before the CONTRACTOR assigns such person to a route.

8.7.3 In accordance with Title 17, Section 58520(b)(2) (Standards for Drivers and Transportation Aides), all personnel shall demonstrate competence in the use of wheelchairs, lifts, ramps, tie-downs, and other equipment used for transporting, boarding, and exiting individuals who use wheelchairs or other assistive devices.

8.7.4 Drivers or Attendants who are required to physically assist individuals served in and out of vehicles shall have one-to-one training in assisting and positioning techniques and treatment of individuals who require support. Such personnel shall be physically capable of performing any required physical assistance.

8.7.5 Whenever possible, new drivers may first serve as Attendants on routes consistent with the authorized use of Attendants as specified in this Agreement.

8.7.6 Whenever possible, drivers and Attendants shall be assigned regularly to the same route.

8.7.7 Drivers shall review, and practice as dry runs, changed or unfamiliar routes (or sections of routes) prior to providing actual passenger service along such routes. All costs for dry runs shall be borne by the CONTRACTOR.

8.7.8 CONTRACTOR shall maintain a safety program for personnel, which shall be made available for review by the CENTER. Service Provider must prepare a transportation safety policy containing procedures for personnel to follow to ensure the safe transport of passengers as prescribed. Policy must include: (a) Procedures to ensure that an individual served is not left unattended onboard the vehicle; (b) Classroom instruction to cover post-trip inspection procedures that ensure that individuals served are not left unattended onboard the vehicle. Record of such training must be signed-off and verified by Safety and Training Manager; and (c) Notification to be provided to Regional Center (through its broker) when a driver has left an individual unattended onboard after the driver's employer has ordered and upheld disciplinary action against the driver for the driver's actions and has made a finding that the driver's actions constituted negligence. Such safety program shall be published yearly and approved by the CENTER.

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## 8.8 USAGE AND AGE OF VEHICLES

8.8.1 CONTRACTOR represents that at all times during the term of this Agreement, each vehicle it uses to transport the CENTER riders shall be a "Qualified Vehicle." To qualify as a "Qualified Vehicle", the vehicles must comply with the following conditions:

- a. Medium size heavy duty (approximately 30') transit buses: (1) no individual vehicle assigned to a route shall exceed 300,000 miles of usage; and (2) no individual vehicle assigned to a route shall be more than ten years of age.
- b. Small size heavy duty (under 30') transit buses: (1) no individual vehicle assigned to a route shall exceed 200,000 miles of usage; and (2) no individual vehicle assigned to a route shall be more than seven years of age.
- c. A 16-passenger bus shall be considered a medium size heavy duty transit bus and not a van; and
- d. Other vehicles such as a small size light duty transit bus or specialized vans: (1) no individual vehicle assigned to a route shall exceed 100,000 miles of usage; and (2) no individual vehicle assigned to a route shall be more than four years of age.

8.8.2 CENTER, at its sole discretion, may accept vehicles not fitting these restrictions on a vehicle-by-vehicle basis. The exception may be granted upon inspection of the vehicle's mechanical condition, structural and cosmetic appearance, and maintenance records. CONTRACTOR shall develop a vehicle replacement plan acceptable to CENTER for vehicles granted such an exception.

8.8.3 Within fourteen (14) calendar days after a request by the CENTER or the BROKER, the CONTRACTOR shall add the number of vehicles which the CENTER or the BROKER estimates will be required to accommodate (1) increases in the number of individuals using the CONTRACTOR's services and/or (2) additional vehicle routes which may be added by the CENTER or BROKER (collectively, the "Additional Vehicles").

## 9 SERVICE DESCRIPTION AND QUALITY REQUIREMENTS

In the performance of service under this Agreement, the CONTRACTOR shall conform to the following parameters of service design and quality:

9.1 DAYS AND HOURS OF OPERATION. During the term of this Agreement, service shall be provided five days per week, Monday through Friday, except for those days designated by the CENTER as holidays. CONTRACTOR is not obligated to transport to programs on weekends or days designated by the CENTER as holidays but may do so if mutually agreed upon by the CENTER and the CONTRACTOR.

9.2 The specific authorized operating hours of each vehicle on each operating day shall be determined by the CENTER via its BROKER in accordance with the needs of the CENTER, such that route efficiency is maximized and overall Vehicle Service Hours minimized.

9.2.1 CONTRACTOR shall be responsible for delivery of all daily route assignments scheduled. CONTRACTOR may not refuse to perform any route assignments designed to be delivered through this contract or refuse to provide the service (or any portion thereof) without authorization by the Broker. In the event of vehicle breakdowns, equipment failure, insufficient drivers, or other service interruption, it shall be the responsibility of CONTRACTOR to arrange for the deployment of spare vehicles and/or alternative transportation at the CONTRACTOR's sole expense. Failure to deliver scheduled route assignments for which alternate transportation is not provided will be subject to liquidated damages.

9.2.2 If CONTRACTOR operates any other transportation service other than for people served by the CENTER, CONTRACTOR is required to give priority to people served by the CENTER over any other services which CONTRACTOR operates.

9.3 CONTRACTOR shall maintain 95 percent or greater on-time performance on a daily basis as defined in this Section 9. CONTRACTOR shall maintain such level of performance during all days of routine traffic, all types of weather and individual/program delays, but this performance level shall not apply when lateness is caused by events beyond the control of the CONTRACTOR which affect the entire service system, as determined by the CENTER in its sole and absolute discretion.

9.4 Actual delivery or drop off an individual served to a program for purposes of on-time performance shall not be earlier than fifteen (15) minutes before nor later than 15 minutes after the scheduled program start time, and the actual program pick-up shall not be more than 15 minutes after the scheduled program end time, unless specific approval is given by the CENTER.

9.5 CONTRACTOR's dispatch personnel shall notify the BROKER when it appears any vehicle will be arriving more than fifteen (15) minutes behind schedule, so that BROKER may notify individuals and sites as appropriate. CONTRACTOR shall provide such notification to the BROKER prior to or by the scheduled route time. CONTRACTOR will continually maintain contact with the BROKER during operating hours to advise of delays in arrival projections and to enable the BROKER to keep families and sites advised as appropriate to each applicable situation.

9.6 Passengers shall not be picked up for a program more than ten (10) minutes ahead of the scheduled pick-up time unless the passenger is ready to be picked up. Passengers shall not be dropped off from a program more than 10 minutes ahead of the scheduled drop off time, unless the passenger may be delivered safely at the drop off in accordance with their needs and will be met by a responsible adult as referenced in this Agreement. Drivers arriving prior to the scheduled times will be instructed to wait until the scheduled time unless passengers are ready and available for early pick-up, or can be delivered safely, as applicable.

9.7 All vehicles shall have sufficient fuel to complete one (1) full route. However, if an instance ever occurs where a vehicle is refueled with passengers onboard, the CONTRACTOR shall report such fact to the CENTER and the BROKER on the same day that the incident occurs.

9.8 CONTRACTOR shall promptly investigate and, if warranted, take action to resolve any allegations or complaints regarding the behavior and conduct of any driver or other personnel that does not conform to the provisions of this Agreement.

9.9 All infants under the age of three (3) years shall be transported if requested by the CENTER, but only if accompanied by an adult family member or another individual specifically designated by the CENTER, unless otherwise authorized in writing by the CENTER. Siblings of infants shall be transported with the adult and infant upon request, but only with advance request and authorization from the CENTER to the CONTRACTOR, and only if seats are available in the vehicle. If the sibling is younger than eight (8) years of age and/or shorter than 4'9", the sibling may be transported only if a legally approved infant or child safety seat is provided for the sibling by the family. Unless the driver has clear authorization on the route log or from dispatch, siblings are not to be boarded or transported.

9.10 Individuals who may be required to be released into the custody of a responsible adult in accordance with the provisions of this Agreement shall not be released if CONTRACTOR cannot determine that a responsible adult is present.

9.11 If an appropriate adult is not available after the completion of the entire route on which the individual served is riding, the CENTER or BROKER shall be contacted to assess the individual's situation and to identify appropriate action concerning the delivery of the individual, including the identification of an alternate location to potentially receive the individual. The BROKER shall be available on call during regular hours of CONTRACTOR's service operation. If the CENTER or BROKER cannot be contacted, on call personnel shall be contacted utilizing the CENTER's and BROKER's 24-hour emergency answering service procedure.

9.12 No vehicle shall depart from a stop until the driver has determined that all individual's seat belts, and wheelchair tie-downs have been appropriately secured.

9.13 The CENTER may at any time authorize an adult to ride on a vehicle as an authorized passenger for the purposes of observing services or accompanying an individual served as part of the normal course of service, as long as a seat is available on the vehicle.

## **10 IMPLEMENTATION OF ROUTES**

10.1 The CONTRACTOR shall implement changes to routes, as requested by and supplied by the CENTER via its BROKER, within the following parameters:

10.1.1 The CONTRACTOR shall suspend or delete service for an individual served the next working day following notification from the CENTER or BROKER.

10.1.2 The CONTRACTOR shall implement routine changes or additions to routes (such as new individual(s) served added to a route, changes of address, changes of program or changes of schedule) on the date identified for change, as long as CONTRACTOR receives such change at least one (1) full working day in advance of requested service (unless otherwise agreed upon with the CENTER or BROKER).

10.1.3 The CONTRACTOR shall implement major changes (such as additional routes, totally or substantially redesigned routes) on the date identified for change, as long as CONTRACTOR receives such change at least five (5) full working days in advance of requested service (unless otherwise agreed upon with the CENTER or BROKER).

10.1.4 CONTRACTOR may take daily individual trip cancellations for the same day directly from the individuals served's family or residential provider or program, and CONTRACTOR shall advise the BROKER daily of such requests. Requests made to the CONTRACTOR for a 'hold' of more than one (1) day, or for service termination, must be referred by the CONTRACTOR to the BROKER and authorized by the CENTER before the request may be implemented by the CONTRACTOR.

10.1.5 CONTRACTOR will report any unexplained "no shows" to the BROKER on a daily basis.

10.1.6 Decreased service hours or increased service of any amount resulting from program, service and/or individuals served population changes shall be deemed an ordinary part of this Agreement, and CONTRACTOR shall adjust and implement schedules and vehicle deployment levels and plans accordingly.

10.2 The CONTRACTOR shall not provide any service for individuals unless authorized by the CENTER via the BROKER as described within the terms and conditions of this Agreement.

10.3 Payment to the CONTRACTOR for services shall be made only for services authorized by the CENTER or BROKER as described within the terms and conditions of this Agreement.

10.4 It is the responsibility of the CONTRACTOR to lawfully maintain orderly conduct on all vehicles transporting individuals served by the CENTER, consistent with legally allowable actions and reasonable CENTER directives, without the threat or use of physical force and with due regard for the rights and dignity of the individual served.

10.5 CONTRACTOR shall report any unresolved incidents of conduct, or issues of health and safety that can reasonably be expected to recur, to the CENTER and BROKER in accordance with the reporting provisions of this Agreement.

10.6 CONTRACTOR shall not refuse service, or terminate, or otherwise suspend, Transportation Services for any individual served without prior approval of the CENTER or BROKER, except to the extent allowed under Title 17, Section 58522.



10.7 The CONTRACTOR shall release all individuals served only to the custody of a responsible adult, unless otherwise specified in writing by the CENTER or the individual's family via the BROKER.

## **11 COMPENSATION AND FISCAL PROVISIONS**

### **11.1 COMPENSATION**

11.1.1 In consideration for the CONTRACTOR's provision of services described in this Agreement, the CENTER agrees to pay the CONTRACTOR in accordance with the units of service and rates identified on attached ATTACHMENT 1, entitled "Payment Agreement", which is incorporated herein by this reference (the "Payment Agreement"). Notwithstanding the foregoing, the CONTRACTOR's right to payment is subject to any required review and approval of this Agreement by the DDS in accordance with Title 17.

11.1.2 The maximum total amount payable by the CENTER to the CONTRACTOR under the full term of this Agreement shall not exceed the hourly rate multiplied by the number of authorized hours as identified in the Payment Agreement.

11.1.3 The CENTER's payment to the CONTRACTOR shall be only for authorized services rendered pursuant to this Agreement. See section 11.3.

11.1.4 The cost of the CONTRACTOR's total monthly billing shall be allocated by CENTER, based on proportionate actual cost or formula distribution, among the CENTER, other sponsoring regional centers and/or other funding sources, based on the number of authorized individuals transported for each center or funding source.

11.1.5 Payments to the CONTRACTOR shall be calculated and payable by the CENTER monthly in arrears, contingent upon the CENTER's receipt of a properly documented invoice with service information as required by the provisions of this Agreement.

11.1.6 For each properly documented invoice received by the CENTER by the 5<sup>th</sup> working day of the month following the CONTRACTOR's month of service, the CENTER shall issue payment by the 14<sup>th</sup> working day of the same month. Properly documented invoices received by the CENTER after the 5<sup>th</sup> working day of the month shall be subject to payment by the CENTER on or before the 14<sup>th</sup> day of the following month.

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11.1.7 In accordance with Title 17, Section 54326(a)(12), (General Requirements for Vendors and Regional Centers), the money paid by CENTER (or other regional centers) to CONTRACTOR for providing its services to authorized individuals shall be the total compensation to which CONTRACTOR shall be entitled for performance of this Agreement and its requirements. The CONTRACTOR shall make no additional charges or billings beyond this Agreement to individuals served by the regional center or families, without prior review and approval of the CENTER. This provision shall not be construed to apply to the pro-rating of the billing or charging of private fees for other riders who are not funded by regional centers.

11.1.8 In accordance with Title 17, Section 50609(d) (Contract Fiscal Provisions), consideration paid by the CENTER to the CONTRACTOR, as provided herein, shall be the total compensation for performance of the contract and its requirements, unless otherwise expressly provided.

11.1.9 Notwithstanding any provision in this Agreement to the contrary, in accordance with Title 17, Section 50609(c) (Contract Fiscal Provisions), the obligation of the CENTER to make payments under this Agreement is contingent upon the CENTER receiving and continuing to receive funds from the DDS for the purpose of making such payments. Thus, for example, if insufficient funds for any fiscal year's payments are appropriated through DDS, or the CENTER's contract with the State is not renewed, or if insufficient funds are allocated to the CENTER such that the CENTER determines that it is in its best interest to discontinue or reduce Transportation Services, then the affected service under this Agreement shall be terminated or modified proportionately by the CENTER, upon thirty (30) days' notice to the CONTRACTOR.

11.1.10 If the CENTER questions any portion of a billing by CONTRACTOR as to proper documentation or authorization, then the CENTER reserves the right either to issue a partial payment (thereby holding the amount in question, pending resolution), to issue payment and subsequently adjust a future payment pending resolution, or to do both. The CENTER shall not, however withhold total payment of any properly documented invoice if only a portion of the amount is in question. The CENTER shall identify to the CONTRACTOR any disputed item and/or reasons for a withheld payment along with the issuance of the undisputed payment in a timely manner.

## **11.2 METHOD OF DETERMINATION OF UNITS OF SERVICES AND RATES**

11.2.1 The basis for the establishment of the Rate of Payment is identified and described in the Payment Agreement. In accordance with Title 17, Sections 50609(a)(3)(A) and (b)(1) (Contract Fiscal Provisions), the Payment Agreement reflects the necessary fiscal and program related data and mathematical computations used to establish the rates of payment per unit of service.

11.2.2 In accordance with Title 17, Section 50609(b)(1)(A) (Contract Fiscal Provisions), the CONTRACTOR and the CENTER attest that they have come to a full understanding and agreement as to the methods to be used in accumulating the data to be contained in the CONTRACTOR's documentation concerning costs, units of service and billing. CONTRACTOR further attests that these methods are and/or will be used to accumulate any and all data contained in the CONTRACTOR's documentation.

11.2.3 In accordance with Title 17, Section 50609(b)(1)(B) (Contract Fiscal Provisions), the CONTRACTOR attests that its program and fiscal documentation utilized in its rates calculations is complete and accurate to the best of the CONTRACTOR's knowledge, supported by records and source documentation, prepared with the instructions provided by the CENTER and the DDS and subject to audit. While the CONTRACTOR's expenditure of resources under this Agreement may not follow exactly the pattern and breakdown proposed, the CONTRACTOR assures the CENTER that the total resources expended by CONTRACTOR shall be at least equal to those for which the CONTRACTOR is reimbursed.

### 11.3 CALCULATION OF BILLABLE UNITS OF SERVICE

#### 11.3.1 AUTHORIZED VEHICLE SERVICE HOURS

11.3.1.1 The CENTER via its BROKER shall assign an authorized number of Vehicle Service Hours per day to each authorized route at the time the routes are developed by the CENTER and provided to the CONTRACTOR. Additionally, on a daily basis, BROKER may authorize additional Vehicle Service Hours to cover specific situations for individuals served not encompassed by the authorized services and routes.

11.3.1.2 The CENTER shall compensate the CONTRACTOR for authorized Vehicle Service Hours, as provided herein. The CONTRACTOR shall bear the costs for other additional vehicle or staff time, such as time for vehicle safety checks, Deadhead Times, refueling, staff training, dry runs, backup, and vehicle out-of-service time. Such costs have already been built into the calculated Vehicle Service Hour rate.

11.3.1.3 The total authorized Vehicle Service Hours encompass all normal transportation operations. Therefore, the CONTRACTOR is not entitled to any additional compensation for normal traffic delays and other delays in the course of its service. However, the CENTER will authorize additional compensation to the CONTRACTOR (at the hourly rate set forth in the Payment Agreement) if the CENTER determines that the events that caused the delays were unexpected, unavoidable and beyond the reasonable control of the CONTRACTOR.

11.3.1.4 The Vehicle Service Hours authorized by the CENTER are the maximum number of Vehicle Service Hours to be billed monthly by the CONTRACTOR to the CENTER, except as approved by the CENTER pursuant to Paragraph 11.3.1.3 above.

11.3.2 AUTHORIZED ATTENDANT SERVICE HOURS

11.3.2.1 Attendant Service Hours are measured by the authorized Vehicle Service Hours for the route on which the Attendant is assigned and present.

11.3.2.2 The CONTRACTOR's total billing for Attendant Service Hours shall not exceed the maximum number of hours which the CENTER authorizes monthly for Attendant services, in accordance with the provisions of this Agreement.

11.3.3 FRACTIONAL HOURS. Fractional hours are to be billed and paid in hundredths of an hour.

11.3.4 NO DOWNWARD ADJUSTMENTS FOR COMPLETED ROUTES. The CENTER shall not make any downward adjustment in Vehicle Service Hours for routes completed by CONTRACTOR in less than the authorized number of service hours, as long as the CONTRACTOR fully executes the route.

11.3.5 Procedures for Adjustment of Authorized Service Hours:

- a. The BROKER shall generate and furnish the CENTER with a Summary of Authorized Number of Vehicle Service Hours and Attendant Service Hours as a final monthly summary, that shall include any scheduled service hours authorized by the BROKER during the month.

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- b. The CONTRACTOR shall submit a monthly route detail that includes actual vehicle service hours and attendant service hours by the 5<sup>th</sup> working day of each month in accordance with Section 6.1 Accounting and Service Reporting. BROKER will reconcile the route detail with the Summary of Authorized Number of Vehicle Service Hours and Attendant Service Hours. If the CONTRACTOR's monthly route detail exceeds the Summary of Authorized Number of Vehicle Service Hours and/or Attendant Service Hours, the BROKER may approve up to the Authorized Number of Vehicle Service Hours and Attendant Service Hours. The BROKER will then notify the CONTRACTOR of the reconciliation determination and provide the CONTRACTOR with a revised route detail that identifies the final approved Vehicle Service Hours and/or Attendant Service Hours. The revised route detail serves as the BROKER's final approval notification to the CONTRACTOR.
- c. If the CONTRACTOR believes the BROKER's calculation of Authorized Vehicle Service Hours and/or Attendant Service Hours is incorrect, the CONTRACTOR shall present a written request to the BROKER with supporting documentation within five (5) working days of the CONTRACTOR's receipt of the BROKER's final approval notification. If the CONTRACTOR fails to present a written request to the BROKER within such time, it shall be conclusively presumed that the CONTRACTOR accepts and does not dispute the BROKER's service hour authorization. If the CONTRACTOR submits a written request with supporting documentation, the BROKER will then examine and determine if the submitted documentation validates an adjustment to the Authorized Number of Service Hour. If an adjustment is determined by the BROKER, then any billing adjustments will be identified in the subsequent billing month.
- d. Any billing adjustments not reconciled between the CONTRACTOR and the BROKER will be determined by the CENTER's Chief Financial Officer or designee, whose decision will be final and binding on the CONTRACTOR.

**11.4 LIQUIDATED DAMAGES FOR FAILURE OF CONTRACTOR TO MEET MINIMUM PERFORMANCE CRITERIA.** Because of the nature of the services to be provided by the CONTRACTOR pursuant to the terms of this Agreement, the parties agree that it would be impractical or extremely difficult to accurately quantify the actual damages incurred by the CENTER resulting from the failure of the CONTRACTOR to adequately provide certain services required under this Agreement. Therefore, to compensate the CENTER for its damages resulting from the CONTRACTOR's inadequate performance of certain services under this Agreement, the CONTRACTOR agrees to pay, and the CENTER agrees to accept, liquidated damages in lieu of actual damages. The parties agree that the sum of liquidated damages as described below is a fair and reasonable estimate of the CENTER's actual damages under such circumstances.

11.4.1 Notwithstanding anything to the contrary in this Section 11.4, the CENTER's right to liquidated damages as provided herein shall be in addition to and not in lieu of the CENTER's other rights resulting from the CONTRACTOR's breach of its obligations hereunder. The CENTER retains the right to pursue its other remedies, including termination of this Agreement, as a result of the CONTRACTOR's breach of this Agreement.

11.4.2 For any of the following violations, the CENTER may assess \$50.00 per day per incident as liquidated damages:

- a. CONTRACTOR fails to transport an approved individual due to error of CONTRACTOR, including but not limited to instances of: (i) CONTRACTOR's failure to process a trip hold or cancellation correctly, resulting in the wrong date or the wrong individual being canceled; or (ii) CONTRACTOR's failure to process and clearly document a bona fide individual's 'no show', including driver radioing dispatch office for confirmation and instructions in a questionable situation, which results in any individual being left behind; or (iii) CONTRACTOR's failure to properly reinstate an individual formerly placed on hold (however, this shall not apply to a new trip request when information provided by the CENTER to the CONTRACTOR is incorrect).
- b. CONTRACTOR fails to cover a route or transport an approved individual due to the CONTRACTOR's insufficient resources, including but not limited to instances of (i) CONTRACTOR's failure to arrange the deployment of spare vehicles in the event of breakdowns and/or equipment failure; or (ii) CONTRACTOR's failure to maintain standby workforce including back up drivers; or (iii) CONTRACTOR's failure to arrange alternative transportation which results in a missed program day for an individual served. Each individual assigned to the route that the CONTRACTOR fails to transport will be assessed as one incident.
- c. CONTRACTOR fails to provide an Attendant on a vehicle, or at a site, where any individual identified in accordance with the provisions of this Agreement as requiring an Attendant are scheduled to ride, and as a result such individuals ride without an Attendant or fail to ride in the vehicle.
- d. A vehicle on a route is more than forty-five (45) minutes but less than sixty-one (61) minutes late to a stop, or late by such time period in the aggregate to a series of stops.

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11.4.3 For any of the following violations, the CENTER may assess \$100.00 per day per incident as liquidated damages:

- a. A vehicle arrives at a destination and discharges individuals more than fifteen (15) minutes early or 15 minutes after the scheduled program start time, and the actual program pick-up shall not be more than 15 minutes after the scheduled program end time, unless specific approval is given by the CENTER.
- b. CONTRACTOR fails to provide legally required number of wheelchair tie-down securement devices on a vehicle, or otherwise fails to properly secure a wheelchair.
- c. A vehicle on a route is more than sixty (60) minutes and less than ninety-one (91) minutes late to a stop, or late by such time period in the aggregate to a series of stops.

11.4.4 The CENTER will not assess liquidated damages for lateness under Paragraphs 11.4.2(c) or 11.4.3(c) during a calendar month in which 95 percent of all routes operated by the CONTRACTOR are on time (although CENTER may still assess liquidated damages under the remaining paragraphs of Sections 11.4.2 and 11.4.3, and under Paragraphs 11.4.5 and 11.4.6, during such month).

11.4.5 The CENTER may assess as liquidated damages: (1) \$150.00 per day per incident if a vehicle on a route is more than ninety (90) minutes and less than 121 minutes late to a stop, or late by such time period in the aggregate to a series of stops; and (2) \$200.00 per day per incident if a vehicle on a route is more than 120 minutes late to a stop, or late by such time period in the aggregate to a series of stops.

11.4.6 If the CONTRACTOR fails to provide BROKER with prompt notice of vehicles and routes that are operating more than fifteen (15) minutes behind schedule during any day and for any reason, the CENTER may assess as liquidated damages, for each incident, the Escalating Liquidated Damages Sum. For purposes of this paragraph, the Escalating Liquidated Damages Sum is \$100.00 multiplied by the number of times in which the CONTRACTOR fails to so promptly notify BROKER about vehicles and routes operating behind schedule during a calendar month; provided, however, after the fourth failure to notify in any calendar month, the amount of liquidated damages shall be \$1,000.00 per incident for the balance of such month.

11.4.7 The CENTER will not assess liquidated damages when CONTRACTOR delays are caused by conditions beyond the reasonable control of the Contractor and which affect the entire service system, as determined by the CENTER or BROKER in its reasonable discretion.

11.4.8 The CENTER or its BROKER shall notify the CONTRACTOR in writing of any occurrence described in this Section resulting in an assessment of liquidated damages.

11.4.9 The CENTER may offset the amount of such liquidated damages from any payment otherwise due or to become due by the CENTER to CONTRACTOR.

11.4.10 If CONTRACTOR chooses to respond to any of the liquidated damage assessments, it shall do so within five (5) working days of the CENTER's or its BROKER's delivery of notice of the assessment to the CONTRACTOR. If the CONTRACTOR fails to respond to the CENTER in writing within such time period, it shall be conclusively presumed that the CONTRACTOR accepts and does not dispute the CENTER's assessment of such liquidated damages. The CENTER will not demand payment of (or offset from payments otherwise due to the CONTRACTOR) such liquidated damages until after the expiration of this five-day period, plus any additional time required for final resolution. However, the CENTER may hold aside from payments otherwise due to the CONTRACTOR an amount equal to any disputed sum of liquidated damages, pending resolution of such dispute.

#### 11.5 ADMINISTRATIVE COST CAP

11.5.1 CONTRACTOR agrees that it will not spend more than 15% of the funds it receives from CENTER under this Agreement on the CONTRACTOR's administrative costs. For purposes of this paragraph, the CONTRACTOR's administrative costs shall include all of the items listed under California Welfare and Institutions Code §4629.7(a)(1) through (15), as such provisions may be amended from time to time. Conversely, those costs the CONTRACTOR incurs that are immediately associated with the services the CONTRACTOR offers to individuals served by the CENTER are considered direct service expenditures and are not administrative costs. To ensure the CONTRACTOR complies with these requirements, the CONTRACTOR shall provide the CENTER with access to all books, documents, papers, computerized data, source documents, records pertaining to individuals served, and other records pertaining to the CONTRACTOR's negotiated rates, upon the CENTER's request. This paragraph shall remain in effect as long as Welfare and Institutions Code §4629.7(a) and any successor statute thereto remains in effect; upon the repeal of such statute, this paragraph shall be deemed deleted from this Agreement.

[NO FURTHER TEXT ON THIS PAGE]



## 12 MONITORING, INSPECTIONS AND AUDIT PROVISIONS

12.1 For purposes of audit and inspection in accordance with this Agreement, CENTER and CONTRACTOR specifically agree to utilize and be bound by Title 17, Subchapter 6, (Service Provider Accountability) in accordance with the following Sections (as they may be amended from time to time):

1. 50602. Definitions;
2. 50603. Access to Service Provider Records;
3. 50604. Service Provider Record Maintenance Requirements;
4. 50605. Service Provider Record Retention Requirements; and
5. 50606. Regional Center Auditing Requirements.

12.2 CONTRACTOR shall maintain all records pertaining to the provision of services to individuals served in accordance with this Agreement and with Title 17, Section 50604, for a minimum period of five (5) years after the later of (i) the date of the CONTRACTOR's receipt of final payment from the CENTER for the applicable State fiscal year or (ii) the resolution of any audit pertaining to the CONTRACTOR's services under this Agreement. During the term of this Agreement, such records shall be maintained at the following place of business of the CONTRACTOR: **104 Julia Island Circle, Sacramento, CA 95834**. Such records shall not be removed from such place of business of the CONTRACTOR without the CONTRACTOR's prior written notification to the CENTER, and the CENTER's reasonable approval of the new location.

12.3 As provided by Title 17, Section 58523(b) (Vendor records), the CONTRACTOR shall also retain the following specific records:

- 12.3.1 This Agreement;
- 12.3.2 Special Incident reports;
- 12.3.3 The safety compliance rating issued by the California Highway Patrol pursuant to Title 13, California Code of Regulations, Section 1233;
- 12.3.4 All maintenance records of vehicles used in providing transportation service to individuals served by the CENTER;
- 12.3.5 For each driver:
  - a. Documentation of valid California driver's license issued by the Department of Motor Vehicles in accordance with Vehicle Code Section 12500;
  - b. A Traffic Point Count as produced by the Department of Motor Vehicles in accordance with Vehicle Code Section 12810;
  - c. A medical certificate as required by the Department of Motor Vehicles pursuant to Vehicle Code Section 12804, if applicable; and
  - d. Documentation of all driver orientation and training.

12.4 The CENTER, DDS, and any authorized representative of the CENTER (including its BROKER) shall have the right to audit, monitor and inspect the CONTRACTOR's records, equipment and facilities used in the provision of services under this Agreement at any reasonable time.

12.4.1 The CENTER's rights described in this Section 12 shall not be limited by a requirement of prior notice, but the CENTER's access to and inspection of the CONTRACTOR's records, equipment and facilities without prior notice shall be limited to situations where the CENTER or the Department of Developmental Services determines that the purpose of the access and inspection would be thwarted if advance notice were given. The CENTER's right of access shall not be limited to the required record retention period specified in Paragraph 12.2.

12.4.2 As part of its inspection rights, the CENTER reserves the right to require the CONTRACTOR to remove any vehicle from service if the CENTER believes the vehicle is not in safe or legal condition, and until satisfactory documentation is provided by the CONTRACTOR to the CENTER as to the safe and legal condition of the vehicle.

12.5 CONTRACTOR agrees to utilize and be bound by Title 17, Subchapter 7, (Fiscal Audit Appeals), Sections 50700 through 50767, and Welfare and Institutions Code Section 4648.2, should the CONTRACTOR elect to appeal any of the CENTER's or DDS' audit findings and/or recommendations.

12.6 CONTRACTOR agrees to accept financial liability for any audit findings and/or recommendations disclosed by audit and agrees to promptly repay amounts owed within thirty (30) days of request, unless appealed and repayment is stayed pursuant to Title 17, Section 50705 (Recovery of Overpayments).

12.7 The CENTER, including its agents and its BROKER, reserves the right to monitor all areas of the CONTRACTOR's performance of services under this Agreement, including, but not limited to, taking the following actions: boarding vehicles or riding on vehicles during service periods if seats are available, observing at pick-up and drop-off locations, observing dispatch operations, observing driver training, observing vehicle condition, reviewing operations, safety and maintenance records, and using GPS monitoring equipment provided by CONTRACTOR. If the GPS equipment is lost, stolen, destroyed, or otherwise rendered unfit for normal usage, CONTRACTOR shall be fully liable for replacement of said equipment.

12.8 The CENTER reserves the right to thoroughly investigate all accidents/incidents, including Special Incidents. The scope of the CENTER's investigation includes requesting additional information and reports concerning any accidents/incidents as described in Sections 6.2 and 6.3 of this Agreement.

12.9 If the CONTRACTOR enters into any service agreements with third parties to perform work under this Agreement, the CONTRACTOR shall include all the requirements of this Section 12 in any such service agreements, and the CENTER shall be a third-party beneficiary to such provisions in such service agreements. Such service agreements are also subject to approval of the CENTER in accordance with Paragraph 23.1 below.

12.10 QUARTERLY PERFORMANCE REVIEWS. The CENTER's quarterly performance reviews (for the purpose of deciding whether the CENTER will annually renew this Agreement) shall include a review of the CONTRACTOR's performance in accordance with all standards and requirements of this Agreement, with emphasis on the CONTRACTOR's performance under Sections 6 (Administration and Reporting), 7 (Planning, Routing and Scheduling), 8 (Operations), 9 (Service Description and Quality Requirements) and 10 (Implementation of Routes), and attendance reporting and billing accuracy.

12.10.1 In addition, five (5) or more occurrences of any combination of the following during a quarter shall result in the issuance by the CENTER of an unsatisfactory rating:

- a. A vehicle refuels en route with individuals are onboard, or a vehicle runs out of fuel en route.
- b. Operable seat belts, tie-downs, or other required special equipment, such as infant seats, are not available for use on a route for individuals requiring them.
- c. The dispatch office does not have communications equipment in operating condition for more than 48 hours, or a vehicle does not contain communications equipment, or a vehicle is in service for more than 48 hours without operable communications equipment.
- d. The CONTRACTOR fails to report a Special Incident as required by law and the provisions of this Agreement.
- e. The CONTRACTOR drops off an individual requiring release only into responsible custody as described in this Agreement, without determining that such responsible custody is available at the point of the drop-off.
- f. The CONTRACTOR fails to review and document the required training or review of personnel performance in accordance with this Agreement.
- g. The driver and/or Attendant fails to safely and legally secure a wheelchair, or to fasten, or assure the proper fastening of, seat belts or other special equipment prior to a vehicle's departure from any individual's pick-up.

- h. The CONTRACTOR fails to maintain a vehicle in a safe, clean, and sanitary condition, as specified by the provisions of this Agreement.
- i. The CONTRACTOR fails to provide adequate personnel or vehicles to implement all routes as assigned or refuses to provide authorized transportation as set forth in this Agreement. Notwithstanding the foregoing, the CONTRACTOR shall have the right to temporarily suspend individual served for purposes of health and/or safety of the individual served, driver, or others onboard, pending resolution of such suspension with the CENTER, as long as the CONTRACTOR provides the CENTER with proper and timely notification of such action in accordance with Title 17, section 58522 (Refusal to Transport)
- j. Failure of the CONTRACTOR to timely provide reports to the CENTER as required by the provisions of this Agreement.
- k. Failure of the CONTRACTOR to transport an approved individual due to error of CONTRACTOR or its agents or employees.

12.10.2 The occurrence of one or more of the following during a quarter shall result in the issuance by the CENTER of an unsatisfactory rating:

- a. The CONTRACTOR's deployment of a vehicle that has failed a CHP inspection, without proper repair.
- b. The CONTRACTOR's assignment of a driver who does not have a valid driver's license.
- c. The CONTRACTOR's assignment of a driver who does not possess the legally required qualifications to operate the assigned vehicle.
- d. The CONTRACTOR's failure to maintain insurance in the amount specified by the provisions of this Agreement.
- e. The CONTRACTOR's failure to take appropriate and timely action to investigate and to safeguard the health and safety of an individual served promptly after the CONTRACTOR learns of (i) an allegation of abuse to or by an individual served or (ii) the commission of a potential felony violation by a driver or Attendant while on duty.

12.11 INDEPENDENT AUDIT OR REVIEW. In accordance with California Welfare and Institutions Code §4652.5, entities receiving payments from one or more Regional Centers shall contract with an independent accounting firm for an audit or review of its financial statements, if those payments:

12.11.1 Exceed \$500,000 but is less than \$2,000,000 obtain an annual independent audit or an annual independent review and submit it to CENTER; or

12.11.2 Exceed \$2,000,000 obtain an annual independent audit and submit it to CENTER.

### 13 TERMINATION

13.1 This Agreement may be terminated by the CENTER at any time with notice to the CONTRACTOR, without prejudice to any other right or remedy of the CENTER, if the CENTER determines that grounds for termination of this Agreement exist. Such grounds for termination include the existence of any of the following:

13.1.1 The CONTRACTOR has not complied with any provisions of this Agreement or the terms of any Purchase of Service (POS) authorization. Examples of the CONTRACTOR's noncompliance with this Agreement include, but are not limited to, the CONTRACTOR's refusal or failure to provide (a) equipment or personnel at the times and in the quantities required by this Agreement and (b) adequately equipped vehicles and properly trained personnel; or

13.2 If the CENTER determines that conditions exist which constitute grounds for termination of this Agreement (including, but not limited to the foregoing conditions), the CENTER or its authorized representative shall notify the CONTRACTOR in writing.

13.2.1 If the basis for terminating this Agreement is based on an event other than those events described in Paragraph 13.1.2 above, the CENTER shall deliver its termination notification by certified mail to the CONTRACTOR thirty (30) days in advance of termination of this Agreement, in accordance with the requirements set forth in Title 17, Section 50611 and Welfare and Institutions Code Section 4710. Neither the CENTER nor the CONTRACTOR shall terminate this Agreement without complying with the requirements set forth by applicable statutes and regulations including, but not limited to, Welfare and Institutions Code Sections 4502, 4646, 4646.3, 4648, 4710 and 4741.

13.2.1.1 Such notification shall contain the reason or reasons for the CENTER's intention to terminate this Agreement. Unless the CONTRACTOR, within thirty (30) days after service of such notice, (1) causes the condition or violation to cease, (2) remits the payment owed under Paragraph 13.3 below and (3) makes arrangements consistent with the terms of this Agreement and satisfactory to the CENTER for the correction of the violation (including but not limited to accepting reassigned routes with new contingencies imposed by the BROKER, if applicable), this Agreement shall terminate upon the expiration of such thirty (30) day period, and the CENTER shall have no further obligation hereunder.

13.2.2 If the basis for terminating this Agreement is based on any of those events described in Paragraph 13.1.2 above, the CENTER shall deliver its termination notification to the CONTRACTOR by registered return receipt requested mail so that it is received at least one working day in advance of termination of this Agreement, in accordance with the requirements (and containing the information) set forth in Title 17, Sections 54370(b) and (d). This Agreement shall not terminate if the CONTRACTOR takes either of the following actions prior to the expiration of the period stated in the termination notice: (1) corrects the violation(s) to the CENTER's satisfaction (including but not limited to accepting reassigned routes with new contingencies imposed by the BROKER, if applicable) and provides documentation of the correction to the CENTER, along with any payment owed to the CENTER under Paragraph 13.3 below; or (2) files an appeal in accordance with Title 17, Section 54380.

13.2.3 Pursuant to Title 17, Section 54370(e)(2), the CONTRACTOR's filing of any request for hearing or appeal shall not preclude the CENTER from withdrawing purchase of service authorizations under this Agreement if the CENTER believes such withdrawal is necessary to protect the health, safety, and welfare of individuals served by the CENTER.

13.3 At those times when the CONTRACTOR fails to provide (or fails to adequately provide) the services, vehicles or personnel required under this Agreement, the CENTER may immediately secure such services from any third-party, whether or not the CENTER has provided a notice of termination to the CONTRACTOR. If the cost of securing such services is greater than the cost of the service set forth herein, and if the CENTER believes such securing of new services is necessary to protect the health, safety and welfare of individuals served by the CENTER, then the CONTRACTOR shall be liable for such excess costs for the lesser of (1) the time period until the CONTRACTOR again provides the services required under this Agreement or (2) the unexpired term of this Agreement (including the optional one-year renewal periods, even if the CENTER has not yet exercised its renewal options), from the time such new services shall commence. In addition, the CONTRACTOR shall be liable for any other damages sustained by the CENTER with respect to such default.

13.4 A breach by CONTRACTOR of this Agreement shall be deemed, in the sole option and discretion of the CENTER, to be a breach of its performance of the Primary Service as well.

#### 14 COMPLIANCE WITH APPLICABLE GOVERNING PROVISIONS

The law of the State of California shall govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the parties.

[NO FURTHER TEXT ON THIS PAGE]

#### 14.1 APPLICABLE STATUTES AND REGULATIONS.

14.1.1 The CONTRACTOR warrants and certifies that, in the performance of this Agreement, it shall comply with all Federal, State, and local laws and regulations, including but not limited to (i) Division 2 of Title 17 and Divisions 3 and 5 of Title 22 of the California Code of Regulations and (ii) Divisions 4.5 and 5 of the California Welfare and Institutions Code and (iii) all laws and regulations pertaining to labor, wages, hours and other conditions of employment.

14.1.2 CONTRACTOR specifically agrees to comply with the following Subchapters of Title 17, Division 2 (Department of Developmental Services):

1. Chapter 3, Subchapter 2 (Vendorization), Section 54326 (General Requirements for Vendors and Regional Centers) and Section 54327 (Requirements for Special Incident Reporting by Vendors); and
2. Chapter 1, Subchapter 6 (Service Provider Accountability), Sections 50601 – 50612; and
3. Chapter 1, Subchapter 7 (Fiscal Audit Appeals), Sections 50700-50767; and
4. Chapter 3, Subchapter 18 (Transportation Service), Sections 58500-58570.

14.1.3 The terms of this Agreement shall not be construed in such a way as to excuse compliance with any existing statutes and regulations.

14.2 PERMITS AND LICENSES. The CONTRACTOR and any agents or employees engaged in the provision of services under this Agreement shall maintain all current permits and licenses required by law for the operation of its business and shall operate only as permitted under such permits and licenses.

#### 14.3 NONDISCRIMINATION PROVISIONS

14.3.1 During the performance of this Agreement, the CONTRACTOR shall not discriminate unlawfully nor deny services or employment to any person on the basis of religion, color, ethnic group identification, sex, sexual preference, age (over 40), physical or mental disability.

14.3.2 The CONTRACTOR shall at all times comply with the provisions of the Americans with Disabilities Act of 1990, Title I (Employment) and Title III (Public Accommodations and Services Operated by Private Entities).

14.3.3 The CONTRACTOR shall include the nondiscrimination and compliance provisions of this Section 14 in any third-party service agreements to perform work under this Agreement (which agreements are subject to the CENTER's approval as provided under Paragraph 23.1).

14.4 **DISCLOSURE REQUIREMENTS.** CONTRACTOR shall submit a signed and dated DS 1891 Form (7/2011) to the CENTER within ninety (90) days of request. CONTRACTOR shall also notify CENTER of any additions or changes in the information disclosed on the DS 1891 Form (7/2011) and submit the information pursuant to requirements of California Code of Regulations, Title 17, Section 54311(c). Throughout the term of this Agreement, CONTRACTOR shall notify CENTER of:

- 14.4.1 Any conviction for any felony or misdemeanor involving fraud or abuse in any government program or related to neglect or abuse of an elder or dependent adult or child, or in connection with the interference with, or obstruction of, any investigation into health care related fraud or abuse, or that has been found liable for fraud or abuse in any civil proceeding.
- 14.4.2 Any settlement in lieu of conviction involving fraud or abuse in any government program; or
- 14.4.3 Any loss of license, certificate or credential, or failure to maintain any valid licenses, certificates or credentials required for the performance or operation of the vendored service.

14.5 **ADDITIONAL LEGISLATIVE RESTRICTIONS.** In accordance with Title 17, Section 58524(c)(7) (Transportation Service Contracts), this Agreement is subject to any additional restrictions or conditions enacted by the California Legislature and contained in its annual Budget Act or any other statute enacted by the Legislature which may affect the provisions, terms, or funding of this Agreement in any manner.

14.6 **FUNDING CONTINGENCY.** Notwithstanding anything in this Agreement to the contrary, the validity of this Agreement (including the CENTER's obligation to remit payments to CONTRACTOR) is conditioned on CENTER's receipt of adequate funds from the California Department of Developmental Services ("DDS") to pay for the services described in this Agreement (the "Funding Contingency"). The Funding Contingency is a part of this Agreement because the CENTER's annual funding agreements with DDS provide that such funding agreements are subject to the appropriation of funds by the Legislature, and that if such funds are not appropriated for any fiscal year into which such funding agreements extends, the funding agreements are of no force and effect. CENTER, shall therefore have the right and option to terminate this Agreement without liability, and such termination shall be deemed a failure of the Funding Contingency, if

14.6.1 DDS for any reason fails to deliver funds to the CENTER for any period covered by this Agreement; or

14.6.2 CENTER receives funds from DDS for a period covered by this Agreement but determines that such funds are inadequate to pay for all of the vendor services and other expenses which the CENTER expects to incur in such fiscal year, and therefore elects to fund other services rather than services identified in this Agreement; or



14.6.3 CENTER receives funds from DDS for a period covered by this Agreement and initially allocates a portion of such funds for the services in this Agreement, but thereafter elects to reallocate some or all such DDS funds to fund services other than the services in this Agreement.

14.6.4 When insufficient funds exist for the CENTER to pay for all potential services, CENTER shall have the right (under clauses (2) and (3) above) in its sole and arbitrary discretion to fund services other than the services identified in this Agreement based on which services the CENTER believes are in its best interests. If there is a failure of the Funding Contingency the

- a. CENTER shall have no liability to pay any further funds whatsoever to CONTRACTOR or to furnish any other considerations under this Agreement and
- b. neither party shall be obligated to further perform any provisions of this Agreement.

14.6.5 In addition to the above, if there are insufficient funds available from DDS to pay for all of the vendor services and other expenses which the CENTER expects to incur in any fiscal year, as determined by the CENTER in its sole and arbitrary discretion, the CENTER shall have the option at any time, on thirty (30) days' notice to CONTRACTOR to reduce or change the scope of services being provided under this Agreement. In such event, CENTER and CONTRACTOR will in good faith negotiate to attempt to agree on CONTRACTOR's new amount of compensation under the modified Agreement. If the parties are unable to agree on CONTRACTOR's new compensation for its modified services within such 30-day period, the CENTER shall then either;

- a. terminate this Agreement, because of failure of a Funding Contingency; or
- b. rescind its modification of CONTRACTOR's services, in which event this Agreement shall continue in full force and effect without such modification in services or compensation.

14.7 NOTIFICATION OF CORRECT & APPLICABLE MEDIAN RATE. CONTRACTOR acknowledges that CENTER informed the CONTRACTOR of the applicable and correct median rates, as regulated under California Welfare & Institutions Code §4681.6(b), 4689.8(b) and 4691.9(b) (as applicable), as part of the negotiations in establishing the Payment Rate.

14.8 ZERO TOLERANCE POLICY. the CONTRACTOR shall at all times comply with the CENTER's Zero Tolerance Policy; such Policy is published on the CENTER's website and is incorporated herein by this reference. The hyperlink to the Policy is:  
<https://www.vmmc.net/zero-tolerance-policy/>.

14.8.1 FAILURE TO COMPLY WITH REPORTING LAWS. CONTRACTOR's failure to strictly comply with the abuse and neglect reporting laws shall constitute a material breach of this Agreement and shall give CENTER the right and option to terminate this Agreement.

14.9 WEBSITE LINK TO DDS CONSUMER COMPLAINT PROCESS. This section is applicable if the CONTRACTOR has a website. In accordance with Welfare and Institution Code §4704.6, the CONTRACTOR shall conspicuously post on its Internet Web site a hyperlink to the DDS Internet Website page at <https://www.dds.ca.gov/general/appeals-complaints-comments/consumer-rights-complaint/>.

## 15 INSURANCE

### 15.1 WORKERS' COMPENSATION INSURANCE

15.1.1 In accordance with the provision of Section 3700 of the Labor Code of the State of California, the CONTRACTOR shall maintain Workers' Compensation insurance at all times during the term of this Agreement.

### 15.2 PUBLIC LIABILITY AND PROPERTY DAMAGE INSURANCE

15.2.1 The CONTRACTOR shall at all times during the term of this Agreement maintain public liability and property damage insurance, with endorsements satisfactory to the CENTER and in the amount of Five Million Dollars (\$5,000,000.00) combined single limit, which shall be primary and exclusive over any and all valid and collectable insurance which may be available to the CENTER. The CONTRACTOR shall not commence work under this Agreement until it has obtained all required insurance, and certificates of insurance have been delivered to and approved by the CENTER. All of the CONTRACTOR's insurance carriers shall at all times be licensed to transact the business of insurance in the State of California, shall have a rating of A- and IX or higher in the most current edition of Best's Insurance Guide, and shall be acceptable to the CENTER. All of the CONTRACTOR's policies or certificates of insurance shall include substantially the following clause:

15.2.1.1 This policy shall not be reduced in required limits of liability or modified as to coverage until written notice has been given to VALLEY MOUNTAIN REGIONAL CENTER and approval has been received from the CENTER of such reduction.

15.2.2 All of the CONTRACTOR's insurance shall contain a Named Insured Endorsement which names the CENTER as an additional insured. In addition, each certificate of insurance shall list the CENTER as an additional insured, shall state the extent of insurance, the locations and operations to which insurance applies and the expiration date of the insurance. The CONTRACTOR shall ensure the BROKER is also listed as an additional certificate holder.

15.2.3 The CONTRACTOR shall at all times provide the CENTER and the BROKER with current copies of the CONTRACTOR's insurance certificates. If the CONTRACTOR fails to provide valid current copies of such certificates, the CENTER may terminate this Agreement as provided in Section 13 and obtain any services to be provided by the CONTRACTOR hereunder from any other transportation provider.

15.2.4 The CONTRACTOR shall obtain a broad form property (including contractual liability) endorsement on its liability insurance policy for the benefit of the CENTER.

15.3 WAIVER OF SUBROGATION. The CONTRACTOR's insurance policies shall contain a waiver of subrogation clause for the benefit of the CENTER.

15.4 NO COMPENSATION WHILE UNINSURED OR UNDERINSURED; REMEDIES AVAILABLE TO THE CENTER. If at any time during the term of this Agreement the insurance required pursuant to this Section 15 is canceled, reduced, or modified, or is otherwise not in force, the CONTRACTOR shall not be entitled to payment for any services rendered during any such time period.

#### 16 INDEMNIFICATION OF THE CENTER

16.1 CONTRACTOR shall indemnify, defend and hold harmless the CENTER and its representatives, officers, directors, agents, and employees and their respective heirs, executors, administrators, successors, and assigns, including but not limited to the State of California and its agents and employees and BROKER (collectively referred to as the "Regional Center Indemnified Parties"), from any and all losses, costs, expenses (including but not limited to reasonable attorneys' fees), liabilities, claims, court costs, demands, debts, causes of action, fines, judgments and penalties which arise from or relate to:

16.1.1 Death or injury to people or damage to property in connection with the negligent or willful acts, errors or omissions of the CONTRACTOR or its employees, agents, consultants, or anyone employed by them to act on their behalf,

16.1.2 Claims under workers' compensation acts or other employee benefit acts by CONTRACTOR's agents or employees,

16.1.3 CONTRACTOR's failure to fulfill its obligations under this Agreement in strict accordance with its terms, including CONTRACTOR's breach of any representations or covenants given in this Agreement,

16.1.4 Violation of any local, state, or federal law, regulation, or code by CONTRACTOR or by any of CONTRACTOR's employees, agents, consultants, or subcontractors in connection with the conduct of its activities performed by virtue of this Agreement or,

16.1.5 Allegations that CONTRACTOR, BROKER, the CENTER or any of their agents, employees, officers or directors have improperly interfered with or tampered with CONTRACTOR's business or business relationships, or engaged in tortious conduct with any of CONTRACTOR's employees or agents, in order to obtain or fulfill the services to be provided by the CONTRACTOR under this Agreement; provided, however, such indemnity shall be inapplicable to the extent CONTRACTOR alleges that (1) the CENTER has contractually or tortuously breached an oral or written contract with CONTRACTOR which obligated the CENTER to renew CONTRACTOR's existing transportation services contract with the CENTER or (2) the CENTER has conducted its transportation proposal process improperly or unfairly with CONTRACTOR, or bargained in bad faith with CONTRACTOR, without allegations of complicity by the CONTRACTOR. CONTRACTOR's liability policy's broad form contractual indemnity endorsement shall protect the CENTER against any claim asserted under this indemnity. CONTRACTOR's indemnity obligations in this paragraph shall apply even in the circumstance where the Regional Center Indemnified Parties or any of them are actively negligent; provided, however, CONTRACTOR shall have no indemnity obligation where the damage or injury is caused by the sole negligence or intentional misconduct of the Regional Center Indemnified Parties or any of them.

16.2 The indemnity set forth in this section shall apply during the term of this Agreement and shall also survive the expiration or termination of this Agreement, until such time as action against the Regional Center Indemnified Parties on account of any matter covered by such indemnity is barred by the applicable statute of limitations. Moreover, this indemnity provision does not apply to any claim or action between the signatories of this Agreement for any alleged failure to fulfill obligations under this Agreement or for any alleged violation of any law, unless a claim or action for such a failure or violation is brought in the first instance by a person or entity not a signatory to this Agreement.

16.3 The CONTRACTOR will assume the defense, at its sole expense, and with legal counsel acceptable to CENTER, of any claims or litigation as to which it has an indemnification obligation hereunder; the CENTER shall cooperate with the CONTRACTOR and its counsel, in the defense of any such claims, provided, however, that any costs or expenses associated with such cooperation shall be reimbursed by the CONTRACTOR. If the CONTRACTOR fails to assume the defense of any claim or litigation as to which it has or is determined to have had the obligation to indemnify, the CENTER will have the right to assume its own defense, and the CONTRACTOR will be obligated to reimburse the CENTER for any and all reasonable expenses (including but not limited to attorneys' fees) incurred in the defense of such claims or litigation, in addition to CONTRACTOR's other indemnity obligations thereunder. The CONTRACTOR shall control the defense and settlement of any claim, provided, however, that if the CONTRACTOR fails to assume the defense of any claim or litigation as to which it has or is determined to have had the obligation to indemnify, the CENTER shall have such control.

## 17 AMENDMENTS AND WAIVERS

17.1 CONTRACT AMENDMENTS AND MODIFICATIONS. The parties to this Agreement may amend, extend, or otherwise modify the scope of services as described herein. However, any such modifications shall not be valid unless they are documented in writing, signed by all parties to this Agreement and remain subject to review and approval of the DDS in accordance with the provisions of Title 17, Section 58525 (Transportation Service Contract Amendments).

17.2 COMPLIANCE. Any amendment or modification of this Agreement shall comply with requirements of applicable Federal, State, and local statutes and regulations.

17.3 WAIVER; CUMULATIVE REMEDIES. The failure of a party to enforce any of its rights by reason of any breach of a covenant by the other party will not constitute a waiver of such breach. No custom or practice which may develop between the parties in the course of administering this Agreement will be construed to waive any party's right to insist upon the performance by the other party of any covenant in this Agreement. A waiver of a particular breach will not be deemed to be a waiver of the same or any other subsequent breach. The CENTER's remedies in this Agreement shall be cumulative and in addition to any other remedies in law or equity.

## 18 INDEPENDENT CONTRACTOR STATUS

In accordance with Title 17, Section 50607 (Regional Center Contracting Requirements), the CONTRACTOR agrees that the CONTRACTOR and any agents and employees retained by the CONTRACTOR in the provision of services pursuant to this Agreement, act in an independent capacity and are not acting as an officer, employee or agent of the CENTER or the State of California.

## 19 LIMITATION ON CONTRACTOR'S THIRD-PARTY COMMITMENTS

If during the term of this Agreement the CONTRACTOR is contemplating entering into other transportation service commitments, and such additional services have a reasonable likelihood of impacting the quality and timeliness of services described herein, the CONTRACTOR shall (i) advise the CENTER in writing and (ii) provide a plan to the CENTER for preserving the quality of services to the CENTER. CONTRACTOR shall not undertake any such commitment unless it has submitted such written plan to the CENTER.

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## 20 ATTORNEYS' FEES AND COSTS

If any legal action or proceeding is commenced by either party to enforce or interpret any provisions or rights under this Agreement, the unsuccessful party to such action or proceeding (as determined by the court in a final judgment or decree) shall pay the prevailing party its attorneys' fees and costs (including, without limitation, such costs, and fees on any appeal). If such prevailing party shall recover judgment in any such action or proceeding, such costs, expenses and attorney's fees shall be included as part of such judgment.

## 21 NOTICES

Except where oral notification is specifically provided for herein, all notices and information of any kind to be given by either party hereto to the other party shall be in writing and shall be deemed delivered (i) upon delivery, if delivered in person, or (ii) as of the next business day after mailing if delivered by a nationally recognized overnight delivery carrier (e.g., Federal Express) or (iii) three days after same is deposited in the United States Mail, first-class postage prepaid, addressed to the parties at the addresses set forth in Paragraph 1 above. Notices to the CENTER shall be addressed to the attention of the Director of Community Services and the Chief Financial Officer of the CENTER. Notices to the CONTRACTOR shall be addressed to the attention of **Walter Williams**.

## 22 FORCE MAJEURE, SERVICE REASSIGNMENTS AND RATIONING

22.1 All parties herein shall be excused from performance hereunder during the time and to the extent that each is prevented from performing by acts of God, strikes or commandeering of vehicles, materials, products, plants, or facilities by the government, when reasonable evidence thereof is presented to the other party.

22.2 The CENTER reserves the right to assign any areas covered by this Agreement to another contractor, either in whole or in part, whenever the CONTRACTOR is unable to perform due to strike of CONTRACTOR's employees or such other conditions as are specified in Paragraph 22.1 above. In such event, the assignment will cover the period in which the CONTRACTOR is unable to perform and will end when the CONTRACTOR has presented satisfactory evidence to the CENTER that the CONTRACTOR is again able to perform the work hereunder.

22.3 The CENTER shall bear the complete costs for any and all interim service assigned by the CENTER in accordance with Paragraph 22.2.

22.4 If the CONTRACTOR is unable to restore full services and perform the work hereunder within six (6) months of the condition of force majeure, then even though the CONTRACTOR is not in breach at such time, the CENTER shall then have the right and option to terminate this Agreement in accordance with the provisions in Section 13.2.

22.5 In the event of rationing of any product or commodity due to a local, regional, or national emergency, (1) the CONTRACTOR shall give the CENTER priority over all of the CONTRACTOR's other non-Regional Center accounts and (2) the CONTRACTOR shall not allocate any portion of its rationed allotment of gas or any other commodity to any other party without the express written approval of the CENTER. Since the services provided by the CONTRACTOR hereunder satisfy an important public policy, which is to preserve and protect the rights of individuals with developmental disabilities, the CENTER may specifically enforce its rights under this paragraph by injunctive relief, including a temporary restraining order, a preliminary injunction, and a permanent injunction, pending either the full restoration of the CONTRACTOR's services or the termination of this Agreement by the CENTER.

22.5.1 Should it become necessary by rationing to curtail the CONTRACTOR's services, either in whole or in part, it shall be the sole and exclusive right of the CENTER to direct the CONTRACTOR in the priority and methods of reducing services, including the elimination of routes, and rerouting of existing individuals served by the CENTER.

22.6 In the event the CONTRACTOR has an insufficient number of vehicles or Attendants to adequately discharge all of its responsibilities under this Agreement at any time, (1) the CONTRACTOR shall give the CENTER priority over all of the CONTRACTOR's other non-Regional Center accounts and (2) the CONTRACTOR shall not allocate any portion of its vehicles or Attendants to any other party without the express written approval of the CENTER. Since the services provided by the CONTRACTOR hereunder satisfy an important public policy, which is to preserve and protect the rights of individuals with developmental disabilities, the CENTER may specifically enforce its rights under this paragraph by injunctive relief, including a temporary restraining order, a preliminary injunction, and a permanent injunction, pending either the full restoration of the CONTRACTOR's services or the termination of this Agreement by the CENTER.

## 23 SUBCONTRACTING AND ASSIGNMENTS

23.1 In accordance with Title 17, Sections 58524(c)(4) (Transportation Service Contracts), CONTRACTOR shall not subcontract any part of the services to be provided pursuant to this Agreement without prior written approval of the CENTER which may be withheld in the CENTER's sole and absolute discretion. In addition, the CONTRACTOR shall not assign its rights in this Agreement. The transfer of 50 percent or more of the equity interest of the ownership of CONTRACTOR, either through one transaction or on a cumulative basis, shall be deemed an assignment.

23.2 All terms of this Agreement will be binding upon and ensure to the benefit of the parties and their respective administrators or executors, successors, and assigns. However, nothing in this paragraph shall be construed to modify Paragraph 23.1.

## 24 CONTRACT INTERPRETATION AND ENFORCEABILITY

24.1 SEVERABILITY. If any provision of this Agreement is held to be inoperative, unenforceable, or otherwise invalid, the remaining provisions hereof shall be carried into effect without regard to such inoperative, unenforceable, or otherwise invalid provision. If any provision is held to be inoperative, unenforceable, or otherwise invalid with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances.

24.2 INTERPRETATION. This Agreement shall not be interpreted against the drafter but shall be interpreted with the understanding that both parties have had input in the final draft of this Agreement.

24.3 SECTION HEADINGS, ETC. The section headings are not intended to define, limit, extend or interpret the scope of this Agreement or any particular paragraph. The masculine, feminine or neuter gender and the singular or plural number, shall each be deemed to include the others whenever the context so indicates.

24.4 EXECUTION BY AUTHORIZED INDIVIDUALS. This Agreement shall not be valid until it is signed by (1) the Director of Client Services and the Chief Financial Officer of the CENTER or his/her designee and (2) those officers or principals of the CONTRACTOR who, in the CENTER's reasonable judgment, have the authority to bind the CONTRACTOR to this Agreement.

## 25 ENTIRE AGREEMENT

25.1 This Agreement and Attachments constitute the entire agreement between the parties and contain all the terms and conditions agreed upon by the parties. No other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind either of the parties hereto.

25.2 This Agreement is valid and effective as of the day and year set forth in Section 4 of this Agreement, subject to any reviews and approvals by the DDS as referenced herein.

25.3 This Agreement must be signed by an officer of the CONTRACTOR: (1) an operational officer (i.e., president or vice president) or (2) a financial officer: (i.e., CFO, treasurer, or secretary) AND the Executive Director and Director of Community Services of the CENTER or his/her designee.

26 AUTHORIZED REPRESENTATIVES; COUNTERPARTS; DELIVERY Each party represents that the party signing below is an authorized representative of such party and has the authority to bind such party to this Agreement. Signed copies of this Agreement delivered and received by electronic platforms, facsimile and/or as a PDF attachment to an email shall be deemed the same as originals.



Executed in Stockton, California, as of the first date written above.

VALLEY MOUNTAIN REGIONAL  
CENTER, a California Not-For-Profit  
Corporation

A&E TRANSPORTATION LLC,  
a California Limited Liability Corporation

By: \_\_\_\_\_  
Anthony (Tony) Anderson  
Executive Director

By: \_\_\_\_\_  
Walter Williams  
Owner/President

By: \_\_\_\_\_  
Brian L. Bennett  
Director of Community Services

Address:  
P.O. Box 692290  
Stockton, CA 95269-2290

Address:  
104 Julia Island Circle,  
Sacramento, CA 95834

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## ATTACHMENT 1 – ROLE OF R&D TRANSPORTATION SERVICES, INC.

Pursuant to California Code of Regulations Title 17 CCR Section 54342, subsection (a), (83), (A), as a Transportation Broker, R&D Transportation Services, Inc., (hereinafter R&D) is not the direct transportation service provider. Therefore, the following identifies the role of R&D as the Broker for the CENTER.

1.1 ROLE OF R&D TRANSPORTATION SERVICES, INC. The CENTER contracts with R&D (BROKER) to provide the following services:

### 1.1.1 ROUTE DESIGN AND SCHEDULING:

- a. Preparation of routes and schedules for the provision of services by specified transportation service providers as required by, and subject to the prior approval of CENTER.
- b. Provide liaison services between the CENTER, the CENTER's transportation service providers, individuals served by the CENTER, families, and day programs in the provision of Transportation Brokerage Services. Liaison services include, but are not limited to, contacts with the CENTER's Management and Service Coordination staff, transportation vendor personnel, program personnel, individuals served, and parents or other authorized representatives of persons served by the CENTER as necessary for the safe and efficient provision of services and the resolution of problems.

### 1.1.2 CUSTOMER SERVICE:

- a. Provide availability of services from 6:00 AM to 6:00 PM (all transportation service vehicle operation hours), Monday through Friday and according to the CENTER's holiday schedule.
- b. Provide after hours and emergency on-call services.
- c. Provide bi-lingual speaking (English/Spanish) customer service representatives between 6:00 AM and 6:00 PM, Monday through Friday including AT&T's Language Line Interpretation Service.

### 1.1.3 VENDOR CONTRACTS ADMINISTRATION:

- a. The BROKER is responsible for negotiating service provider rates and Service Agreements in accordance with Title 17 California Code of Regulations. The CENTER is solely responsible for approving service provider rates and Service Agreement negotiated by the BROKER.

[NO FURTHER TEXT ON THIS PAGE]

1.1.4 QUALITY ASSURANCE:

- a. Ensure ride times do not exceed the established ride time as approved by the CENTER (unless waived by the CENTER on a per route basis).
- b. Ensure transportation vendors maintain on-time performance.
- c. Perform regular vendor audits to ensure vehicles are safe, well maintained and bus drivers and attendants (or other personnel as applicable) are appropriately screened, hired, and trained.
- d. Perform vendor compliance workshops to ensure vendors align with contractual service requirements. The subject of vendor compliance workshops, include but are not limited to the following:
  - i. The Lanterman Act – Individual Rights & Responsibilities;
  - ii. Special Incident Reporting pursuant to Title 17 Regulations;
  - iii. Driver/Attendant/Dispatch Guidelines for Transportation Services;
  - iv. Person-Centered Practices and Cultural Considerations;
  - v. State or DDS directives for transportation vendors.
- e. Ensure vendors meet all contractual requirements, including insurance.

1.1.5 VENDOR BILLING RECONCILIATION:

- a. Responsible for the accounting of individual transportation purchases. Such services shall include, but not be limited to preparing authorizations, verifying the accuracy of invoices, and reconciling records. The CENTER is solely responsible for authorizing transportation services provided to individuals served.
- b. Responsible to communicate with service providers to resolve any invoice related discrepancies.
- c. At the discretion of the CENTER, BROKER will review and verify corresponding documentation requested from service providers, to support their transportation invoice submissions.

[NO FURTHER TEXT ON THIS PAGE]

## ATTACHMENT 2 – PAYMENT AGREEMENT

The following is an agreement between the VALLEY MOUNTAIN REGIONAL CENTER and the following provider of services:

### **A&E TRANSPORTATION LLC**

In reference to the level of payment for the following service:

Name of Service: Specialized transportation for individuals served by the CENTER

Vendor Number: **HV0655**

Service Code: 875 – Commercial Transportation/Transportation Aide

Term Period: **February 1, 2022** through **June 30, 2026**

1. The provider agrees to accept the following rate(s) of payment for the service above:

VENDOR #	SERVICE CODE	RATE	UNIT	MODALITY
HV0655	875	\$ 42.84	Hourly	Hourly – Group Vehicle Service Hour
	875	\$ 15.84	Per Trip	Daily – Per One Way Trip
	875	\$ 2.32	Mileage	Mileage – Group Per Live Route Mile
	875	\$ 15.16	Hourly	Hourly – Aide Services

## 2. COMPENSATION

2.1 CONTRACTOR agrees that any rate(s) specified on a CENTER Authorization Draft, Purchase Order, and/or Provider of Care Claim Form which is not consistent with those identified in Section 1 are not binding unless the Authorization Draft is signed by the Chief Financial Officer or designee. Approval of payment of a rate other than that which is specified in this Agreement is restricted to the individual Authorization Draft and/or Purchase Order signed by the Chief Financial Officer or designee.

2.2 If the method for determining the units of service is something other than a straight monthly or hourly amount per individual the methodology must be described. If more than one code/sub-code is used, provide each code/subcode, unit type, and describe a billable unit. [17 CCR §506909(a)(4)]

2.2.1 The parties agree that the rates of payment specified above are made with reference to delivery of one unit of service defined as follows:

- a. **Vehicle Service Hour** is defined as those in which persons authorized for transportation services are physically being transported by CONTRACTOR, per vehicle as specified in Section 1 of this Attachment.
- b. **Live Route Mile** is defined as those miles in which authorized persons served are physically being transported by CONTRACTOR.
- c. **Per Individual Per Trip** is defined as each trip in which persons authorized for transportation services are physically being transported by the CONTRACTOR, per trip as specified in Section 1 of this Attachment.

2.3 Such payment to CONTRACTOR may be reduced for a period of time in which CONTRACTOR is not meeting the minimum requirements for service as specified in Title 17 California Code of Regulations. Any reduction shall be based on substantiated evidence by the CENTER that the CONTRACTOR does not meet such requirements as outlined in Section 5.2 of the Agreement.

2.4 TRANSPORTATION OF OUT-OF-AREA INDIVIDUALS. CONTRACTOR agrees to give priority to individuals served by the CENTER. The CONTRACTOR may transport individuals within the CENTER's service area who may not be individuals served by the CENTER (the "Out-of-Area Individual(s)"), subject to CENTER approval. CONTRACTOR shall provide a written request for all Out-of-Area Individual(s) to the CENTER via its BROKER. The CENTER is not responsible for the cost of transportation services provided by the CONTRACTOR to the Out-of-Area Individual(s). Therefore, CONTRACTOR will (1) provide transportation services to all Out-of-Area Individual(s) as scheduled by the BROKER, (2) directly bill the other Regional Centers or entities responsible for payments for Out-of-Area Individual(s) transported by CONTRACTOR (the "Other Payors") and (3) arrange with CENTER's BROKER for separate collection of payments for such services from the Other Payors. The BROKER will coordinate with the other Payors regarding the cost allocation for the Out-of-Area Individual(s) to determine the amount the CONTRACTOR will bill to the other Payors for transportation services to Out-of-Area individual(s). The BROKER will, on request, assist by providing a cost analysis for specific Out-of-Area Individual(s), based on overall average cost per individual, estimated with a maximum of twenty-three (23) service days per month multiplied by the number of Out-of-Area Individual(s) the CONTRACTOR transports in a given month.

2.5 PAYMENT AGREEMENT. Rate Renegotiation Option. Due to rate freeze legislation implemented by the California Legislature and Department of Developmental Services (DDS), the rates stated herein do not increase during the term of this Agreement. However, if the Legislature and/or DDS implement new legislation which allows for rate increases, then, upon CONTRACTOR's request, the CENTER agrees to review any subsequent rate increase proposal in good faith which is submitted in compliance with State law and regulations in effect at such time.

2.6 The maximum amount which can be paid under this Agreement is \$118,600.00 (one Hundred and eighteen Thousand, six Hundred dollars) for Fiscal Year 2021/2022, \$280,000.00 (two Hundred and eighty Thousand dollars) for Fiscal Year 2022/2023, \$280,000.00 (two Hundred and eighty Thousand dollars) for Fiscal Year 2023/2024, \$280,000.00 (two Hundred and eighty Thousand dollars) for Fiscal Year 2024/2025 and \$280,000.00 (two Hundred and eighty Thousand dollars) for Fiscal Year 2025/2026.

**Commented [AD1]:** This was less than the projection that was signed (via the R&D Rate Analysis). This is because the original projection was if the contract was executed in December 2021 and now has a new start date of 2/1/2022.

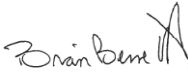
Signed:

VALLEY MOUNTAIN REGIONAL  
CENTER, a California Not-For-Profit  
Corporation

A&E TRANSPORTATION LLC,  
a California Limited Liability Corporation

By: \_\_\_\_\_  
Anthony (Tony) Anderson  
Executive Director

By: \_\_\_\_\_  
Walter Williams  
Owner/President

By:   
\_\_\_\_\_  
Brian L. Bennett  
Director of Community Services

Address:  
104 Julia Island Circle,  
Sacramento, CA 95834

Address:  
P.O. Box 692290  
Stockton, CA 95269-2290

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### ATTACHMENT 3 – CONTAGIOUS VIRUS RESPONSE PLAN

1. The CONTRACTOR is responsible to produce a comprehensive Contagious Virus Response Plan (CVRP) within thirty (30) days of vendorization or at the start of the current Service Agreement term, for review by the CENTER via its BROKER. The CVRP must address health and safety protocols to support safe and reliable transportation, reporting and communication plan, to address service needs for individuals served by the CENTER. The CVRP should include but not limited to, recommendations from the Centers for Disease Control (CDC), federal, state, and public health organizations in reference to infectious diseases protocols.

#### 1.1 OPERATIONAL CONTROLS:

- a. General Manager or designee responsible for plan implementation;
- b. CONTRACTOR's plan for vehicle modification and/or seat reconfiguration to align with public health directives for physical distancing;
- c. CONTRACTOR's identification of alert phases that trigger specific action;
- d. CONTRACTOR's plan to maintain adequate active and standby workforce.

#### 1.2 ADMINISTRATIVE CONTROLS:

- a. CONTRACTOR's communication protocols to support effective internal and external communication to meet the service needs of passengers;
- b. CONTRACTOR's screening protocols to ensure staff is fit-for-duty;
- c. CONTRACTOR's comprehensive personnel training and education;
- d. CONTRACTOR's reporting procedures.

#### 1.3 PERSONAL PROTECTIVE EQUIPMENT (PPE):

- a. Protocol to acquire and maintain Personal Protective Equipment (PPE) necessary to support safe and effective transport and staff care.
- b. CONTRACTOR's protocol for staff training regarding proper use of PPE.

#### 1.4 ONBOARD SAFETY MEASURES:

- a. CONTRACTOR's pre-boarding screening protocols for passengers;
- b. CONTRACTOR's plan to equip transit vehicles and offices with proper sanitation products and provide personal hand sanitizer to all staff and passengers.



1.5 CLEANING AND DISINFECTING PROTOCOLS:

- a. CONTRACTOR's plan to perform routine cleaning and disinfection of all frequently touched surfaces;
- b. CONTRACTOR's plan to perform thorough cleaning on all high traffic areas;
- c. CONTRACTOR's plan to perform cleaning of all areas of the transit vehicles between shifts or uses whichever is more frequent.

1.6 SOCIAL DISTANCING:

- a. CONTRACTOR's policy and procedure to mitigate or prevent contamination;
- b. CONTRACTOR's plan to create separation between passengers as necessary to promote public safety;
- c. CONTRACTOR's plan to restructure or reevaluate service needs as determined by public health agencies and the CENTER.

1.7 VEHICLE VENTILATION:

- a. CONTRACTOR's plan to control heating, ventilation, and air conditioning to reduce the spread of contamination;
- b. Consider upgrades to improve air filtration and ventilation.

2. REPORTING. CONTRACTOR is responsible to maintain a policy with procedures that align with the most current DDS directives and in accordance with the California Code of Regulations Title 17 Section 54327. The policy must include, but not limited to, the following:

- a. Maintain a mechanism to track and report incidents or cases of exposure;
- b. Reporting process to the CENTER via its BROKER;
- c. Internal process to disinfect and minimize the spread;
- d. Communication to staff and/or individuals served regarding possible exposure;
- e. Action plan to address possible cases of exposure;
- f. Return to service plan.

[NO FURTHER TEXT ON THIS PAGE]

3. COMMUNICATION. CONTRACTOR shall provide a Communication Plan to represent the protocols that will be implemented by the agency to promote health and safety. The plan must include a process to effectively communicate with the following stakeholders and as determined by public health organizations:

- a. The CENTER via its BROKER
- b. Persons served (passengers)
- c. Family/residential services staff
- d. Day Programs

4. BUSINESS CONTINUITY PLAN. As a CONTRACTOR of the CENTER that provides services and supports for individuals with developmental disabilities, the CONTRACTOR will be expected to operate transportation services for essential activities and other purposes, expressly authorized under a State of Emergency Order. Therefore, the CONTRACTOR must be prepared to respond to changes in service needs and design, accommodate fluctuations in ridership and maintain adequate staff for business continuity purposes. The CONTRACTOR is responsible to establish and provide comprehensive safety protocols with reasonable accommodations, should an individual served (passenger) exhibit symptoms of an infectious disease, while also safeguarding staff and other passengers.

5. ADHERENCE TO PUBLIC HEALTH GUIDELINES. The CONTRACTOR is required to regularly monitor and review all DDS directives to ensure that transportation services align with the most current guidelines. Additionally, CONTRACTOR must monitor and review recommendations and guidelines from federal, state, and local public health organizations and adopt the most effective safety protocols to prevent the spread of infectious disease.

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ATTACHMENT 4 – REFERENCES/TITLE 17

AGENCY: [A&E TRANSPORTATION LLC](#)

VENDOR NUMBER: [HV0655](#)

SERVICE CODE: 875 – Commercial Transportation/Transportation Aide

TERM: [February 1, 2022](#), through June 30, [2026](#)

1. TITLE 17 - Div. 2, Chap. 3, Subchapter 2 (Vendorization), Section 54326 (General Requirements for Vendors and Regional Centers) and Section 54327 (Requirements for Special Incident Reporting by Vendors).
2. TITLE 17 - Div. 2, Chap. 1, Subchapter 6 (Service Provider Accountability), Sections 50601-50612.
3. TITLE 17 - Div. 2, Chap 1, Subchapter 7 (Fiscal Audit Appeals), Sections 50700 - 50767.
4. TITLE 17 - Div. 2, Chap. 3, Subchapter 18 (Transportation Service), Sections 58500 - 58525.

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