

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Request for Proposals (RFP)

For Account-Based Fare Collection System

Santa Cruz METRO RFP No. 23-16

Date Issued: June 30, 2023

Proposal Deadline: July 25, 2023 by 5:00 p.m. PDT

Formal Questions accepted until **July 13, 2023 by 5:00 p.m. PDT**

Download RFP documents and submit proposals at:

<https://scmtd.bonfirehub.com>



Contents of this RFP

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PART I

INSTRUCTIONS TO PROPOSERS

1. **GENERAL:** These instructions form a part of the contract documents and shall have the same force as any other portion of the contract. Failure to comply may subject the proposal to immediate rejection.
2. **PROPOSER RESPONSIBILITY:** Santa Cruz Metropolitan Transit District (“Santa Cruz METRO”) has made every attempt to provide all information needed by Proposers for a thorough understanding of project terms, conditions, and requirements. It is expressly understood that it is the responsibility of Proposers to examine and evaluate the work required under this RFP and the terms and conditions under which the work is performed. By submitting a proposal, Proposer represents that it has investigated and agrees to all terms and conditions of this RFP.
3. **SUBMISSION OF PROPOSALS TO SANTA CRUZ METRO:** Proposals must be submitted by upload to the Procurement Portal at <https://scmt.d.bonfirehub.com> prior to **5:00 p.m. on July 25, 2023**. Hard copy submissions will NOT be accepted. Hard copies received will be returned (unopened) to Proposers without consideration.

Any contract or purchase order entered into as a result of this RFP shall incorporate the RFP and the proposal submitted by successful Proposer. In the event of conflict between the proposal and any other contract document, the other contract document shall prevail unless specified otherwise by Santa Cruz METRO.

4. **LATE PROPOSALS:** Proposals received after the date and time indicated herein shall not be accepted and shall not be opened. Requests for extensions of the proposal closing date or time will not be granted.
5. **PARTIAL PROPOSALS:** No partial proposals shall be accepted.
6. **WITHDRAWAL OR MODIFICATION OF PROPOSALS:** Proposals may not be modified after the time and date proposals are opened. Proposals may be withdrawn by Proposer at any time **before** proposal opening via Santa Cruz METRO’s Procurement Portal.

For instructions on how to modify or withdraw a submitted proposal, please refer to the Bonfire article “Can I revise my submission?” here:

<https://vendorsupport.gobonfire.com/hc/en-us/articles/6848514343447-Can-I-revise-my-submission->

7. **QUESTIONS OR CHANGES TO THE RFP RECOMMENDED BY PROPOSERS:** All questions and requests for clarification or modification of the RFP should be submitted via the Procurement Portal by clicking on the “Opportunity Q&A” tab of the solicitation, in the “Messages” section. Note the deadline for Formal Questions listed on the front of the RFP document and in the solicitation timeline. For changes recommended to the RFP, Proposers are required to provide the value of each proposed modification and a brief explanation as to why the change is requested. Value shall be defined as the cost or savings to Santa Cruz METRO and the advantage to Santa Cruz METRO of the proposed change.

Proposers will not be able to submit questions via the Procurement Portal after the deadline for formal questions has passed. General inquiries following the deadline can be emailed to Joan Jeffries,

Purchasing Manager, at jjeffries@scmtd.com, faxed to (831) 469-1958, or mailed to 110 Vernon Street, Santa Cruz, CA 95060.

8. **ADDENDA:** Responses to formal questions and requests for clarification or modification of this RFP shall only be by written Addenda issued by Santa Cruz METRO's Purchasing Department and posted to the Procurement Portal. Verbal instructions, interpretations, and changes shall not serve as official expressions of Santa Cruz METRO, and shall not be binding. All cost adjustments or other changes resulting from said Addenda shall be taken into consideration by Proposers and included in their proposals.
9. **PROPOSER'S PROPOSAL TO METRO:** Proposers are expected to thoroughly examine the scope of work (Part III Specifications) and terms and conditions of the RFP. Proposers' terms, conditions, and prices shall constitute a firm offer to Santa Cruz METRO that cannot be withdrawn by the Proposer for one hundred twenty (120) calendar days after the closing date for proposals, unless a longer time period is specified by Santa Cruz METRO in the RFP. Any exceptions or deviations to the terms and conditions set forth in this RFP must be provided in writing and submitted with Proposer's proposal. Failure to provide such exceptions or deviations to these contractual terms with the submitted proposal shall constitute a waiver of the Proposer's right to negotiate these terms.
10. **SINGLE PROPOSER RESPONSIBILITY:** Single Proposer responsibility is required under this RFP, unless specifically stated otherwise in the Specifications Section. Each Proposer responding to this RFP must respond to all professional services and provide all materials, equipment, supplies, transportation, freight, special services, and other work described or otherwise required herein.
11. **EXPERIENCE AND QUALIFICATIONS:** Proposer may be required upon request of Santa Cruz METRO to substantiate that Proposer and its proposed subcontractors have the skill, experience, licenses, necessary facilities, and financial resources to perform the contract in a satisfactory manner and within the required time.
12. **SUBCONTRACTING:** The requirement for single-point responsibility does not prohibit subcontracts or joint ventures provided that the single successful Proposer assumes the following responsibilities: (1) serves as the sole general contractor with Santa Cruz METRO; (2) assumes full responsibility for the performance of all its subcontractors, joint venturers, and other agents; (3) provides the sole point of contact for all activities through a single individual designated as project manager; (4) submits information with its proposal documenting the financial standing and business history of each subcontractor or joint venturer; and (5) submits copies of all subcontracts and other agreements proposed to document such arrangement.

Without limiting the foregoing, any such legal documents submitted under item "5" above must (a) make Santa Cruz METRO a third-party beneficiary thereunder; (b) grant to Santa Cruz METRO the right to receive notice of and cure any default by the successful Proposer under the document; and (c) pass through to Santa Cruz METRO any and all warranties and indemnities provided or offered by the subcontractor or similar party.
13. **EVALUATION CRITERIA AND AWARD OF CONTRACT:** The award of the contract will be made to the responsible Proposer whose proposal is most advantageous to Santa Cruz METRO. When evaluating price proposals for multi-year contracts, Santa Cruz METRO will evaluate offers for purposes of award by adding the total price for all option years to the total price for the base period. Evaluation of options will not obligate Santa Cruz METRO to exercise the option(s). Specific evaluation criteria are identified in the Specifications section of the RFP.
14. **SANTA CRUZ METRO'S PREROGATIVE:** Santa Cruz METRO reserves the right to contract with any single firm or joint venture responding to this RFP (without performing interviews), based solely

upon its evaluation and judgment of the firm or joint venture in accordance with the evaluation criteria. This RFP does not commit Santa Cruz METRO to negotiate a contract, nor does it obligate Santa Cruz METRO to pay for any costs incurred in preparation and submission of proposals or in submission of a contract.

Santa Cruz METRO reserves and holds at its discretion the following rights and options in addition to any others provided by the Public Utilities Code, Section 98000 and the Public Contract Code: (1) to reject any or all of the proposals; (2) to issue subsequent requests for proposals; (3) to elect to cancel the entire request for proposals; (4) to waive minor informalities and irregularities in proposals received; (5) to enter into a contract with any combination of one or more prime contractors, subcontractors, or service providers; (6) to approve or disapprove the use of proposed subcontractors and substitute subcontractors; (7) to negotiate with any, all, or none of the respondents to the RFP.

15. EXECUTION OF CONTRACT: The Contract shall be provided by Santa Cruz METRO in substantially the same form as provided in Part V and shall be executed by the successful Proposer upon receipt of the Notice of Intent to Award. Successful Proposer shall submit the required insurance certificate(s) (and required bonds, if any) no later than ten (10) days after receipt of the Notice of Award. Successful Proposer's execution of the Contract and delivery of the insurance certificate(s) specified in the RFP is a condition precedent to the finalization of the Contract. In no event shall the successful Proposer commence work until it has received the final signed Contract and notification from Santa Cruz METRO that the required insurance certificate(s) (and bonds, if any) have been approved.

16. DISADVANTAGED BUSINESS ENTERPRISES: The Board of Directors of Santa Cruz METRO has adopted a Disadvantaged Business Enterprise Policy to promote the participation of disadvantaged business enterprises (DBE) in all areas of Santa Cruz METRO contracting to the maximum extent practicable. Consistent with the DBE Policy, the successful Proposer selected for this project shall take all reasonable steps to ensure that DBE firms have the maximum practicable opportunity to participate in the performance of this project and any subcontracting opportunities thereof.

Proposer is encouraged to utilize a DBE financial institution when doing business with Santa Cruz METRO. The State of California, Department of General Services maintains a directory of financial institutions owned and controlled by DBEs at <https://www.dgs.ca.gov/>. The directory can be queried to locate DBE financial institutions from the "Services" section of the site.

17. NONDISCRIMINATION: Santa Cruz METRO will not discriminate with regard to race, color, creed, ancestry, national origin, religion, sex, sexual preference, marital status, age, medical condition or disability in the consideration for award of contract.

18. LEVINE ACT: The Levine Act (Government Code 84308) is part of the California Political Reform Act of 1974. The Levine Act prohibits any Santa Cruz METRO Board Member from participating in or influencing the decision on awarding a contract with Santa Cruz METRO to anyone who has contributed \$250.00 or more to the Board Member within the previous twelve months. The Levine Act also requires a member of the Santa Cruz METRO Board who has received such a contribution to disclose the contribution on the record of the proceeding. In addition, Santa Cruz METRO Board Members are prohibited from soliciting or accepting a contribution from a party applying for a contract while the matter of awarding the contract is pending before Santa Cruz METRO or for twelve months following the date a final decision concerning the contract has been made. Proposer must complete and submit with their proposal the California Levine Act Statement.

19. PUBLIC RECORDS ACT: The California Public Records Act (CPRA) (Government Code Sections 7920.000 et seq.) mandates public access to public records not exempt from disclosure under the CPRA. Therefore, unless the information is exempt from disclosure by law, the content of the

proposal, as well as any other written communication between Santa Cruz METRO and a Proposer, is a public record that must be made available to the public upon request.

A. Confidentiality Index and Waiver of Claims

If the Proposer believes its proposal, any other communications with Santa Cruz METRO, or any other documents or materials of any kind provided to Santa Cruz METRO to supplement or explain its proposal, or in response to any Santa Cruz METRO inquiry or request in connection with this RFP (“supplemental materials”), contains information exempt from disclosure under the CPRA, including trade secrets or other proprietary information that the Proposer believes would cause substantial injury to the Proposer’s competitive position if disclosed, the Proposer must request that Santa Cruz METRO withhold from disclosure the exempt information by submitting:

1. An unredacted copy of the proposal, communication and/or supplemental materials marking each page containing such exempt information as confidential; and
2. A redacted copy of the proposal, communication and/or supplemental materials that redacts the purportedly exempt information; and
3. A “confidentiality index” that complies with the following requirements:
 - i. For proposals, the confidentiality index must include: (i) the section and page number of the proposal where the information exempt from disclosure is located; and (ii) an explanation of why the information is exempt from disclosure under the CPRA.
 - ii. For communications and supplemental materials, the confidentiality index must include: (i) the section and page number of the communication or supplemental document where the information exempt from disclosure is located, as appropriate; and (ii) an explanation of why the information is exempt from disclosure under the CPRA.

By submitting a Proposal, communication, or supplemental material, Proposer:

1. Consents to the release of the redacted version of the proposal, communication, or supplemental material; and
2. Consents to the release of any portion of its proposal, communication, or supplemental material not included in the confidentiality index; and
3. Waives all claims against Santa Cruz METRO, its directors, officers, employees and agents, for the disclosure of such information.

If the Proposer does not include an unredacted copy, redacted copy, and confidentiality index with its proposal, communication, or supplemental material in accordance with the requirements of this section, Santa Cruz METRO will have no obligation to withhold any information in the proposal, communication, or supplemental material from disclosure and may release the proposal, communication, or supplemental material without liability to Santa Cruz METRO.

A Proposer may not designate its entire proposal or major portions of its proposal as confidential. A Proposer may not designate Santa Cruz METRO forms as confidential. Santa Cruz METRO will not honor such designations, and will disclose submittals so designated to the public.

- B.** Upon receipt of a request pursuant to the CPRA seeking a proposal, supplemental material, or communications relating to this RFP, Santa Cruz METRO may provide the redacted version of

the requested record or may withhold information designated in the confidentiality index that is exempt from disclosure. If Santa Cruz METRO determines that information in the confidentiality index is not exempt from disclosure, Santa Cruz METRO will give reasonable notice to the Proposer prior to releasing any material listed in the confidentiality index. In the event of conflicts between the redacted version of a record, the confidentiality index, and confidentiality designations in the body of the record, the redacted version of the record prevails.

C. Confidentiality Indemnity.

By submitting a proposal, communication, or supplemental material, the Proposer agrees to indemnify, defend, and hold harmless Santa Cruz METRO, its directors, officers, employees and agents, from any and against all damages (including but not limited to attorneys' fees that may be awarded to the party requesting the proposer information), and pay any and all cost and expenses, including attorneys' fees, related to the withholding of the information included in the confidentiality index or in the redacted version of the proposal, communication, or supplemental material. If Proposer fails to accept a tender of a defense, Santa Cruz METRO reserves the right to resolve all claims at its sole discretion, without limiting any rights stated herein.

20. PROTEST PROCEDURES:

It is the policy of Santa Cruz METRO that it is responsible for resolving all Pre-Proposal and Pre-Award Procurement Protest disputes using good administrative practices and sound business judgment. It is Santa Cruz METRO's intention that its procurement process provides for fair and open competition in compliance with federal and state laws and Santa Cruz METRO policies.

Santa Cruz METRO has established a Solicitation Protest Policy so that all procurement protests/disputes are filed, processed and resolved in a manner consistent with the requirements of the Federal Transit Administration (FTA) Circular (4220.1F) Third Party Contracting Guidance, revision 4, dated March 18, 2013. The FTA Circular and Santa Cruz METRO's Protest Policy are on file at Santa Cruz METRO's Administrative Offices, 110 Vernon Street, Santa Cruz, California 95060, and available upon request. The Protest Policy is also available online at:

http://scmtd.com/images/departments/procurement/Solicitation_Protest_Policy_Rev_6.25.2021.pdf

21. COVID-19 SAFETY REGULATIONS

The Contractor must comply with all applicable laws and regulations, including, without limitation, federal, state and local executive orders, and county health officer orders, regarding public health conditions related to the COVID-19 health emergency ("COVID-19 Orders").

Contractor is responsible for monitoring updates to the Santa Cruz County Health Orders related to COVID-19. Contractor is also obligated to comply with any face covering orders issued by the Santa Cruz Health Department.

22. RFP/CONTRACT SCHEDULE

The anticipated schedule of activities related to this RFP is as follows:

Event	Date	Time
Request for Proposals Issued	Friday, June 30, 2023	
Formal Questions Deadline	Thursday, July 13, 2023	5:00 p.m.
Final Addendum Issued By	Tuesday, July 18, 2023	
Proposal Submittal Deadline	Tuesday, July 25, 2023	5:00 p.m.
Oral Presentations (if necessary)	TBD	
Notice of Intent to Award	August 18, 2023	
Board Approval of Contract	August 25, 2023	
Contract Start Date	TBD	

***ADDITIONAL INSTRUCTIONS TO PROPOSERS ARE SET FORTH IN
OTHER SECTIONS OF THIS REQUEST FOR PROPOSALS***

PART II - FORMS

GENERAL INFORMATION FORM

ACCOUNT-BASED FARE COLLECTION SYSTEM

RFP No. 23-16

Legal Name of Firm

Date

Firm's Address

Telephone Number

FAX Number

Email Address

DUN Number

Type of Organization (Partnership, Corporation, etc.)

Tax ID Number

Age of Firm

Annual Gross Receipts:

< \$500,000

\$500,000 - \$10,000,000

\$10,000,000 - \$22,000,000

> \$22,000,000

Proposer understands and agrees that, by his/her signature, if awarded the contract for the project, he/she is entering into a contract with Santa Cruz METRO that incorporates the terms and conditions of the entire Request for Proposals package, including the General Conditions section of the Request for Proposals. Proposer understands that this proposal constitutes a firm offer to Santa Cruz METRO that cannot be withdrawn for one hundred and twenty (120) calendar days from the date of the deadline for receipt of proposals. If awarded the contract, Proposer agrees to deliver to Santa Cruz METRO the required insurance certificates within ten (10) calendar days of the Notice of Award.

Signature of Authorized Principal

Name of Principal-in-Charge and Title

Name of Project Manager and Title

Name, Title, Email Address and Phone Number of Person to whom Correspondence should be Directed

Address Where Correspondence should be Sent

Areas of Responsibility of Proposer

PROPOSED SUBCONTRACTOR INFORMATION FORM

Name of Firm	Business Address	Nature of Work	Age of Firm	Annual Gross Receipts	DBE?
				< \$500,000 \$500,000 - \$10,000,000 \$10,000,000 - \$22,000,000 > \$22,000,000	
				< \$500,000 \$500,000 - \$10,000,000 \$10,000,000 - \$22,000,000 > \$22,000,000	
				< \$500,000 \$500,000 - \$10,000,000 \$10,000,000 - \$22,000,000 > \$22,000,000	
				< \$500,000 \$500,000 - \$10,000,000 \$10,000,000 - \$22,000,000 > \$22,000,000	
				< \$500,000 \$500,000 - \$10,000,000 \$10,000,000 - \$22,000,000 > \$22,000,000	
				< \$500,000 \$500,000 - \$10,000,000 \$10,000,000 - \$22,000,000 > \$22,000,000	

Please use additional sheets if needed

**CERTIFICATION OF PROPOSER REGARDING DEBARMENT, SUSPENSION AND
OTHER INELIGIBILITY AND VOLUNTARY EXCLUSION**

(Proposer) _____ certifies to the best of its knowledge and belief that it and its principals:

Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency;

Have not within a three year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;

Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and

Have not within a three year period preceding this proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

If the Proposer is unable to certify to any of the statements in this certification, it shall attach an explanation to this certification.

(Proposer) _____ CERTIFIES OR AFFIRMS THE TRUTHFULNESS AND ACCURACY OF THE CONTENTS OF THE STATEMENTS SUBMITTED ON OR WITH THIS CERTIFICATION AND UNDERSTANDS THAT THE PROVISIONS OF 31 U.S.C. SECTIONS 3801 ET. SEQ. ARE APPLICABLE THERETO.

Signature and Title of Authorized Official

CALIFORNIA LEVINE ACT STATEMENT

California Government Code Section 84308 (commonly referred to as the “Levine Act”) prohibits any Santa Cruz METRO Board Member from participating in any action related to a contract, if they receive any political contributions totaling more than \$250 from the person or company awarded the contract within the previous twelve months, and for twelve months following the date a final decision concerning the contract has been made. The Levine Act also requires a member of the Santa Cruz METRO Board who has received such a contribution to disclose the contribution on the record of the proceeding.

Proposers also are required to disclose such contributions, if any; and are responsible for accessing the links below to review the names of Board Members prior to answering the below questions:

Santa Cruz METRO Board Members: <http://www.scmtd.com/en/agency-info/board/introducing-the-board>

Have you or your company, or any agent on behalf of you or your company, made any political contributions of more than \$250 to any Santa Cruz METRO Board Member in the 12 months preceding the date of the submission of your proposal(s) or the anticipated date of any Board action related to this contract?

☐ YES ☐ NO. If yes, please identify the Board Member(s):

Do you or your company, or any agency on behalf of you or your company, anticipate or plan to make any political contribution of more than \$250 to any Santa Cruz METRO Board Member in the 12 months following any Board action related to this contract?

☐ YES ☐ NO. If yes, please identify the Board Member(s):

Answering yes to either of the two questions above does not preclude Santa Cruz METRO from awarding a contract to your firm or taking any subsequent action related to the contract. It does, however, preclude the identified Board Member(s) from participating in any actions related to this solicitation and resulting contract(s).

DBE PARTICIPATION INFORMATION FORM

PROPOSER'S NAME _____

PROPOSER'S ADDRESS _____

CERT. NO. _____

COUNTY _____

AGENCY _____

CONTRACT NO. _____

PROPOSAL AMOUNT \$ _____

PROPOSAL OPENING DATE _____

DATE OF DBE CERTIFICATION _____

CONTRACT ITEM NO.	ITEM OF WORK AND DESCRIPTION OF WORK OR SERVICES TO BE SUBCONTRACTED OR MATERIALS TO BE PROVIDED *	CERTIFICATION FILE NUMBER	NAME OF DBE	DOLLAR AMOUNT DBE ***	PERCENT DBE
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TOTAL CLAIMED DBE
PARTICIPATION _____ %

SIGNATURE OF PROPOSER _____

DATE _____

AREA CODE/TELEPHONE _____

If 100% of item is not to be performed or furnished by DBE, describe exact portion, including plan location of work to be performed, of item to be performed or furnished by DBE.

* DBEs must be certified on the date proposals are opened.

** Credit for a DBE supplier who is not a manufacturer is limited to 60% of the amount paid to the supplier.

REFERENCES FORM

ACCOUNT-BASED FARE COLLECTION SYSTEM RFP NO. 23-16

1.	Agency/Company	_____
	Address	_____
	Phone & Email:	_____
	Contact Person	_____
2.	Agency/Company	_____
	Address	_____
	Phone & Email:	_____
	Contact Person	_____
3.	Agency/Company	_____
	Address	_____
	Phone & Email:	_____
	Contact Person	_____
4.	Agency/Company	_____
	Address	_____
	Phone & Email:	_____
	Contact Person	_____
5.	Agency/Company	_____
	Address	_____
	Phone & Email:	_____
	Contact Person	_____

The references listed above will be current contacts responsible for purchasing or the end user of the work proposed.

PROPOSER'S NAME: _____

FAILURE TO SUBMIT THIS FORM MAY BE CAUSE FOR PROPOSAL REJECTION

**EXCEPTIONS TO REQUIREMENTS / SPECIFICATIONS / TERMS AND
CONDITIONS**

**ACCOUNT-BASED FARE COLLECTION SYSTEM
RFP NO. 23-16**

Please list all deviations from the Specifications and/or the terms and conditions contained herein, and state in the space provided below. Please note item number and description for which you are listing the deviations. Unless an exception is noted below, Santa Cruz METRO shall assume that all minimum requirements of the Specifications have been met or exceeded. Additionally, failure to notify Santa Cruz METRO of exceptions to the terms and conditions shall waive the Proposer's right to negotiate said terms and/or conditions.

ITEM NO. DESCRIPTION

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

PROPOSER'S NAME: _____

FAILURE TO SUBMIT THIS FORM MAY BE CAUSE FOR PROPOSAL REJECTION

PART III

SPECIFICATIONS FOR AN ACCOUNT-BASED FARE COLLECTION SYSTEM

1. INTRODUCTION

The Santa Cruz Metropolitan Transit District (“Santa Cruz METRO” or “METRO”) is the sole public transit operator in Santa Cruz County, and operates its transit services through four (4) transit centers located at: Pacific Station in downtown Santa Cruz, 920 Pacific Avenue, Santa Cruz, CA 95060; Watsonville Transit Center, 475 Rodriguez Street, Watsonville, CA 95076; Bart Cavallero Transit Center, 246 Kings Village Drive, Scotts Valley, CA 95066; and Capitola Mall, 1855 41st Avenue, Capitola, CA 95010. It has a fleet of 96 buses and operates 24 routes. Santa Cruz METRO also provides paratransit services utilizing a fleet of shuttles and mini-vans. Santa Cruz METRO’s service area is the entire county, an area of 441 square miles, with a population of 274,255 (according to the 2018 United States Census). Santa Cruz METRO was formed in 1968 and is a local public agency.

The mission of Santa Cruz METRO is:

To provide a public transportation service that enhances personal mobility and creates a sustainable transportation option in Santa Cruz County through a cost effective, reliable, accessible, safe, clean and courteous transit service.

2. PROJECT OVERVIEW

METRO is seeking proposals from qualified firms to provide a turnkey (beginning-to-end) solution to implement an account-based, multimodal fare collection system using open architecture that is scalable to support growth, and capable of accepting a variety of payments, bringing METRO and the region into the next generation of fare payment technology. METRO is currently utilizing a fare collection system solution consisting of Masabi mobile ticketing and GFI Genfare Odyssey systems. METRO desires to take a phased approach to this project in the following order of priority:

- 1) Open-loop, contactless payments via credit/debit card and mobile devices
- 2) Agency-specific fare media
- 3) Optional deployment to METRO’s Paratransit fleet

2.1. Project Goals and Objectives

METRO has identified the following goals and objectives for the new fare collection system project:

- Improve the customer experience
- Promote equitable access to transit
- Simplify and modernize operations
- Lower costs for both transit providers and riders
- Reduce bus dwell time by diminishing or eliminating cash on board
- Improve data
- Introduce flexibility to add new programs/policies

3. CONCEPT OF OPERATIONS

3.1. Concept for the New System

- 3.1.1. The new fare collection system will be account-based, and built upon a central back office that manages transit accounts, calculates fare payments, and processes all transactions based on established business rules.
- 3.1.2. The system will support multiple media types including but not limited to smart cards, credit cards, and smartphones. Fare media will serve as a credential for a back-office account.
- 3.1.3. The system will contain on-board validators that will validate smartcard and smartphone fare media, and communicate with the central back office in order to perform fare validation and exchange transaction data.
- 3.1.4. The new fare collection system will be implemented using an open architecture approach, allowing for ongoing iteration and integration of new features and functionality with outside systems.

3.2. Current Operational Environment

3.2.1. METRO Services

- Fixed route service consisting of 96 buses.
- Paratransit service consisting of 32 vans and cut-away vehicles.

3.2.2. Physical Environment

- METRO has one fixed route garage located at 1200 River St., Santa Cruz, CA 95060, plus a site that houses METRO's paratransit fleet.

3.2.3. Network Environment

- Every METRO fixed route bus is equipped with a Cradlepoint IBR1700 router as part of its Clever Devices ITS (currently CAD/AVL and APC). METRO will ensure that an ethernet port will be available for the proposed validators.
- The paratransit fleet is managed via Ecolane, which runs on Android tablets equipped with Verizon mobile data services. These vehicles are not currently equipped with routers with mobile data so this will need to be a consideration for the optional deployment of validators to this sub fleet.

3.2.4. Fare System

- All fixed route buses are equipped with GFI Data System with Odyssey fare boxes. With the launch of the new electronic fare collection system, METRO intends to continue using the GFI Odyssey fare boxes to accept cash.
- METRO's commuter fleet of 15 fixed route buses is currently equipped with Masabi Justride validators with capabilities to scan QR codes for mobile ticketing and read open-loop/closed loop media.

- Mobile tickets are verified visually on METRO's local fixed route fleet of 81 buses.
- METRO is currently using Square for its point-of-sale solution, which has been sufficient for sales at METRO's customer service locations.
- Please describe if your system offers either integration or an alternative to the Square solution.

4. SYSTEM COMPONENTS: GENERAL

- 4.1. For the sake of interoperability with METRO's transit agency partners, the open-loop system must be EMV Level 3 (L3) certified with Elavon and Littlepay.
 - If your system is not EMV Level 3 (L3) certified with Elavon and Littlepay, please describe an alternative that would fulfill this interoperability requirement.
- 4.2. METRO's preference is that the Contractor enter into subcontractor agreements with Littlepay and Elavon.
- 4.3. All equipment, software, and customer interfaces shall be in compliance with Americans with Disabilities Act (ADA) standards, Rehabilitation Act of 1973, as amended, and California Government Code §§11135-11139.8, and any other federal, state or local regulations that pertain to access for individuals with disabilities to maximize ease of use. The system equipment shall comply with the most recent version of the ADA Accessibility Guidelines (ADAAG).

5. SYSTEM COMPONENTS: HARDWARE

- 5.1. Onboard Payment Validator and Payment Acceptance Device (PAD)
 - 5.1.1. The system will be a customer-facing device used to validate fare media and accept fare payment. It will be installed near bus entry front doors for convenience and accessibility. METRO may elect to install rear door validators on a portion of the fleet for all-door boarding.
 - 5.1.2. The system will include a contactless smart card reader that supports reading all ISO 14443 Type A and B compliant card formats and HID 15693 cards over 13.56MHz. It must also be capable of accepting dynamic barcodes, QR codes, or NFC-based credentials as presented by the mobile application. It must also be capable of accepting direct bank card payment by smartphone via NFC wallet using MTT, EMV Transit Kernel 2 and other applicable standards. The system will be able to be updated via firmware to support new card formats in the future.
 - Please describe the open-loop (cEMV) capabilities of your Validator/PAD device or devices including EMV compliance levels and PCI compliance certifications.
 - 5.1.3. Some METRO fare partners, such as institutions and employer groups, have cards that METRO would like to use as account credentials.
 - 5.1.4. Payment validation and the deduction of account value will occur when fare media is tapped on a payment validator. Upon presentation, the validator will determine the

appropriate fare based on the defined tariff, ride history (including transfers or fare accumulation for fare capping), and the fare products and other attributes contained in the transit account such as discount eligibility.

- 5.1.5. The system will provide visual and audible feedback for both authorized and denied transactions.
 - Please describe whether your validator includes the capability to display information on the fare charged and remaining account balance.
- 5.1.6. The system will be a ruggedized form factor to resist vandalism and allow operation within the harsh onboard transit environment. The system will also operate over a wide ambient temperature range, will be readable in night and direct sunlight conditions, and will be ADA compliant.
- 5.1.7. The system will be easily removed and replaced by authorized maintenance personnel. Replaced devices will automatically be programmed with their new location (e.g., vehicle number) and have their assigned location automatically updated in the appropriate back-office application.

6. SYSTEM COMPONENTS: SOFTWARE

6.1. Reporting

- 6.1.1. Data generated by the system will be stored in a contractor-managed database. Any data collected, processed, and transmitted by the system is the sole property of METRO and will not be shared or distributed without METRO's express permission. METRO will retain access to all the data directly and in perpetuity.
- 6.1.2. The system will provide reporting functionality that will interface with the database to generate canned standard operational reports, allow ad-hoc querying of the database via SQL in real time, and provide for data downloads for offline custom report creation. Standard reports will include but not limited to ridership and sales reports.

6.2. User Access Management

- 6.2.1. Access to the back-office system will be controlled through a password-controlled interface and strict access privileges. The system will provide for configurable, role-based user access so that users will only have access to the data and functionality (e.g. edit vs. read only) they have been granted permissions to.
- 6.2.2. METRO will have the ability to manage these roles within the system.

6.3. Onboard Payment Validator Application

- 6.3.1. The onboard payment validators must be capable of downloading lists of valid user identifications (UIDs) and of uploading transactions completed while offline to the back office when communication is restored. The list of valid UIDs will be used to check the validity of third-party issued cards, such as those presented by specific schools or employers; new valid lists may be provided as frequently as daily over the garage Wi-Fi.

- 6.3.2. Fare payment validation can occur in real-time or near real-time depending on contractor capabilities and preference and the speed of the onboard internet connection. When fare media is presented, the system can use the communications provided by the on-board routers to get validation from the back office if transaction time is under a METRO configurable threshold. Alternatively, account balances and status lists can be maintained on the validators and transactions approved without back office approval. This would require the system to regularly publish account updates to the back office to keep accounts up to date.

6.4. Websites & Mobile Application

The contractor will be responsible for designing, developing, and maintaining a website or websites to support customer account management and business account management as well as a mobile application for account management and fare payment. The App and website(s) shall be fully customizable to reflect METRO's needs, branding, etc. All customer facing applications must be offered in both English and Spanish.

6.5. Security

The system contractor will be responsible for developing and maintaining system security. This includes both physical and logical access controls on all back office and field equipment. The contractor will comply with all applicable codes, laws, ordinances, statutes, standards, rules, and regulations, including but not limited to, compliance with the Payment Card Industry/ Digital Security Standard (PCI-DSS), Payment Card Industry Payment Application Data Security Standards (PA-DSS), Fair and Accurate Credit Transactions Act, and protection of riders' Personally Identifiable Information (PII) in conformance with the Agreement, METRO's IT Security Policy, California state law, and any applicable local laws.

- Please describe the available security features of your proposed solution. Please describe your cybersecurity program, including whether you have any program or company certifications. Describe any Information Security Management System (ISMS) in place for your company.

7. FARE SYSTEM

7.1. Fare Structures

- 7.1.1. The system will be capable of supporting calendar-based passes and rolling passes.

- 7.1.2. The system will support fare capping. Under a scenario where fare capping is implemented, METRO will have the ability to set multiple fare cap time periods, each with their own capped price threshold.

7.2. Base Fare & Transfers

The base fare for payments made with electronic fare media will be a time-based pass. METRO will have the ability to configure this base fare pass validity period, and it can be distinct for different service types (e.g., local service vs regional service).

7.3. Fare Products

- 7.3.1. The new system will continue to support METRO's current fare product types, which include a base fare, a day pass, a 7-day pass, and a 31-day pass.
- 7.3.2. In addition, the system will be able to provide fare-capping for daily, weekly, and monthly thresholds (thresholds to be determined by METRO). The system will be able to aggregate fares for daily processing to reduce payment processing costs incurred on small value transactions.
- 7.3.3. Users will also be able to load money/value into their stored value account. Users will be able to purchase any product available to them using this account value in addition to traditional payment methods such as credit or debit cards.

7.4. Promotional Programs

The system will offer the ability to support promotional programs, such as rider discounts or a portion of a given fare being donated to a sustainability program.

7.5. Rider Categories

- 7.5.1. The fare system will support the recognition of various rider categories, and METRO will be able to assign different discounts to each rider category if so desired. This discount will apply to the base fare and may also apply to any capping thresholds or other fare products METRO chooses. METRO should also be able to configure the discounts for any given category.
- 7.5.2. METRO will be able to use the system to mark specific accounts as belonging to a distinct rider category, thus conferring any relevant discounts to the account holder.

7.6. Service Types & Upgrades

- 7.6.1. The system will allow METRO to set distinct fares by route/service type. This should include separate base fares, product prices, and fare cap thresholds.
- 7.6.2. Riders will have some method of paying an upcharge to ride a more expensive service when transferring from a lower priced service, instead of having to pay another full fare.
 - Please describe how your system handles an upcharge.

7.7. Social Service Agencies & Paper-based Partnerships

- 7.7.1. The system will provide a means of transferring today's paper pass-based partnerships, for instance those with social service agencies, to the new electronic fare collection system.
- 7.7.2. Ideally these partners should be able to distribute base fares and/or stored value to their clients or members.
 - Please discuss how your system will meet the needs of these partnerships such as through tokens, barcodes, or limited use (LU) smartcards. The fare media for this

use case needs to be low cost, as these are likely to be one-time or limited use passes.

7.8. Business & Institutional Pass Programs

- 7.8.1. The system will support the creation of pass programs with specific employers or institutions. The fare system will allow METRO to administer both monthly pass/stored value and all-in pass programs.
- 7.8.2. In a monthly pass/stored value program, an employer or institution is able to purchase passes or stored value from METRO on a monthly basis for any number of its employees or members.
- 7.8.3. In an all-in pass program, all employees or members will get unlimited access to the METRO system – either limited to local fixed routes or including the Highway 17 Express regional route. The fare system should support METRO’s ability to charge these all-in pass programs based on ridership by providing ridership reports by employer or institution. Reports shall be able to provide the number of uses by riders within the pass program so that the institutional partner can pay a per-ride fare.

7.9. Closed Loop Smart Cards

- 7.9.1. The system will accept ISO/IEC 14443-compliant contactless smart cards as an account credential for fare payment.
- 7.9.2. Users will be able to link smart cards to a customer account that they can use to manage their smart card.
- 7.9.3. METRO will have the ability to customize reduced fare smart cards; this customization can but does not have to include the rider’s name, the rider’s photo, and the name of the applicable reduced fare program.

7.10. Mobile Application

- 7.10.1. The system will allow riders to pay their fare using a mobile application that employs both visual and dynamic QR codes for validation.
- 7.10.2. While not a requirement, the application should also be capable of creating a virtual card in the phone’s wallet for use in closed-loop NFC payment.
- 7.10.3. Riders will be able to use their mobile application to present an account credential even when not actively connected to a mobile network or Wi-Fi.

7.11. Third-Party Media

- 7.11.1. The system will be capable of accepting ISO/IEC 14443 contactless cards used by METRO’s institutional partners as credentials for METRO transit accounts.
- 7.11.2. The system will also be capable of accepting identification cards with unique barcodes or QR codes as credentials for METRO transit accounts.

7.12. Open Payments

- 7.12.1. The system will be able to accept open payments from riders using contactless credit or debit cards.
- 7.12.2. The system will have the ability to accept open-loop mobile wallets as if they are contactless bank cards.
- 7.12.3. Validators/PAD devices shall be compatible with Littlepay.

7.13. Website

- 7.13.1. The contractor will be responsible for the design, development, and deployment of a website or websites for use by individual customers and for business account customers. The type of account used to login will govern what features and functionalities a user is able to access on the website.
- 7.13.2. The website will be built using modern web design and e-commerce best practices. METRO is developing a new website, and the contractor will be expected to work with METRO to integrate the two. The contractor will oversee the technical maintenance of the website, for example the “shopping cart,” but METRO and its team will be in charge of and have control over the look and feel of the website. The website(s) shall be compliant with current WCAG standards for accessibility.
- 7.13.3. Individual Customers: The customer-facing public website will provide a secure, convenient, and comprehensive portal for transit and customer account management. Customers will use one account to manage their account across both the mobile application and smart cards, including on the website. Using the customer website, customers will have the ability to register a transit account, view transit account balance, transaction history, and fare capping status (if applicable), add value to their account, set up autoloads, and use their card number to manage their transit account anonymously if desired.
- 7.13.4. Businesses & Institutions: The business/institutional website will enable program administrators to manage their institutional pass program (e.g., add passes and funds, add/remove transit accounts, set transit account expiration dates). The website will enable employers to subsidize part or all of a stored value or pass purchase and to add or use pre-tax funds for this purpose.

7.14. Mobile Application

- 7.14.1. Mobile application users will be able to create a new customer account and purchase and use a new transit account directly from the app interface.
- 7.14.2. The mobile application will be developed using transit industry and e-commerce best practices for user interface design and the secure processing of payments. The mobile application shall be compliant with current standards for accessibility (screen readers, etc.).
- 7.14.3. The app will be upgraded as needed to take advantage of OS enhancements and bug fixes but will maintain backwards compatibility.

7.15. Retail Network

- 7.15.1. Access to the benefits of the new electronic fare collection system will be enhanced by a robust retail network that will enable customers to obtain fare media and to load value to their transit accounts.
- 7.15.2. Riders will be able to load value to their transit accounts using cash, credit cards, and debit cards (including prepaid debit cards) at a minimum. These value loads should quickly be reflected in their transit account.
 - Please discuss your approach to retail networks and your coverage in the Santa Cruz County area specifically. Include specific detail about how to provide access to the system for unbanked people with or without smartphones.

8. OPERATIONS

8.1. Hosting and Licensing Model

- 8.1.1. The system should be offered as Software as a Service, hosted through a “cloud” based hosting service (AWS, etc.) subject to approval by METRO.
- 8.1.2. All transactional data will be owned and accessible by METRO.
 - Please describe your hosting and licensing model including: Where the application is hosted with specifics, whether there is one instance of the app shared by multiple tenants or multiple instances, and how you bill for the system (e.g., up front - software license; periodic - monthly software license; periodic - software maintenance, per transaction, percentage of revenue).

8.2. Card Fulfillment

- 8.2.1. Contractor will supply an initial set of smart cards for system testing and rollout that will be sufficient for system operation through system acceptance.
- 8.2.2. Following system acceptance, METRO desires to have the option of procuring additional cards through the contractor or a third party.
 - Please describe your approach to continued card procurement after system acceptance.

8.3. Financial Settlement

METRO is open to various models for financial settlement. These could include:

- The contractor receiving all payments through the web site and mobile app and weekly sweeping the balance into METRO demand accounts.
- The contractor specifying a new payment platform with which they integrate, and with whom METRO establishes a new relationship.

9. INTEGRATIONS

9.1. ERP System

- The new fare system will be required to interface with several current and future METRO systems. The proposed system must provide open (preferably RESTful) APIs to provide METRO access to System data and routines for the purposes of future integration and analytics.

9.2. Other Modes: bikeshare, TNCs (rideshare), parking, trip planners, etc.

METRO envisions that the new electronic fare collection system will have a core set of APIs that will enable a variety of system integrations that may be desired by METRO, such as:

- Enabling transportation connection operators to request payment from METRO's electronic fare collection system via a Payment API. Payments will come from the e-Purse. Payment integration would be subject to the business agreement established with the third-party provider.
- Allowing the direct payment of fares using METRO system cards or credentials and using passes or stored value from the associated METRO accounts via a Fare Payment API. Payment would be made on third-party fare collection equipment. The fares would be logged in the METRO back office. This API will also allow for transfer credits between transportation connections and core METRO services (bus).
- The Fare Payment API will also allow METRO to purchase validators from third parties that will be able to accept fare payment credentials, pass them to the back office, and receive authorization or denial.
 - Please describe any planned or existing integrations you have with other transportation options including integrations with trip planners, Transportation Network Companies (TNCs) such as Lyft and Uber, and bike sharing companies.

10. WARRANTY, SUPPORT AND MAINTENANCE

All support and maintenance services will commence upon Final System Acceptance.

10.1. Software maintenance and support

10.1.1. Software maintenance will be the responsibility of the system contractor and the price will be included in ongoing system fees. This includes upgrades and bug fixes for the back office, website, and mobile application as well as hardware, OS, and security upgrades on the hosted platform. The selected contractor will also be responsible for maintaining the firmware on the validator as part of ongoing system fees.

10.1.2. The selected contractor will be expected to guarantee that the software provided to METRO will continue to support the provided hardware for a minimum of 10 years.

- Please describe your standard software SLA (e.g., tracking of issues/bugs, ticketing system, visibility to client).
- Please provide a copy of your software roadmap and describe your software development lifecycle (e.g. design process, QA process, unit testing, regression testing).
- Please describe your post-deployment software maintenance procedures.

10.2. Equipment warranty, maintenance and support

A one-year equipment warranty will commence upon Final System Acceptance. At the end of the one-year warranty, repair and replacement of all equipment will fall under the Support and Maintenance Plan.

METRO anticipates being responsible for field checking equipment, including ensuring that power and network connections are operational. If the equipment still fails, METRO will replace it with a spare and send the faulty unit to the contractor for repair or replacement. There will be a service level agreement (SLA) as part of the Support and Maintenance Plan to cover turnaround times for equipment to be repaired or replaced. METRO expects that the selected contractor will guarantee their provided hardware will be supported for a minimum of 10 years.

10.3. Customer Service

10.3.1. METRO is open to either a system in which METRO provides front line customer support to riders with second level support being provided by the contractor or a system in which the contractor provides front line customer support to riders.

10.3.2. Under either model, METRO expects that the selected contractor will provide 24/7 direct dial and/or email technical support to METRO for the system.

10.3.3. METRO expects that the selected contractor will provide an Account Manager responsible for the METRO project following system launch for the life of the maintenance contract.

- Please describe if you offer front line customer support, in which a rider will call you when they need help with the system, or if you only offer second level support where the first call would come in to METRO. If you only offer second level support, please describe your SLA and training process for METRO staff.

11. ADDITIONAL FUNCTIONALITY

METRO is interested in any additional features the contractor may have to offer including product roadmaps.

- Please describe your process for managing new features and functionality for the system.

11.1. Proof of Payment

METRO may choose to introduce proof of payment service in the future.

- Please describe how you could support a proof of payment service.

11.2. Multiple Agencies

METRO has the desire to partner with regional agencies for future fare integration.

- Please describe your ability to support regional fare integration and/or interagency transfer agreements.

12. PROJECT MANAGEMENT

12.1. General

The Proposer shall, for all deliverables, include the following documentation in their proposal response:

- Project schedule
- System requirements
- System design
- Installation and test plan

12.2. Project Schedule

12.2.1. The Proposer is required to develop and maintain a detailed Project Schedule that incorporates the major milestones listed below in this section of the Specifications. The Proposer's sequencing of tasks should be flexible enough to accommodate modifications in scope or changes in the timelines such as early completions or delays that would normally be expected in a multi-stage deployment, while still meeting the Final System Acceptance date.

Milestones:

- 1) Project schedule and system requirements
- 2) System design
- 3) Testing and training plan
- 4) System application provisioning with a priority on open-loop
- 5) Shipment of equipment
- 6) Sub fleet installation and testing
- 7) Sub fleet installation acceptance
- 8) Fleet wide installation
- 9) Roll out of remaining fare media and features
- 10) Final System Acceptance as a whole

12.2.2. The selected contractor will be expected to participate in a design review process, including submission of design documents. The selected contractor will also be expected to provide an Installation & Transition Plan for all contractor-provided software and hardware, testing plans and procedures, and test documentation.

12.2.3. The selected contractor will be expected to deliver a training plan that explains the support and instruction that will be provided to METRO staff. This should include the delivery of manuals and any other supporting training materials.

- Please describe your project management cycle.
- Please describe your proposed schedule for launching a limited system with visual validation only that could then be transitioned to electronic validation using on board validators.
- Please describe your proposed schedule for launching the full system with electronic validation using on board validators.

13. PROPOSAL CONTENT REQUIREMENTS

13.1. Proposers interested in providing the scope of services must upload a proposal to the Procurement Portal by the deadline date and time specified in this RFP. Selection will be based on careful consideration of all pertinent data provided. RFP responses should be prepared simply and economically, providing a straightforward, concise description of Proposer's qualifications to satisfy the requirements in the Request for Proposal. Emphasis should be on completeness and clarity of content.

13.2. The structure of proposals shall be as follows:

13.2.1. Introductory letter

A letter describing the firm's interest in providing the scope of services. Indicate the name of the firm submitting the proposal and the name of an individual to contact if further information is desired. This letter should contain a statement of the Proposer's basic understanding of the scope of work and be based on existing information available in the RFP, available documents, and applicable regulations or requirements. This letter should also contain an expression of the Proposer's interest in the work, a statement regarding the qualifications of the Proposer to do the work, any summary information on the proposed team, and any other information that the Proposer may deem useful or informative to Santa Cruz METRO.

13.2.2. All required Forms (Part II of RFP)

There are 7 required Forms from Part II of the RFP, which are:

- 1) General Information Form
- 2) Proposed Subcontractor Information Form
- 3) Certification of Proposer Regarding Debarment, Suspension and Other Ineligibility and Voluntary Exclusion
- 4) California Levine Act Statement
- 5) DBE Participation Information Form
- 6) References Form

Provide at least three, but no more than five references from other public agencies for which Proposer has performed services of a similar scope and size. References must include agency name, contact name, phone number, email address, date services were provided, and a brief description of the outcome of services rendered. Do not use METRO as a reference.

- 7) Exceptions to Requirements / Specifications / Terms and Conditions Form

13.2.3. Table of Contents

Table of Contents shall list all items in the Evaluation Criteria Schedule in Section 16 below.

13.2.4. Proposal Detailing All Items in the Evaluation Criteria Schedule in Section 16

Proposers shall describe in detail how the proposed solution will satisfy each specific requirement in the Specifications and in the Evaluation Criteria Schedule in Section 16, noting if the item is available in the proposed solution, can be added for

a fee, or is not available. **Any requirement not having a detailed response may be considered non-responsive.**

- 13.3. The proposal shall include the Proposer's commitment that the proposal is valid for one hundred eighty (180) days from the solicitation closing date.

14. PROPOSAL SUBMITTAL

Proposals must be submitted by upload to Santa Cruz METRO's Procurement Portal, prior to **5:00 p.m. on July 25, 2023**, at:

<https://scmt.d.bonfirehub.com>

15. SELECTION PROCEDURES

- 15.1. Selection of the successful Proposer will be based on information provided in response to the RFP. Proposals submitted by each Proposer shall be evaluated separately based on how well each proposal meets the criteria listed herein.
- 15.2. Failure to meet the requirements of the Request for Proposals will be cause for rejection of the proposal. Santa Cruz METRO may reject any proposal if it is conditional, incomplete or contains irregularities.
- 15.3. Santa Cruz METRO may waive an immaterial deviation in the proposal. Waiver of an immaterial deviation shall in no way modify the Request for Proposal's documents or excuse the Proposer from full compliance with the contract documents if the Proposer is awarded the contract. Santa Cruz METRO reserves the right to not award the contract, should it determine that the proposals are not in its best interest.
- 15.4. Those firms or persons judged by the reviewers to be the most qualified to perform the work required under the contract may be asked to participate in an oral interview.
- 15.5. The maximum total number of points available for a proposal is 230. The following schedule of criteria and points scoring will be used to evaluate the proposal(s).

16. EVALUATION CRITERIA

EVALUATION CRITERIA SCHEDULE		
Item	Description	Points
1.	<p>Proposer's Information:</p> <p>Proposer shall provide an overview of its current and past business operations, capabilities and past work history. Also include current financial status (balance sheet), and any past, present and pending claims and legal actions related to its services within the last ten years including identifying the parties, a factual summary of the claim or action, the contention of the parties, and outcome(s). References to be provided on References Form (included in Part II Forms of RFP).</p>	15
2.	<p>License:</p> <p>Proposer shall include and be responsible for ensuring all required federal, state, and local licenses, permits and other approvals necessary to install and operate the System are obtained before installation of any software or equipment that may be needed in the performance of this contract.</p>	10
3.	<p>Personnel:</p> <p>Proposer shall include all certifications, experiences, and capabilities of the key personnel assigned to the project, and must include:</p> <ul style="list-style-type: none"> A. Names of the consultant(s), engineer(s), project manager, and senior personnel. B. Professional qualifications, relevant government and transit experiences, credentials, and resumes of the individuals assigned to this project. This will include all consultant(s), engineer(s), project manager, senior personnel, and instructors. C. Demonstrate how the various team members will interact and coordinate the project effectively with each other and with METRO personnel and project manager / contract administrator. D. Project organization hierarchy chart showing company and staff assigned to this project. <p>Demonstrate that the team will be stable during the project, and is comprised of members with an authority level appropriate to make on-site decisions for this project. Resumes may also be included as an appendix.</p>	15
4.	<p>Similar Projects:</p> <p>Proposer shall include a list of no less than three (3) similar transit projects that have been completed within the last five (5) years. Provide information on other government agency projects that were completed in the last ten (10) years.</p> <ul style="list-style-type: none"> A. Provide the dollar amount, size, and scope of the projects. B. Names of staff assigned to the projects. C. Name and phone number of the current project owner's contact person. D. Provide Scope of Work summary, project schedule, outcome and project amount. Include what went right and went wrong on the project. 	15

5.	<p>System Capabilities and Specifications:</p> <p><u>Proposers shall describe in detail how the proposed solution will satisfy each specific requirement in the Specifications, Sections 3 – 9.</u></p> <p>Proposer shall provide detailed descriptions of their proposed Fare Collection System with features and explain how the System meets or exceeds the criteria as described in the Specifications. Include any areas of concern or issues that may arise during the course of the project.</p> <p>Provide all methods and details of what is required to design, install, license, and register the complete System as described herein.</p>	40
6.	<p>Warranty / Support and Maintenance:</p> <p><u>Proposers shall describe in detail how the proposed solution will satisfy each specific requirement in the Specifications, Section 10.</u></p> <p>The Proposer shall include all warranties that are applicable to this project.</p> <p>A. Describe in full detail the warranty of the proposed full System and any items not covered.</p> <p>B. Include documented response times for support given to other similar projects.</p> <p>C. Describe your company's ability to provide support in Santa Cruz, CA.</p>	15
7.	<p>Expansion capabilities and other options:</p> <p><u>Proposers shall describe in detail how the proposed solution will satisfy each specific requirement in the Specifications, Section 11.</u></p> <p>A. The Proposer shall include all information on how the proposed System can be expanded to include additional features.</p> <p>B. List and discuss in detail any technical advancements that could be implemented into the Fare Collection System project that had not been previously entertained and how it would be a superior solution. Features above and beyond those specified in this RFP will also be considered.</p>	20
8.	<p>Installation:</p> <p>The Proposer shall include a detailed plan of how the System will be installed, programmed, tested and go-live. Such details may include, but not be limited to the following:</p> <p>A. What equipment will be installed and where?</p> <p>B. How equipment will be installed, i.e. mounting, cabling, etc.?</p> <p>C. What existing equipment must be relocated or removed if any?</p> <p>D. How will System programming, testing, and go-live take place?</p> <p>E. How will all items listed in the RFP be verified upon installation?</p>	30
9.	<p>Training:</p> <p>The Proposer shall describe in detail how all training requirements will be provided.</p>	10

10.	<p>Project Schedule / Benchmarks:</p> <p><u>Proposers shall describe in detail how the proposed solution will satisfy each specific requirement in the Specifications, Section 12.</u></p> <p>The Proposer shall include:</p> <p>A. Tentative schedule for the performance of all work elements. Include a description of how the team will meet project objectives within the time schedule proposed.</p> <p>B. Provide verifiable benchmarks METRO may use to note milestones for the complete project as described in this Request for Proposal.</p>	15
11.	<p>Price Proposal:</p> <p>Proposer is to size and price the required System for 96 buses and break out the pricing for the paratransit fleet.</p> <p>The Proposer shall include:</p> <p>A. A payment schedule based on project milestones set forth in section 12.2.1.</p> <p>B. Project Breakdown. Provide a detail listing for all items with total project amount, including all incidentals, travel time and per diems. Provide a list of hourly rates for all individuals assigned to the project. List the number of hours it will take these individuals to complete the various work elements outlined in the tentative project schedule.</p> <p>C. Support and Maintenance Plan. Provide pricing options for a one (1) year, three (3) year, and five (5) year support and maintenance plan, which shall be all inclusive (labor, software licensing, upgrades, hardware, etc.)</p> <p>D. Options and/or other solutions. Include any additional capabilities, functions and/or solutions as noted in item 7 above and their associated cost(s).</p>	40
12.	<p>Sustainability Initiative (Optional):</p> <p>Santa Cruz METRO, in accordance with its mission to help reduce greenhouse emissions, is interested in investing in sustainability initiatives. Proposers that reduce their costs by up to 5% (which costs savings Santa Cruz METRO will direct to such initiatives) may earn up to 5 additional points in this criteria. If Proposers wish to attain these points, please provide a detailed explanation on the cost reduction provided by Proposer.</p> <p>Note: As participation in the Sustainability Initiative is evaluated independently from Price Proposals, all Proposers are to show FULL PRICES on their Price Proposals. If you are participating in the Sustainability Initiative, indicate both the <u>percentage</u> and the <u>dollar value</u> of the discount offered, separately from the Price Proposal. This can be shown either as a separate line item at the bottom, or as an alternate Discounted Price Proposal.</p>	5
	Total Points	230

PART IV

GENERAL CONDITIONS TO THE CONTRACT

1. GENERAL PROVISIONS

1.1 Governing Law & Compliance with All Laws

This Contract is governed by and construed in accordance with the laws of California. Each party will perform its obligations hereunder in accordance with all applicable laws, rules, and regulations now or hereafter in effect. Contractor shall ensure throughout the term of this Contract that all federal, state and local laws and requirements are met including any requirements Santa Cruz METRO is obligated to perform because of receipt of grant funding. Contractor shall also be required to fulfill its obligation as a federal and/or state and/or local sub-recipient of grant funding.

1.2 Right to Modify Contract

Santa Cruz METRO may extend the term of this Contract, or otherwise amend the Contract. Any such extension or amendment shall be effective only upon written agreement of the parties in accordance with Section 12.15.

2. TERMINATION

2.1 Termination for Convenience

2.1.1 The performance of Work under this Contract may be terminated by Santa Cruz METRO upon fifteen (15) days' notice at any time without cause for any reason in whole or in part, whenever Santa Cruz METRO determines that such termination is in Santa Cruz METRO's best interest.

2.1.2 Upon receipt of a notice of termination, and except as otherwise directed by Santa Cruz METRO, the Contractor shall: (1) stop work under the Contract on the date and to the extent specified in the notice of termination; (2) place no further orders or subcontracts for materials, services, or facilities, except as may be necessary for completion of such portion of the Work under the Contract as is not terminated; (3) terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the notice of termination; (4) assign to Santa Cruz METRO in the manner, at the time, and to the extent directed by Santa Cruz METRO all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case Santa Cruz METRO shall have the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts; (5) settle all outstanding liabilities and claims arising out of such termination or orders and subcontracts, with the approval or ratification of Santa Cruz METRO, to the extent Santa Cruz METRO may require, which approval or ratification shall be final for all the purposes of this clause; (6) transfer title to Santa Cruz METRO and deliver in the manner, at the time, and to the extent, if any, directed by Santa Cruz METRO the fabricated or unfabricated parts, work in progress, completed work, supplies and other material produced as a part of, or acquired in connection with the performance of, the work terminated and the completed or partially completed plans, drawings, information and other property which, if the Contract had been completed, would have been required to be furnished to Santa Cruz METRO; (7) use its best efforts to sell, in the manner, at the time, to the extent, and at the price(s) directed or authorized by Santa Cruz METRO, any property of the types referred to above provided, however, that the Contract shall not be required to extend credit to any purchaser, and may acquire any such property under the conditions prescribed by and at a price(s) approved by Santa Cruz METRO, and provided further, that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made to Santa Cruz METRO to the Contractor under this Contract or shall otherwise be credited to the price or cost of the Work covered by this Contract or paid in such other manner as Santa Cruz METRO may direct; (8) complete

performance of such part of the Work as shall not have been terminated by the notice of termination; and (9) take such action as may be necessary, or as Santa Cruz METRO may direct, for the protection or preservation of the property related to this Contract which is in the possession of the Contractor and in which Santa Cruz METRO has or may acquire an interest.

2.2 Termination for Default

2.2.1 Santa Cruz METRO may, upon written notice of default to the Contractor, terminate the whole or any part of this Contract if the Contractor: (1) fails to complete the Scope of Work within the time period stated in the Specifications section of the RFP; (2) fails to perform any of the other provisions of the Contract; or (3) fails to make progress as to endanger performance of this Contract in accordance with its provisions.

2.2.2 If the Contract is terminated in whole or in part for default, Santa Cruz METRO may procure, upon such terms and in such manner as Santa Cruz METRO may deem appropriate, supplies or services similar to those so terminated. Without limitation to any other remedy available to Santa Cruz METRO, the Contractor shall be liable to Santa Cruz METRO for any excess costs for such similar supplies or services, and shall continue the performance of this Contract to the extent not terminated under the provisions of this clause.

2.2.3 If, after notice of termination of this Contract under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provisions of this clause, or that the default was excusable under the provisions of this clause, the rights and obligations of Contractor and Santa Cruz METRO shall be considered to have been terminated pursuant to termination for convenience of Santa Cruz METRO pursuant to Article 2.1 from the date of Notification of Default.

2.3 Santa Cruz METRO shall not in any manner be liable for the Contractor's actual or projected lost profits had the Contractor completed the services required by this Contract. The Contractor agrees to cooperate fully with Santa Cruz METRO in the orderly transfer of business to the Contractor's successor.

2.4 No Limitation

The rights and remedies of Santa Cruz METRO provided in this Article 2 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

2.5 Transition upon Termination or Expiration of Contract

Upon the termination of this Contract, if the Contractor is not awarded a new contract, the Contractor must cooperate fully with Santa Cruz METRO and the successor contractor to provide electronic copies of all reports, writings, documents or any other submittal related to this Contract (Work Product) requested by Santa Cruz METRO and/or the successor contractor to the successor contractor, and ensure a smooth transition. All Work Products must be provided in a format that is usable by the successor contractor, such as latest version of Microsoft Word and/or Excel. Upon Santa Cruz METRO staff's recommendation of award of contract, the Contractor must begin preparing all Work Product to allow for a smooth transition.

Within 10 business days of the award of the contract, unless instructed otherwise in writing by the Santa Cruz METRO procurement department, the Contractor must transfer all open paratransit eligibility applications, including relevant documentation, to the successor contractor. Applications not resolved by the Contractor by the end of the contract term are considered "open." An application is "closed" when the eligibility determination is made and provided, in writing, to the applicant. Within 30 calendar days of Santa Cruz METRO's award of the contract, unless instructed otherwise in writing by the procurement department, the Contractor must transfer all other Work Products, including information on closed applications, to Santa Cruz METRO and the successor contractor. Santa Cruz METRO will withhold payment of Contractor's final invoice until Contractor has ensured a smooth transition to the successor

contractor, as determined by Santa Cruz METRO in its sole discretion, and complied with the requirements set forth herein.

3. FORCE MAJEURE

3.1 General

Neither party hereto shall be deemed to be in default of any provision of this Contract, or for any failure in performance, resulting from acts or events beyond the reasonable control of such party. For purposes of this Contract, such acts shall include, but not be limited to, acts of God, civil or military authority, civil disturbance, war, strikes, fires, other catastrophes, or other “force majeure” events beyond the parties’ reasonable control; provided, however, that the provisions of this Article 3 shall not preclude Santa Cruz METRO from canceling or terminating this Contract (or any order for any product included herein), as otherwise permitted hereunder, regardless of any force majeure event occurring to Contractor.

3.2 Notification by Contractor

Contractor shall notify Santa Cruz METRO in writing as soon as Contractor knows, or should reasonably know, that a force majeure event (as defined in Article 3.1) has occurred that will delay completion of the Scope of Work. Said notification shall include reasonable proofs required by Santa Cruz METRO to evaluate any Contractor request for relief under this Article 3. Santa Cruz METRO shall examine Contractor’s notification and determine if the Contractor is entitled to relief. Santa Cruz METRO shall notify the Contractor of its decision in writing. Santa Cruz METRO’s decision regarding whether or not the Contractor is entitled to force majeure relief shall be final and binding on the parties.

3.3 Losses

Contractor is not entitled to damages, compensation, or reimbursement from Santa Cruz METRO for losses resulting from any “force majeure” event.

4. PROFESSIONAL STANDARDS

Contractor shall at all times during the term of this Contract possess the technical ability, experience, financial ability, overall expertise, and all other skills, licenses, and resources necessary to perform and complete the scope of work in a timely, professional manner so as to meet or exceed the provisions of this Contract.

5. PROFESSIONAL RELATIONS

5.1 Independent Contractor

No relationship of employer and employee is created by this Contract. In the performance of its work and duties, Contractor is at all times acting and performing as an independent contractor in the practice of its profession. Santa Cruz METRO shall neither have nor exercise control or direction over the methods by which Contractor performs services pursuant to this Contract (including, without limitation, its officers, shareholders, and employees); provided, however, that Contractor agrees that all work performed pursuant to this Contract shall be in strict accordance with currently approved methods and practices in its profession, and in accordance with this Contract. The sole interest of Santa Cruz METRO is to ensure that such services are performed and rendered in a competent and cost effective manner.

5.2 Benefits

Contractor (including, without limitation, its officers, shareholders, subcontractors and employees) has no claim under this Contract or otherwise against Santa Cruz METRO for social security benefits, workers’ compensation benefits, disability benefits, unemployment benefits, vacation pay, sick leave, or any other employee benefit of any kind.

6. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS

6.1 Scope

- 6.1.1 Contractor shall indemnify, defend, and hold harmless Santa Cruz METRO (which for the purpose of Articles 6 and 7 shall include, without limitation, its directors, officers, agents, and employees) from and against any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature arising out of any of the following:
- (1) Any injury to persons or property that may occur, or that may be alleged to have occurred, arising from the performance of this Contract by the Contractor caused by a negligent act or omission or willful misconduct of the Contractor or its employees, subcontractors or agents;
 - (2) Any allegation that the ownership, possession, maintenance, modification, or any other use of the system (or any software, hardware, or other component thereof) or any other deliverable or work performed by Contractor under this Contract infringe or violate the patent, copyright, trade-secret, or other intellectual-property or proprietary rights of any third party—and in the event any such claims result in a finding of infringement or other violation, Contractor, at Contractor's sole cost and expense, must: (a) secure for Santa Cruz METRO the right to continue using the materials, equipment, devices or processes by suspension of the injunction or by procuring a royalty-free license, or licenses, (b) replace any software, hardware, materials, equipment, devices, or processes found to be infringing or violative of third-party rights with non-infringing software, hardware, materials, equipment, devices, or processes, or (c) modify them so that they become non-infringing; and the alternative of (a), (b), or (c) must be selected in consultation with Santa Cruz METRO and with Santa Cruz METRO's written consent, which will not be unreasonably withheld, though in any event the selection may not entail an unreasonable or excessive amount of time or cause undue disruption to Santa Cruz METRO's operations;
 - (3) Any third party claim or allegation that Contractor breached its representations or obligations relating to data privacy and security, including any disclosure of Santa Cruz METRO, set forth in this Contract; and
 - (4) All State and Federal accessibility laws and regulations, including but not limited to the Americans with Disabilities Act of 1009, and Sections 504 and 508 of the Rehabilitation Act of 1973, as amended.
- 6.1.2 Contractor will pay any and all Federal, state and local taxes, charges, fees, or contributions required to be paid with respect to Contractor, Contractor's officers, employees and agents engaged in the performance of this Contract (including, without limitation, unemployment insurance, social security, and payroll tax withholding).
- 6.1.3 The Contractor further agrees to defend any and all such actions, suits or claims with counsel acceptable to Santa Cruz METRO, and pay all charges of attorneys and all other costs and expenses of defenses as they are incurred. If any judgment is rendered or settlement reached against Santa Cruz METRO, or any of the other individuals enumerated above in any such action, the Contractor shall, at its expense, satisfy and discharge the same. This indemnification shall survive termination or expiration of the Contract.

6. RESERVED

7. INSURANCE

7.1 General

The Contractor shall purchase and maintain in full force and effect during the entire period of this Contract, including any maintenance period or extension thereof, insurance of the following types and in amounts that are no less than those stated in Paragraph 7.2. Such insurance shall protect Contractor from any and all claims and damages which may arise out of or result from Contractor's operations, whether such operations are performed by Contractor or by its Subcontractors or Subconsultants, or by anyone for whose acts the Contractor may be liable. All costs associated with these insurances coverages are the sole responsibility of the Contractor.

7.1.1 Such insurance shall be primary and non-contributing with any other valid and collectible insurance available to Santa Cruz METRO. The limits of liability required by this Contract may be provided by a single policy of insurance or by a combination of primary, excess or umbrella policies; but in no event shall the total limits of liability available for any one occurrence or accident be less than the amounts required by this Contract.

7.1.2 The Contractor shall not commence work under this Contract until all required insurance is obtained and approved by Santa Cruz METRO. Approval of the insurance by Santa Cruz METRO shall not relieve or decrease the liability of the Contractor, nor be an endorsement of the adequacy or sufficiency of insurance coverage.

7.1.3 Two (2) copies of all required endorsements and completed certificates of insurance evidencing coverage shall be furnished to the Santa Cruz METRO Purchasing Department prior to commencement of work and within ten (10) calendar days after the date of the Notice of Award.

7.2 Types of Insurance and Minimum Limits

Contractor shall obtain and maintain during the term of this Contract:

- (1) Worker's Compensation in conformance with the statutory limits required by the State of California.
- (2) Employer's Liability Insurance with limits of \$1,000,000.00 per accident or disease.
- (3) Automobile Liability Insurance in the minimum amount of \$1,000,000.00 combined single limit per accident for bodily injury and property damage for each of Contractor's vehicles used in the performance of this Contract, including owned, non-owned (e.g. owned by Contractor's employees), leased or hired vehicles.
- (4) Commercial General Liability Insurance coverage in the minimum amount of \$1,000,000.00 combined single limit per occurrence, including bodily injury, personal injury, and property damage with a \$2,000,000.00 general aggregate limit. Such insurance coverage shall include:
 - (a) Contractual liability coverage adequate to meet the Contractor's indemnification obligations under this contract.
 - (b) Broad form Property Damage coverage.
 - (c) A cross-liability clause in favor of Santa Cruz METRO.
- (5) Professional Liability Insurance coverage in the minimum amount of \$1,000,000.00 per claim.

By requiring such minimum insurance, Santa Cruz METRO shall not be deemed or construed to have assessed the risk that may be applicable under this Contract. The Contractor shall assess its own risks, and if deemed appropriate and/or prudent, should maintain higher limits or broader coverage than the limits set

forth above. The Contractor is not relieved of any liability or other obligations assumed under this Contract by reason of its failure to obtain or maintain insurance in sufficient amounts, duration, or types.

7.3 Other Insurance Provisions

- (1) As to all insurance coverage required herein, any deductible or self-insured retention exceeding \$50,000.00 shall be disclosed to and be subject to written approval by Santa Cruz METRO.
- (2) If any insurance coverage required hereunder is provided on a “claims made” rather than “occurrence” form, Contractor shall maintain such insurance coverage for three (3) years after expiration of the term (and any extensions) of this Contract.
- (3) Should any of the above described policies be cancelled before the expiration date thereof, written notice will be delivered to Santa Cruz METRO in accordance with the policy provisions. Cancellation of required insurance policy may result in the termination of the Contract.
- (4) Contractor shall notify Santa Cruz METRO in writing at least thirty (30) days in advance of any material reduction in any insurance policy required under this Contract.
- (5) Contractor agrees to provide Santa Cruz METRO at or before the effective date of this Contract with a certificate of insurance of the coverage required.
- (6) All insurance shall be obtained from brokers or carriers authorized to transact business in California and who are satisfactory to Santa Cruz METRO.
- (7) Contractor shall name Santa Cruz METRO, its officers, officials, employees and volunteers as Additional Insureds on the Commercial General Liability by a separate written endorsement form at least as broad as an ISO CG 20 10 form.

8. SINGLE PROPOSAL

If only one proposal is received in response to the RFP, Proposer may be required to submit to Santa Cruz METRO, within five (5) days of Santa Cruz METRO demand, a detailed cost proposal. Santa Cruz METRO may conduct a cost or price analysis of the cost proposal to determine if the proposal price(s) is(are) fair and reasonable. Proposer shall cooperate with Santa Cruz METRO in compiling and submitting detailed information for the cost and price analysis.

9. DISADVANTAGED BUSINESS ENTERPRISES

The Board of Directors of the Santa Cruz Metropolitan Transit District has adopted a Disadvantaged Business Enterprise Policy to promote the participation of disadvantaged business enterprises (DBEs) in all areas of Santa Cruz METRO contracting to the maximum extent practicable. Consistent with the DBE Policy, the Contractor is strongly encouraged to take all reasonable steps to ensure that DBE firms have the maximum practicable opportunity to participate in the performance of this project and any subcontracting opportunities thereof.

10. PROMPT PAYMENT

10.1 Prompt Progress Payment to Subcontractors

The prime contractor or subcontractor shall pay to any subcontractor not later than 7 days of receipt of each progress payment, the respective amounts allowed the contractor on account of the work performed by the subcontractors, to the extent of each subcontractor’s interest therein, in accordance with Section 7108.5 of the California Business and Professions Code. The 7 days is applicable unless a longer period is agreed to in writing. Any delay or postponement of payment over 30 days may take place only for good cause and

with Santa Cruz METRO's prior written approval. Any violation of Section 7108.5 shall subject the violating contractor or subcontractor to the penalties, sanctions, and other remedies of that Section. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

10.2 Prompt Payment of Withheld Funds to Subcontractors

Santa Cruz METRO shall hold retainage from the prime contractor and shall make prompt and regular incremental acceptances of portions, as determined by Santa Cruz METRO, of the contract work and pay retainage to the prime contractor based on these acceptances. The prime contractor or subcontractor shall return all monies withheld in retention from all subcontractors within thirty (30) days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the contract work by Santa Cruz METRO. Any delay or postponement of payment may take place only for good cause and with Santa Cruz METRO's prior written approval. Any violation of these provisions shall subject the violating prime contractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

Prime contractors must include the prompt payment language of paragraph 10.1 in all subcontracts, regardless of subcontractor's DBE status. Failure of a prime contractor to uphold prompt payment requirements for subcontractors will result in Santa Cruz METRO withholding reimbursement for completed work.

10.3 Prime contractor shall report to Santa Cruz METRO all payments made to DBE subcontractors on a monthly basis.

11. RESERVED

12. MISCELLANEOUS PROVISIONS

12.1 Successors and Assigns

The Contract shall inure to the benefit of, and be binding upon, the respective successors and assigns, if any, of the parties hereto, except that nothing contained in this Article shall be construed to permit any attempted assignment which would be unauthorized or void pursuant to any other provision of this Contract.

12.2 Survival of Rights and Obligations

In the event of termination, the rights and obligations of the parties which by their nature survive termination of the services covered by this Contract shall remain in full force and effect after termination. Compensation and revenues due from one party to the other under this Contract shall be paid; loaned equipment and material shall be returned to their respective owners; the duty to maintain and allow inspection of books, accounts, records and data shall remain; and the hold harmless agreement contained in Article 6 shall survive.

12.3 Limitation on Santa Cruz METRO Liability

Santa Cruz METRO's liability is, in the aggregate, limited to the total amount payable under this Contract.

12.4 Drug and Alcohol Policy

Contractor shall not use, possess, manufacture, or distribute alcohol or illegal drugs during the performance of the Contract or while on Santa Cruz METRO premises or distribute same to Santa Cruz METRO employees.

12.5 Publicity

Contractor agrees to submit to Santa Cruz METRO all advertising, sales promotion, and other public matter relating to any service furnished by Contractor wherein Santa Cruz METRO's name is mentioned or language used from which the connection of Santa Cruz METRO's name therewith may, within reason, be inferred or implied. Contractor further agrees not to publish or use any such advertising, sales promotion or publicity matter without the prior written consent of Santa Cruz METRO.

12.6 Consent to Breach Not Waiver

No provision hereof shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether express or implied, shall not constitute a consent to, waiver of, or excuse for any other different or subsequent breach.

12.7 Attorneys' Fees

In the event that suit is brought to enforce or interpret any part of this Contract, the prevailing party shall be entitled to recover as an element of its costs of suit, and not as damages, a reasonable attorney's fee to be fixed by the court. The "prevailing party" shall be the party who is entitled to recover its costs of suit, whether or not the suit proceeds to final judgment. A party not entitled to recover its costs shall not recover attorney's fees. No sum for attorney's fees shall be counted in calculating the amount of a judgment for purposes of determining whether a party is entitled to recover its costs or attorney's fees.

12.8 No Conflict of Interest

Contractor represents that it currently has no interest, and shall not have any interest, direct or indirect, that would conflict in any manner with the performance of services required under this Contract.

12.9 No Discrimination

The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, creed, national origin, age, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

- (1) Withholding monthly progress payments;
- (2) Assessing sanctions;
- (3) Liquidated damages; and/or
- (4) Disqualifying the contractor from future bidding as non-responsible.

12.10 Prohibition of Discrimination against Qualified Handicapped Persons

Contractor shall comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended, pertaining to the prohibition of discrimination against qualified handicapped persons in federally-assisted programs.

12.11 Cal OSHA/Hazardous Substances

- 12.11.1 Contractor shall comply with California Code of Regulations, Title 8, Section 5194, and shall directly (1) inform its employees of the hazardous substances they may be exposed to while performing their work on Santa Cruz METRO property, (2) ensure that its employees take appropriate protective measures, and (3) provide Santa Cruz METRO's Manager of Facility Maintenance with a Safety Data Sheet (SDS) for all hazardous substances to be used on Santa Cruz METRO property.
- 12.11.2 Contractor shall comply with Cal OSHA regulations and the Hazardous Substance Training and Information Act. Further, said parties shall indemnify Santa Cruz METRO against any and all damage, loss, and injury resulting from non-compliance with this Article.
- 12.11.3 Contractor will comply with the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65) California Health and Safety Code Sections 25249.5 - 25249.13. Contractor will ensure that clear and reasonable warnings are made to persons exposed to those chemicals listed by the State of California as being known to cause cancer or reproductive toxicity.
- 12.11.4 Contractor shall be solely responsible for any hazardous material, substance or chemical released or threatened release caused or contributed to by Contractor. Contractor shall be solely responsible for all clean-up efforts and costs.
- 12.12 Non-Assignment of Contract
- The Contractor shall not assign, transfer, convey, sublet, or otherwise dispose of the Contract or Contractor's right, title or interest in or to the same or any part thereof without previous written consent by Santa Cruz METRO; and any such action by Contractor without Santa Cruz METRO's previous written consent shall be void.
- 12.13 No Subcontract
- Contractor shall not subcontract or permit anyone other than Contractor or its authorized staff and subcontractors to perform any of the scope of work, services or other performance required of Contractor under this Contract without the prior written consent of Santa Cruz METRO. Any such action by Contractor without Santa Cruz METRO's previous consent shall be void.
- 12.14 Severability
- If any provision of this Contract is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force and effect, and shall in no way be affected, impaired or invalidated.
- 12.15 All Amendments in Writing
- No amendment to this Contract shall be effective unless it is in writing and signed by duly authorized representatives of both parties.
- 12.16 Audit
- This Contract is subject to audit by Federal, State, or Santa Cruz METRO personnel or their representatives at no cost for a period of four (4) years after the date of expiration or termination of the Contract. Requests for audits shall be made in writing, and Contractor shall respond with all information requested within ten (10) calendar days of the date of the request. During the four-year period that the Contract is subject to audit, Contractor shall maintain detailed records substantiating all costs and expenses billed against the Contract.

12.17 Smoking Prohibited

Contractor, its employees and agents shall not smoke in any enclosed area on Santa Cruz METRO premises or in a Santa Cruz METRO vehicle.

12.18 Responsibility for Equipment

12.18.1 Santa Cruz METRO shall not be responsible nor held liable for any damage to person or property consequent upon the use, or misuse, or failure of any equipment used by Contractor, or any of its employees, even though such equipment be furnished, rented or loaned to Contractor by Santa Cruz METRO.

12.18.2 Contractor is responsible for returning to Santa Cruz METRO in good condition any equipment, including keys, issued to it by Santa Cruz METRO pursuant to this Contract. If the contractor fails or refuses to return Santa Cruz METRO issued equipment within five days of the conclusion of the contract work, Santa Cruz METRO shall deduct the actual costs to repair or replace the equipment not returned from the final payment owed to contractor or take other appropriate legal action at the discretion of Santa Cruz METRO.

12.19 Grant Contracts

Contractor shall ensure throughout the term of this Contract that all federal, state and local laws and requirements are met including any requirements Santa Cruz METRO is obligated to perform because of receipt of grant funding. Contractor shall also be required to fulfill its obligation as a federal and/or state and/or local sub-recipient of grant funding. Contractor is notified that the project may be funded in part by the Federal Transit Administration and must be designed in compliance with the Buy America regulations 49 CFR Part 661. Specifications that are not in compliance with Buy America will constitute a default and must be re-performed at no cost to Santa Cruz METRO.

12.20 Time of the Essence

Time is of the essence in this Contract.

PART V

PROFESSIONAL SERVICES CONTRACT FOR ACCOUNT-BASED FARE COLLECTION SYSTEM (23-16)

THIS CONTRACT is made effective on _____, 20XX between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (“Santa Cruz METRO”), a political subdivision of the State of California, and _____ (“Contractor”).

1. RECITALS

1.1 Santa Cruz METRO’s Primary Objective

Santa Cruz METRO is a public entity whose primary objective is providing public transportation and which has its principal office at 110 Vernon Street, Santa Cruz, California 95060.

1.2 Santa Cruz METRO’s Need for Account-Based Fare Collection System

Santa Cruz METRO has the need for Account-Based Fare Collection System. In order to obtain these services, Santa Cruz METRO issued a Request for Proposals, dated June 30, 2023, setting forth specifications for such services. The Request for Proposals is attached hereto and incorporated herein by reference as Exhibit A.

1.3 Contractor’s Proposal

Contractor is a firm qualified to provide Account-Based Fare Collection System and whose principal place of business is _____. Pursuant to the Request for Proposals issued by Santa Cruz METRO, Contractor submitted a proposal for Account-Based Fare Collection System, which is attached hereto and incorporated herein by reference as Exhibit B.

1.4 Selection of Contractor and Intent of Contract

On ____ (board date) ____, Santa Cruz METRO selected Contractor as the Proposer whose proposal was most advantageous to Santa Cruz METRO to provide the Account-Based Fare Collection System described herein. This Contract is intended to fix the provisions of these services.

Santa Cruz METRO and Contractor agree as follows:

2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

2.1 Documents Incorporated in this Contract

This Contract shall consist of the following documents, all of which are incorporated herein and made a part hereof by reference thereto. This writing constitutes the final expression of the parties’ Contract, and it is a complete and exclusive statement of the provisions of that Contract, except for written amendments mutually agreed by both parties.

- 1) This Contract, including Attachment A: Data Privacy and Security Requirements

2) Exhibit A

Santa Cruz METRO's "Request for Proposals" dated June 30, 2023, including Addenda Nos. __ dated ____.

3) Exhibit B (Contractor's Proposal)

Contractor's Proposal to Santa Cruz METRO for Account-Based Fare Collection System, as accepted by Santa Cruz METRO.

2.2 Conflicts

In the event of conflict between or among the terms of the Contract Documents, the order of precedence, from highest to lowest, will be this Contract, including Attachment A; Exhibit A; Exhibit B.

2.3 Recitals

The Recitals set forth in Article 1 are part of this Contract.

3. DEFINITIONS

3.1 General

The terms below (or pronouns in place of them) have the following meaning in the Contract:

3.1.1 CONTRACT – The Contract consists of this document, the attachments incorporated herein in accordance with Article 2, and any written amendments made in accordance with Part IV, Section 12.15 of the General Conditions to the Contract.

3.1.2 CONTRACTOR – The Proposer selected by Santa Cruz METRO for this project in accordance with the Request for Proposals issued June 30, 2023.

3.1.3 CONTRACTOR'S STAFF – Employees of Contractor.

3.1.4 DAYS – Calendar days.

3.1.5 FINAL SYSTEM ACCEPTANCE – Completion, to Santa Cruz METRO's satisfaction, of all of the requirements set forth in the SCOPE OF WORK, excluding support and maintenance services.

3.1.6 PROPOSER – Contractor whose proposal was accepted under the terms and conditions of the Request for Proposals issued June 30, 2023.

3.1.7 PROVISION – Any term, agreement, covenant, condition, clause, qualification, restriction, reservation, or other stipulation in the Contract that defines or otherwise controls, establishes, or limits the performance required or permitted by either party.

- 3.1.8 **SCOPE OF WORK (OR “WORK”)** – The entire obligation under the Contract, including, without limitation, all labor, equipment, materials, supplies, transportation, services, and other work products and expenses, express or implied, in the Contract.

4. TIME OF PERFORMANCE

4.1 Term

The term of this Contract will be for a period not to exceed **two (2)** years and shall commence upon the execution of the Contract by Santa Cruz METRO.

At the option of Santa Cruz METRO, this Contract agreement may be renewed for **five (5)** additional one (1) year terms. Option terms may be exercised by METRO in single or multiple year periods.

5. COMPENSATION

5.1 Terms of Payment

Implementation Compensation: For all Work up to and including Final System Acceptance, Santa Cruz METRO shall compensate Contractor in an amount not to exceed **\$TBD**. The not-to-exceed amount is inclusive of all costs and expenses, including but not limited to travel, meals, and telephone, and any and all labor, material, software licenses, profit, overhead, insurance, taxes, and subcontractor costs incurred by the Contractor. Santa Cruz METRO will pay the Contractor according to the following milestone payment schedule:

<u>Milestone</u>	<u>Payment</u>
Project schedule and system requirements	
System design	
Testing and training plan	
System application provisioning with a priority on open-loop	
Shipment of equipment	
Sub fleet installation and testing	
Sub fleet installation acceptance	
Fleet wide installation	
Roll out of remaining fare media and features	
Final System Acceptance	

Support and Maintenance Compensation. For support and maintenance services that commence upon Final System Acceptance, Santa Cruz METRO will pay the Contractor the monthly amount not to exceed **\$TBD**. This amount is all inclusive of costs and expenses including but not limited

to travel, meals and telephone, and any and all labor, material, third-party maintenance and support agreements, profit, overhead, insurance, taxes and all subcontractor costs.

Santa Cruz METRO shall reasonably determine whether work has been successfully performed for purposes of payment. Compensation shall be made within thirty (30) days of Santa Cruz METRO's written approval of Contractor's written invoice for said work.

The maximum compensation that Santa Cruz METRO has authorized to be expended for this Contract will not exceed **\$TBD**. Contractor understands and agrees that if it exceeds the maximum amount payable under this Contract, it does so at its own risk.

5.2 Invoices

Contractor shall submit invoices with a purchase order number provided by Santa Cruz METRO on a monthly basis. Contractor's invoices shall include detailed records showing milestones accomplished, date work accomplished, and personnel used. Expenses shall only be billed if allowed under the Contract.

Said invoice records shall be kept up-to-date at all times and shall be available for inspection by Santa Cruz METRO (or any grantor of Santa Cruz METRO, including, without limitation, any State or Federal agency providing project funding or reimbursement) at any time for any reason upon demand for not less than four (4) years after the date of expiration or termination of the Contract. Under penalty of law, Contractor represents that all amounts billed to Santa Cruz METRO are (1) actually incurred; (2) reasonable in amount; (3) related to this Contract; and (4) necessary for performance of the project.

6. **NOTICES**

All notices under this Contract shall be deemed duly given upon delivery, if delivered by hand, or three (3) days after posting if sent by registered mail, receipt requested, to a party hereto at the address hereinunder set forth, or to such other address as a party may designate by notice pursuant hereto.

Santa Cruz METRO

Santa Cruz Metropolitan Transit District
110 Vernon Street
Santa Cruz, CA 95060

Attention: Michael Tree, CEO

CONTRACTOR

Attention: _____

7. ACCEPTANCE OF ELECTRONIC SIGNATURES AND COUNTERPARTS

The parties agree that this Contract, agreements ancillary to this Contract, and related documents to be entered into this Contract will be considered executed when the signature of a party is delivered by facsimile or other electronic method by either of the parties, and each party agrees that the electronic signatures, whether digital or encrypted, of the parties included in this Contract are intended to authenticate this writing and to have the same force and effect as manual signatures. Each party further agrees that this Contract may be executed in two or more counterparts, each of which will be deemed an original, and all of which constitute one and the same instrument.

8. AUTHORITY

Each party has full power and authority to enter into and perform this Contract and the person signing this Contract on behalf of each has been properly authorized and empowered to enter into this Contract. Each party further acknowledges that it has read this Contract, understands it, and agrees to be bound by it.

Signed on _____

Santa Cruz METRO –
SANTA CRUZ METROPOLITAN TRANSIT
DISTRICT

Michael Tree, CEO/General Manager

Contractor –
NAME OF FIRM

name, title

Approved as to Form:

Julie A. Sherman, General Counsel

Attachment A: Data Privacy and Security Requirements

1. DATA PRIVACY

The Contractor may have access to Personally Identifiable Information ("PII") in connection with the performance of the Contract. PII is any information that identifies or describes a person or can be directly linked to a specific individual, including ridership and usage data. Examples of PII include, but are not limited to, name, address, phone or fax number, signature, date of birth, e-mail address, method of payment, payment card information, ridership and travel pattern data. Santa Cruz METRO Personally Identifiable Information, or Santa Cruz METRO PII, means any PII relating to the Santa Cruz METRO's customers or employees.

The Contractor must ensure and maintain the confidentiality, security, safety, and integrity of all Santa Cruz METRO PII, including physical, electronic, and procedural safeguards designed to prevent unauthorized access or use and protect against known or anticipated threats to the security or integrity of such data. This includes, but is not limited to, the secure transport, transmission and storage of Santa Cruz METRO PII used or acquired in the performance of this Contract. Notwithstanding the generality of the foregoing requirements, Contractor will adhere to the following requirements concerning Santa Cruz METRO PII:

- a. The Contractor may not, except as authorized or required by law, reveal or divulge to any person or entity any Santa Cruz METRO PII that becomes known to it during the term of this Contract. The Contractor may not use or attempt to use any such information in any manner that may injure or cause loss, either directly or indirectly, to Santa Cruz METRO.
- b. The Contractor must maintain policies and programs that prohibit unauthorized disclosure of Santa Cruz METRO PII and promote training and awareness of information security policies and practices. The Contractor must comply, and must cause its employees, representatives, agents, and subcontractors to comply, with such commercially and operationally reasonable directions as Santa Cruz METRO may make to promote the safeguarding or confidentiality of Santa Cruz METRO PII.
- c. The Contractor must conduct background checks for employees or Subcontractors that have access to Santa Cruz METRO PII or host Santa Cruz METRO PII.
- d. The Contractor must limit access to computers and networks that host Santa Cruz METRO PII, including without limitation through user credentials and strong passwords, data encryption both during transmission and at rest, firewall rules, and network-based intrusion detection software.
- e. The Contractor agrees to comply with the information handling and confidentiality requirements outlined in the California Information Practices Act (Civil Code sections 1798 et. seq.) and Civil Code Section 1798.81.5(b), and is subject to the requirements of California Streets and Highways Code Section 31490 by entering into this Agreement with METRO. In addition, the Contractor warrants and certifies that in the performance of this Contract, it will comply with all applicable statutes, rules, regulations and orders of the United States, and the State of California relating to the handling and confidentiality of Santa Cruz METRO PII, including the terms and conditions contained in this Section.

This Section will survive termination or expiration of this Contract.

2. DATA SECURITY

The Contractor must provide those administrative, physical, and technical safeguards for protection of the security, confidentiality, integrity, and availability of Santa Cruz METRO PII pursuant to the minimum standards of care recommended by the California Attorney General in her February 2016 report (See <https://oag.ca.gov/breachreport2016>). In particular:

- a. The Contract agrees to properly secure and maintain any computer, hardware and software applications, or electronic media that it will use in the performance of this Contract. This includes ensuring all security patches, upgrades, and anti-virus updates are applied to secure Santa Cruz METRO PII that may be used, transmitted, or stored on such software in the performance of this Contract.
- b. The Contractor, its employees, agents, Subcontractors, and consultants may not download or otherwise store any Santa Cruz METRO PII onto any Contractor computer, desktop, laptop, thumb drives, disks, or other portable memory device without such data being encrypted.
- c. The Contractor represents that its hosting environment is built upon a secure infrastructure, which undergoes examinations from an independent auditor in accordance with the minimum standards of care recommended by the California Attorney General in her February 2016 report (see above). For added security, the Contractor will use multi-factor authentication when accessing the infrastructure. In addition to the independent audit, Santa Cruz METRO will have the right at any time, upon reasonable notice, to audit and inspect: (i) Contractor's facilities where the Santa Cruz METRO PII is stored or maintained; (ii) any computerized software used to share, disseminate or otherwise exchange Santa Cruz METRO PII; and (iii) Contractor's security practices and procedures, data protection, business continuity and recovery facilities, resources, plans and procedures related to software where the Santa Cruz METRO PII is shared, disseminated or otherwise exchanged. The audit and inspection rights hereunder will be for the purpose of verifying Contractor's compliance with this Contract, and all applicable laws.
- d. The Contractor must process and store all Santa Cruz METRO PII in a single-tenant environment and at no time will Santa Cruz METRO PII be commingled with data of independent third-party users of Contractor's services.
- e. The Contractor must have vulnerability management programs to identify and minimize threats and risks on any software used to store or transmit Santa Cruz METRO PII.
- f. The Contractor represents that the Contractor's management access to the hosting infrastructure is limited to authorized support staff. The security architecture has been designed to control appropriate logical access to the infrastructure to meet industry standards that meet or exceed the Trust Services Criteria and Principles for Security, Availability, Integrity, and Confidentiality established by the AICPA.
- g. Notwithstanding anything to the contrary in this Contract, the Contractor agrees to retain Santa Cruz METRO PII for no longer than three days after the completion date of this Contract and Santa Cruz METRO's confirmation that the Contractor may proceed with such deletion. At the conclusion of this retention period, the Contractor agrees to use U.S. Department of Defense ("DoD") –approved method and removal of Santa Cruz METRO PII from any files, with said service being included in the total cost of this Contract. Discarded Santa Cruz METRO PII will be unavailable and unrecoverable following the purge on any storage media including, but not

limited to, magnetic disk, optical disk, and memory chips ("Storage Media"). The Contractor agrees to destroy hard-copy documents containing Santa Cruz METRO PII by means of a cross-cut shredding machine. The Contractor also agrees to use DoD—approved methods, or an alternate Santa Cruz METRO-approved method, to sanitize any Storage Media prior to discarding or when useful life has ended, whichever comes first. At the conclusion of the performance period of this Contract, the Contractor will submit a certification to Santa Cruz METRO's Project Manager that all electronic or hard-copy format METRO PII has been destroyed in accordance with the Contract.

- h. The Contractor is responsible for the security of the cardholder data the service providers possess or otherwise store, process or transmit on behalf of Santa Cruz METRO, including but not limited to, its customers and employees, and to the extent that it could impact the security of Santa Cruz METRO's, including but not limited to, its customers' and employees', cardholder data environment. The Contractor must at all times remain in compliance with the Payment Card Industry (PCI) Data Security Standard (DSS) requirements, including remaining aware at all times of changes to the PCI DSS and promptly implementing all procedures and practices as may be necessary to remain in compliance with PCI DSS, in each case, at the Contractor's sole cost and expense.

This Section will survive termination or expiration of this Contract.

3. NOTICE OF SECURITY BREACH

The Contractor must immediately notify Santa Cruz METRO when it discovers that there may have been a data security incident that has or may have resulted in compromise to Santa Cruz METRO PII. For purposes of this Section, immediately is defined as within twenty-four hours of discovery. The Contractor must immediately take such actions as may be necessary to preserve forensic evidence and eliminate the cause of any suspected breach or security vulnerability—and must promptly alert Santa Cruz METRO of any such circumstances, including information sufficient for Santa Cruz METRO to assess the nature and scope of any suspected data breach. In the event of an unauthorized disclosure of Santa Cruz METRO PII, the Contractor will be liable for paying for the following costs to remediate any such unauthorized disclosure:

- a. The reasonable cost of providing notice of the breach to individuals affected by such breach;
- b. The reasonable cost of providing required notice of the breach to government agencies, credit bureaus, and/or other required entities;
- c. The cost of providing individuals affected by such breach with credit protection services designed to prevent fraud associated with identity theft crimes for a specific period not to exceed 12 months; and
- d. Any other service required by applicable law.

The Contractor must provide any information and/or support to Santa Cruz METRO in issuing the actual notification and, at Santa Cruz METRO's sole discretion, the Contractor must itself provide actual notification if Santa Cruz METRO desires. This Section will survive termination or expiration of this Contract.