

Regular Meeting of the  
**Board of Trustees of the Utah Transit Authority**

Wednesday, April 17, 2019, 9:00 a.m.  
Utah Transit Authority Headquarters  
669 West 200 South, Salt Lake City, Utah  
Golden Spike Conference Rooms



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|---|----------------------------------|
| <b>1. Call to Order &amp; Opening Remarks</b>                               | <b>Chair Carlton Christensen</b> |
| <b>2. Pledge of Allegiance</b>  | <b>Chair Carlton Christensen</b> |
| <b>3. Safety First Minute</b>   | <b>Sheldon Shaw</b>              |
| <b>4. Public Comment Period</b>   | <b>Matt Sibul</b>                |
| <b>5. Approval of April 10, 2019 Board Meeting Minutes</b>                  | <b>Chair Carlton Christensen</b> |
| <b>6. Agency Report</b>   | <b>Steve Meyer</b>               |
| <b>7. Quarterly Investment Report</b>                                       | <b>Troy Bingham</b>              |
| <b>8. Contracts, Disbursements, Change Orders, &amp; Pre-procurements</b>   |                                  |
| a. Contract: Joint Vendor Managed Inventory<br>(The Aftermarket Parts Co.)  | Todd Mills                       |
| <b>9. Discussion Items</b>  |                                  |
| a. Amending Board Policy 4.1.3 – Process for Establishing<br>Board Policies | Lisa Bohman                      |
| <b>10. Other Business</b>   | <b>Chair Carlton Christensen</b> |
| a. Next meeting: April 24, 2019 at 9:00 a.m.                                |                                  |
| <b>11. Closed Session</b>   | <b>Chair Carlton Christensen</b> |
| a. Strategy Session to Discuss Collective Bargaining                        |                                  |
| <b>12. Adjourn</b>  | <b>Chair Carlton Christensen</b> |

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**Public Comment:** Members of the public are invited to provide comment during the public comment period. Comment may be provided in person or online through [www.rideuta.com](http://www.rideuta.com). In order to be considerate of time and the agenda, comments are limited to 2 minutes per individual or 5 minutes for a designated spokesperson representing a group. Comments may also be sent via e-mail to [boardoftrustees@rideuta.com](mailto:boardoftrustees@rideuta.com).

**Special Accommodation:** Information related to this meeting is available in alternate format upon request by contacting [calldredge@rideuta.com](mailto:calldredge@rideuta.com) or (801) 287-3536. Request for accommodations should be made at least two business days in advance of the scheduled meeting.

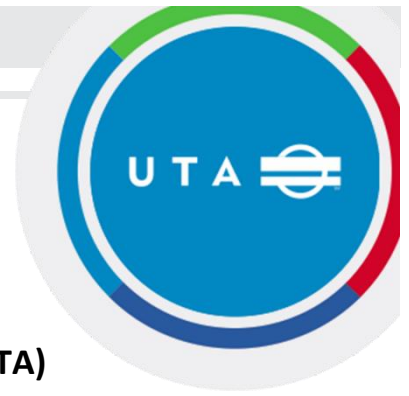
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Website: <https://www.rideuta.com/Board-of-Trustees>

Live Streaming: [https://www.youtube.com/results?search\\_query=utaride](https://www.youtube.com/results?search_query=utaride)

**Don't let April Showers bring you hospital flowers.  
Stay alert when driving in wet conditions.**





**Minutes of the Meeting  
of the  
Board of Trustees of the Utah Transit Authority (UTA)  
held at UTA FrontLines Headquarters located at  
669 West 200 South, Salt Lake City, Utah  
April 10, 2019**

**Board Members Present:**

Carlton Christensen, Chair  
Beth Holbrook  
Kent Millington

Also attending were members of UTA staff, as well as interested citizens.

**Call to Order, Opening Remarks, and Pledge of Allegiance.** Chair Christensen welcomed attendees and called the meeting to order at 9:00 a.m. with three board members present. Following Chair Christensen's opening remarks, the board and meeting attendees recited the Pledge of Allegiance.

**Safety First Minute.** Chair Christensen yielded the floor to Sheldon Shaw, UTA Safety Manager, for a brief safety message.

**Public Comment Period.** No public comment was given.

**Approval of March 27, 2019 Board Meeting Minutes.** A motion to approve the March 27, 2019 Board Meeting Minutes was made by Trustee Millington and seconded by Trustee Holbrook. The motion carried unanimously.

**Agency Report.** Steve Meyer, UTA Interim Executive Director, noted that UTA's legal function officially transferred to the Attorney General's office as of April 8, 2019. He then introduced Mark Burns and David Wilkins, who have been assigned responsibility for UTA's legal needs at the Attorney General's office.

Mr. Meyer also provided an update on the Committee on Accessible Transportation (CAT), which is a citizen committee comprised of members from the disability community that helps the agency better meet the needs of riders with disabilities.

**R2019-04-01 Approving International Travel to the American Public Transportation Association's 2019 International Rail Rodeo.** Eddy Cumins, UTA Chief Operating Officer, summarized the resolution, which authorizes employees to attend the American Public Transportation Association Rail Conference in Toronto, Canada, in June 2019. He mentioned that the resolution references a total of nine employees, but stated the correct number is a total of eleven employees. Discussion ensued. Questions on past locations for the conference, comparative costs between travel to Toronto and past conference locations, the process for selecting attendees, and the status of bus "roadeo" participants were posed by the board and answered by Mr. Cumins.

A motion to approve R2019-04-01 with an amendment to approve international travel for eleven total employees was made by Trustee Holbrook and seconded by Trustee Millington. The motion carried unanimously with aye votes from Trustee Holbrook, Trustee Millington, and Chair Christensen.

**R2019-04-02 Approving the Execution of an Interlocal Cooperation Agreement with Salt Lake County to Perform a Transit Alternative Analysis in the Point of the Mountain Area.** Mr. Cumins provided an overview of the resolution, which authorizes the execution of an Interlocal agreement outlining the terms associated with Salt Lake County's contribution of \$400,000 toward performing a transit alternatives analysis in the area near the Point of the Mountain.

Mary DeLoretto, UTA Capital Development Director, delivered a presentation providing background information on the purpose of the alternatives analysis, scope of work, expected outcomes, funding partners, and need for the interlocal agreement. It was noted that the total anticipated cost of the project is \$800,000. Salt Lake County has committed \$400,000, the Utah Department of Transportation and UTA have each committed \$50,000, and the Wasatch Front Regional Council and Mountainland Association of Governments have each committed \$25,000, leaving a shortfall of \$250,000. Staff indicated the project will be phased so that work on the early phases of the analysis can begin while funding is secured for the later phases. Discussion ensued. Mr. Christensen clarified that he had no role in allocating funds to this project in his former position with Salt Lake County. Questions on ridership potential, modes, details on page 5 of the escrow agreement, and the rationale behind the two choices included in the alternatives analysis were posed by the board and answered by staff.

A motion to conditionally approve R2019-04-02 with a change to reference the current mayor of Salt Lake County on page 5 of the escrow agreement was made by Trustee Millington and

seconded by Trustee Holbrook. The motion carried unanimously with aye votes from Trustee Millington, Trustee Holbrook, and Chair Christensen.

**R2019-04-03 Authorizing Property Right of Way Acquisition for Provo-Orem BRT.** Paul Drake, UTA Senior Manager of Real Estate and Transit-Oriented Development, explained that the acquisition of parcel 143B is needed for the completion of the Utah Valley Express (UVX) construction. The transaction involves both a construction easement and a purchase of real property. The seller is Garff Properties-Orem, LLC. Mr. Drake pointed out a discrepancy between UTA's appraisal price and the owner's appraisal price, which is the result of the appreciation in land value between the time of the initial appraisal and the present, as well as additional costs incurred by the property owner due to construction. The parties have agreed through a mediated settlement process on a purchase price of \$292,598. Discussion ensued. Questions on the cost of the easement versus the permanent property acquisition and impacts to the project budget were posed by the board and answered by staff. Mr. Meyer indicated that he would provide an update on the UVX budget in the next board meeting.

A motion to approve R2019-04-03 was made by Trustee Holbrook and seconded by Trustee Millington. The motion carried unanimously with aye votes from Trustee Holbrook, Trustee Millington, and Chair Christensen.

#### **Contracts and Pre-Procurements.**

**Contract: Indemnification Agreement (Sandy Towers East).** Mr. Drake outlined the purpose of the agreement, which provides indemnification for placing a canal in an underground culvert as part of the Sandy Towers East development. The cost is considered a "Master Development Expense" to be covered by the project partners and reimbursed per the terms of the development agreement. The development partners include UTA, HP Sandy Towers East, LLC, and Millrock Partners, LLC. Discussion ensued. A question on the building plans near the culvert was posed by the board and answered by Mr. Drake.

A motion to approve the contract was made by Trustee Millington and seconded by Trustee Holbrook. The motion carried unanimously with aye votes from Trustee Millington, Trustee Holbrook, and Chair Christensen.

**Change Order: Legal Services (Multiple).** Mr. Meyer explained that UTA has a contract in place for an on-call pool for outside legal services. The pool allows UTA timely access to the expertise it needs on specialized legal topics. UTA would like to extend the contract for one year while a new procurement is pursued. Discussion ensued. A question on the number of firms included in the pool was posed by the board and answered by Mr. Meyer.

A motion to approve the contract was made by Trustee Holbrook and seconded by Trustee Millington. The motion carried unanimously with aye votes from Trustee Holbrook, Trustee Millington, and Chair Christensen.

**Pre-Procurement: Point of the Mountain Alternatives Analysis.** Mr. Meyer shared that the agency intends to issue a request for proposals (RFP) for work associated with the Point of the Mountain alternatives analysis. Discussion ensued. Questions on the total contract value, process associated with receipt of subsequent funding, and options for contract termination were posed by the board and answered by Mr. Meyer.

**Other Business.**

**Next Meeting.** The next meeting of the board will be on Wednesday, April 17, 2019 at 9:00 a.m.

**Adjournment.** The meeting was adjourned at 9:43 a.m. by motion.

Transcribed by Cathie Griffiths  
Executive Assistant to the Board Chair  
Utah Transit Authority  
[cgriffiths@rideuta.com](mailto:cgriffiths@rideuta.com)  
801.237.1945

*This document is not intended to serve as a full transcript as additional discussion may have taken place; please refer to the meeting materials, audio, or video located at <https://www.utah.gov/pmn/sitemap/notice/526401.html> for entire content.*

*This document along with the digital recording constitute the official minutes of this meeting.*

## Utah Transit Authority

### Investment Portfolio

March 31, 2019

Investment	CUSIP	Amount Invested	Purchase Date	Maturity	Yield to Maturity	Annual Earnings
FHLB 2.000%	313380GJ0	\$ 5,015,494.44	9/25/2017	9/9/2022	1.953%	\$ 97,861
FHLB 2.000%	313380GJ0	\$ 5,011,255.56	9/29/2017	9/9/2022	1.976%	\$ 98,892
FHLB 2.000%	313380GJ0	\$ 5,011,405.56	9/29/2017	9/9/2022	1.975%	\$ 98,863
FHLB 2.000%	313380GJ0	\$ 5,008,311.11	10/10/2017	9/9/2022	2.001%	\$ 100,167
FAMCA 1.800%	3132X0WX5	\$ 4,952,250.00	10/11/2017	8/26/2022	2.051%	\$ 102,670
FFCB 2.08%	3133EHM91	\$ 4,992,900.00	11/1/2017	11/1/2022	2.110%	\$ 105,623
FHLB 2.030%	3130ACS96	\$ 4,982,373.61	11/14/2017	11/7/2022	2.113%	\$ 105,774
FFCB 2.08%	3133EHM91	\$ 4,987,466.67	11/22/2017	11/1/2022	2.110%	\$ 105,623
		\$ 39,961,456.95				

Zions Capital Advisors	\$ 28,001,188.38	2.701%	\$ 756,312
Zions Bank	\$ 16,360,345.10	2.380%	\$ 389,376
Public Treasurer's Investment Fund	\$ 164,247,971.84	2.956%	\$ 4,855,170
<b>Total Investments</b>	<u>\$ 248,570,962.27</u>		<u>\$ 6,816,332</u>

#### Rates as of Last Trading Day of

	January	February	March
Zions Capital Advisors	2.854%	2.743%	2.701%
Public Treasurer's Investment Fund	2.871%	2.937%	2.956%
Benchmark Return*	2.410%	2.450%	2.440%

\*Benchmark Return is the highest of either the 3 Month T Bill rate or the Fed Funds rate.

#### Investments Purchased January 1 through March 31, 2019

Investment	CUSIP	Amount Invested	Purchase Date	Maturity	Yield to Maturity	Annual Earnings
No purchases this quarter						

#### Investments Sold January 1 through March 31, 2019

Investment	CUSIP	Amount Invested	Date Sold	Sale Amount	Interest Earned	Gain
No sales this quarter						



## Detailed Contract Description & Purpose

**Board Review Date:** 4/17/2019

**Document Type:** Contract

**Action Requested:** Motion to approve the contract or change order

**Criteria:** Contract is > \$1,000,000

**Contract Title:** Joint Vendor Managed Inventory

**Contract #** 17-2218JH

**Project Manager:** Jolene Higgins

**Contract Administrator:** Jolene Higgins

**Impacted Areas:** Bus Divisions

**Included in budget?** Yes

Best value (RFP)

The After Market

**Procurement method:**

**Contractor:** Parts Co. (New Flyer)

**Sole-Source Reason:** N/A

**Qty & Unit price** See attached Parts

**Change Order Value**

**Total Contract Value** \$1,250,000

**Contract term (Months)** 36

**Contract Start Date** 4/17/2019

**Contract options (Months)** 24

**Contract End Date:** 4/17/2024

**Number of responding firms:** 4

**\$ Value of Next Lowest Bidder** \$ 1,250,000

### General Description & Purpose:

Transit Agencies throughout the country are facing significant challenges in obtaining aftermarket parts due to long lead times, inflated pricing, availability, and obsolescence. In an effort to overcome some of these challenges, UTA has teamed up with San Diego Transit (SDMTS) and Portland Transit (Tri-Met) to jointly procure Vendor Managed Inventory (VMI) services.

After conducting a formal joint RFP, the committee selected The After-Market Parts Company (New Flyer Industries or NFI) based upon their technical capacity to perform VMI services. NFI has extensive experience in this market compared to the other proposers.

This contract will help UTA and the other agencies combine efficiencies associated with volume discounts, increased parts availability, and reduced lead times. As part of the VMI services NFI has agreed to assist UTA by finding alternative sources and reverse engineering for obsolete parts.

In addition to these benefits, UTA feels that by using a VMI service, it will significantly reduce the amount of inventory carrying cost. NFI will stock inventory parts and ensure parts availability. All inventory parts will be purchased and owned by NFI. UTA will be billed once inventory parts are received thus reducing inventory carrying costs. The contract is for 3 base years, with 2 one-year options for a combined 5 years. The Total Contract Value above reflects the 5 year value (\$250,000/year for 5 years).

Throughout the life of the contract UTA will continue to evaluate the current parts list, as well as other like parts, and will competitively bid parts and add them to this contract as deemed to be a best-value for the agency.

**Attachments:** Contract routing sheet attached? Yes

Other attachments? (list) Contract



# CONTRACT ROUTING SHEET

Agenda Item No.:                       
 Board Review Date: 4/17/2019

## CONTRACT SECTION

- 1) Contract/P.O. No. 17-2218JH (Assigned by Purchasing) Contract Administrator: Jolene Higgins  
 Project Manager:
- 2) Contract Type  A. A&E/Design  B. Blanket PO  C. Construction  D. Goods  E. Modification  
 F. Option  G. Renewal  H. Services  I. Task Orders
- 3) Procurement Method  RFQ (Quote)  IFB (Low Bid)  RFQU (Qualification)  RFP (Best-value)  Sole source  Other:
- 4) Contract Title Vendor Managed Inventory Supply Contract
- 5) Description / Purpose (of contract or project) Vendor managed inventory services. Providing inventory management, procurement, warehousing, receiving, stocking, order processing, supply, delivery, warranty processing, and consulting services.
- 6) Contractor Name The Aftermarket parts Company, LLC
- 7) Effective Dates Beginning: 04/17/19 Ending: 04/17/24
- 8) Option to renew?  Yes  No Renewal terms Two one year options

## FINANCIAL SECTION

- 9) Total Board Approval Amount: \$1,250,000
- 9a) Current Contract Value:
- 9b) Amendment Amount:
- 9c) New Contract Value (including all amendments)
- 9d) Is the amount an estimate?  Yes  No  
 (Estimate if per transaction cost)
- 9f) If estimated, how was the estimate calculated? Parts are estimated at \$250,00 a year for a period of 5 years.
- 10) Is the amount a one-time purchase or annual recurring purchase?  One-time  Recurring
- 11) Account Code 1.10301 Capital Project Code
- 12) Budgeted?  Yes  No Budget amount:
- 13) Will this contract require support from another department?  Yes  No
- 14) If so, is the other department(s) aware of this contract and the required support?  Yes  No
- 15) If box 2a or 2c is checked, has the Qualified Health Insurance Certificate been verified?  Yes  No

## SIGNATURE SECTION

	Route to?	Initials	
Compliance Officer	<input checked="" type="checkbox"/> Yes	<span style="border: 1px solid black; padding: 2px;">LJB</span>	<span style="border: 1px solid black; padding: 2px;">Lisa Bohman</span>
Accounting Review	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<span style="border: 1px solid black; padding: 2px;">MS</span>	<span style="border: 1px solid black; padding: 2px;">Brian Steele</span>
IT Review (IT software or hardware)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<span style="border: 1px solid black; padding: 2px;">                    </span>	<span style="border: 1px solid black; padding: 2px;">Print Name</span>
Up to \$10K Manager/Program Manager	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<span style="border: 1px solid black; padding: 2px;">                    </span>	<span style="border: 1px solid black; padding: 2px;">Print Name</span>
Up to \$50K Dir, Sr. Mgr, RGM, or Chief/VP	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<span style="border: 1px solid black; padding: 2px;">                    </span>	<span style="border: 1px solid black; padding: 2px;">Print Name</span>
Up to \$100K Chief/VP, or Dir, Sr. Mgr, RGM (Capital, Maint., Ops. only)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<span style="border: 1px solid black; padding: 2px;">BKB</span>	<span style="border: 1px solid black; padding: 2px;">                    </span>
Over \$100K Executive Director	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<span style="border: 1px solid black; padding: 2px;">                    </span>	<span style="border: 1px solid black; padding: 2px;">Steve Meyer</span>
Over \$200K Board Approval	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<span style="border: 1px solid black; padding: 2px;">                    </span>	<span style="border: 1px solid black; padding: 2px;">Approval Date</span>

If Yes, route to the Sr. Supply Chain Manager for board meeting agenda and approval

## **VENDOR MANAGED INVENTORY SUPPLY CONTRACT**

THIS VENDOR MANAGED INVENTORY SUPPLY CONTRACT ("Contract") is entered into and made effective as of the      day of April, 2019 (the "Effective Date") by and between UTAH TRANSIT AUTHORITY, a public transit district organized under the laws of the State of Utah ("UTA"), and The Aftermarket Parts Company, LLC, (the "Contractor").

### **RECITALS**

WHEREAS, UTA is seeking a Firm to provide vendor managed inventory services including, without limitation, providing inventory management, procurement, warehousing, receiving, stocking, order processing, supply, delivery, warranty processing, and consulting services (the "Services") with respect to dedicated stores of specified vehicle parts as attached hereto at Exhibit "A "(the "Goods"); and

WHEREAS, UTA received competitive proposals to provide the Services according to the terms, conditions and specifications prepared by UTA in 17-2218JH (the "RFP"); and

WHEREAS, the Agency "Vendor Managed Inventory" (VMI), proposal, dated April 4, 2018 I submitted by the Contractor ("Contractor's Proposal") in response to the RFP was deemed to be the most advantageous to UTA; and

WHEREAS, this Contract reflects all modifications, additions and clarifications to the RFP and Contractor's Proposal that were made as a result of the negotiated proposal process; and

WHEREAS, this Contract reflects the first phase of the agreement between the parties, and thus Contract will need to be amended and/or restated if UTA elects to move forward with the second phase contemplated in the RFP.

### **AGREEMENT**

NOW, THEREFORE, in accordance with the foregoing Recitals, which are incorporated herein by reference, and for and in consideration of the mutual covenants and agreements hereafter set forth, the mutual benefits to the parties to be derived herefrom, and for other valuable consideration, the receipt and sufficiency of which the parties acknowledge, it is hereby agreed as follows:

#### **1. INCORPORATED DOCUMENTS**

- a. The following documents hereinafter listed in chronological order, with most recent document taking precedence over any conflicting provisions contained in prior documents (where applicable), are hereby incorporated into the Contract by reference and made a part hereof:
  1. The terms and conditions of this Contract (including any exhibits and attachments hereto).
  2. Contractor's Proposal;
  3. UTA's RFP including, without limitation, all attached or incorporated terms, conditions, drawings, plans, specifications and standards and other descriptions of the Goods and Services;
- b. The above-referenced documents are made as fully a part of the Contract as if hereto attached or herein repeated. The Contract (including the documents listed above) constitute the complete contract between the parties.

2. **GOOD AND SERVICES TO BE PROVIDED BY CONTRACTOR**

Contractor hereby agrees to furnish and deliver the Goods specified in Exhibit "A" upon receipt of a purchase order or other request from UTA Contractor hereby agrees to perform the Services specified in Exhibit "B." All Goods and Services will be provided in accordance with the terms and conditions of the Contract. Contractor shall be responsible for all facilities, utilities, equipment and other items necessary to provide the Goods and Services as described in the Contract.

3. **TERM**

- a. Subject to subsection (b) of this Section 3, this Contract shall commence as of the Effective Date.
- b. Contractor shall not proceed with furnishing any Goods or Services under this Contract until receipt of a Notice to Proceed ("NTP") from UTA. UTA's issuance of an NTP is subject to UTA obtaining internal budget approvals, as well as the receipt of insurance and other required documentation from Contractor. Prior to the issuance of an NTP, UTA shall have the right to terminate this Contract for convenience without incurring any cost or liability of any kind.
- c. The Contract shall remain in full force and effect for an initial term expiring on the three-year anniversary of the date UTA issues the NTP (the "Initial Term"). UTA may, at its sole election and in its sole discretion, extend the Initial Term for up to two, additional one-year periods (each, as applicable a "Renewal Term" and, together with the Initial Term hereafter collectively referred to as the "Term"). Renewal Terms may be exercised by UTA upon providing Contractor with notice of such election at least ninety (90) days prior to the expiration of the Initial Term or (as applicable) then-expiring Renewal Term. The Contract may be further extended if the Contractor and UTA mutually agree to an extension evidenced in writing. The rights and obligations of UTA and Contractor under the Contract shall at all times be subject to and conditioned upon the provisions of the Contract.

4. **COMPENSATION AND FEES**

- a. UTA shall pay Contractor for Goods shipped to UTA in accordance with the unit prices identified in Exhibit "A". No price increases shall occur during the first year following the Effective Date. Thereafter, price increases shall be limited to one-year intervals With the first allowable price increase to occur no earlier than the one year anniversary of the effective date of the contract. Should UTA elect to accept a price increase, Contractor may increase unit price to UTA by an amount not to exceed the changes in Contractor's actual costs. Sixty (60) days prior to the effective date of price increase, Contractor shall submit all data necessary to demonstrate to UTA's satisfaction the actual changes in Contractor's cost of obligating or manufacturing each item since the date of Contractor's Proposal. UTA reserves the right to remove any part(s) from the contract if it is found to not be in the best interest of UTA.
- b. The RFP contemplated a Contract option providing for a consigned VMI concept, where the Contractor would be required handle the planning and logistics of ordering Goods and on behalf of UTA and management of UTA's inventory (such option referred to in this RFP and this Contract as "Phase 2"). Should UTA elect this Phase 2 option, then this Contract will be amended to include Phase 2 implementation and management fees. Phase 2 implementation and management fees shall be based on those submitted in Contractor's Proposal, as equitably adjusted to reflect changes to the quantity of Goods to be consigned (vis-à-vis those identified in the RFP).

- c. Contractor shall submit invoices to UTA's Project Manager for processing and payment on a monthly basis.
- d. UTA shall have the right to disapprove (and withhold from payment) specific line items of each invoice to address non-conforming Goods or Services. Approval by UTA shall not be unreasonably withheld. UTA shall also have the right to offset (against payments) amounts reasonably reflecting the value of any claim which UTA has against Contractor under the Contract. Payment for all invoice amounts not specifically disapproved or offset by UTA shall be provided to Contractor within thirty (30) calendar days of invoice submittal.

**5. INSPECTION, DELIVERY AND TRANSFER OF TITLE**

- a. Contractor shall ship Goods to UTA within the later of the following: (i) twenty four (24) hours of receipt of a purchase order from UTA; (ii) the end of the succeeding business day.
- b. Contractor shall retain all liability and risk of loss with respect to the Goods until the Goods are received by UTA at the specified delivery point. Once delivered, UTA shall assume all liability and risk of loss with respect to the Goods. Contractor shall be solely responsible for all costs related to the transportation (subject to the warranty provisions in Section 6) of the Goods up to specified delivery point.
- c. After delivery, the Goods shall be subject to inspection, testing and acceptance by UTA. UTA shall have the right to reject any Goods that are defective or do not conform to the specifications or other Contract requirements. Rejected Goods shall be replaced at Contractor's expense. Any inspection and testing performed by UTA shall be solely for the benefit of UTA. Neither UTA's inspection of the Goods nor UTA's payment for Goods shall relieve Contractor of its obligations under the Contract.
- d. Contractor warrants that title to all Goods covered by an invoice for payment will pass to UTA no later than the time of payment. Contractor further warrants that upon submittal of an invoice for payment, all Goods and/or Services for which invoices for payment have been previously issued and payments received from UTA shall be free and clear of liens, claims, security interests or encumbrances in favor of Contractor or any subcontractors, material suppliers, or other persons or entities making a claim by reason of having provided equipment, materials, and labor related to the equipment and/or work for which payment is being requested.

**6. WARRANTY OF GOODS AND SERVICES**

- a. Contractor warrants that all Goods shall conform to the drawings, standards, samples, and other descriptions furnished by Contractor and (unless otherwise specifically agreed by UTA) to original equipment manufacturer requirements. Contractor further warrants that all Goods shall be of the quality specified, or of the best grade if no quality is specified, and will be new (unless otherwise agreed by UTA), and free from defects in design, materials and workmanship.
- b. Contractor warrants that all Services shall be performed in a good and workmanlike manner and in accordance with applicable rail transit industry standards.
- c. The warranties provided above shall continue for a one year period. The warranty period for each Good provided shall commence on the date that the Good is delivered to UTA. Contractor shall at its own expense promptly replace any Good that is defective or in any way fails to conform to the Contract requirements. The warranty period for each Service performed shall commence on the date that the Service is

completed and accepted by UTA. Contractor shall at its own expense re-perform any Service that fails to conform to the Contract requirements.

- d. To the extent that Contractor is able to obtain supplier warranties that exceed the scope of duration of the warranties set forth above, Contractor shall administer and enforce such warranties on UTA's behalf.
- e. If Contractor fails to perform its warranty obligations, UTA may conduct the necessary remedial work at Contractor's expense.
- f. The foregoing warranties are not intended as a limitation, but are in addition to all other express warranties set forth in the Contract and such other warranties as are implied by law, custom, and usage of trade.

**7. PERFORMANCE GUARANTEES**

The Contractors performance will be measured against Key Performance Indicators and associated criteria (KPIs) listed below. The KPIs shall be reviewed as part of a Quarterly Business Review (QBR) between UTA and the Contractor. QBRs will be conducted via teleconference or video and shall be on-site at UTA at least once per year. If Contractor is required to implement additional measurement and monitoring tools for KPIs requested by UTA, such additions shall be added through the change order process in section 19 of the Contract.

- a. Average on-time shipments
- b. Total items transacted
- c. Top ten items transacted
- d. Bus Down for parts
- e. Parts Spend
- f. Average days to ship
- g. Total volume of quotes
- h. Top 10 quotes
- i. Warranty claims/RMA's
- j. Actual spend vs opportunity
- k. Over/Under performing parts

**8. OWNERSHIP OF DESIGNS, DRAWINGS, AND WORK PRODUCT**

The intellectual property associated with deliverables prepared or developed pursuant to the Contract including without limitation drawings, specifications, manuals, calculations, maps, sketches, designs, tracings, notes, reports, data, computer programs, models and samples, shall remain the property of the Contractor. For all such deliverables, including those incorporating preexisting intellectual property of Contractor, Contractor hereby grants UTA a fully paid, perpetual, irrevocable, non-transferable, royalty-free license to use such intellectual property for UTA's operation and maintenance of the Goods or equipment for which the Goods were provided. The scope of the license shall be to the fullest extent necessary to accomplish those purposes, including the right to share same with UTA's officers, directors and employees, and to share with UTA's consultants contractors and agents upon prior written notice to the Contractor.

**9. GENERAL INDEMNIFICATION**

Contractor shall indemnify, hold harmless and defend UTA, its officers, trustees, agents, and employees (hereinafter collectively referred to as "Indemnitees") from and against all liabilities, claims, actions, damages, losses, and expenses including without limitation

reasonable attorneys' fees and costs (hereinafter referred to collectively as "claims") related to bodily injury, including death, or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of the failure of such Contractor to conform to federal, state, and local laws and regulations. If an employee of Contractor, a subcontractor, anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable brings a claim against UTA or another Indemnitee, Contractor's indemnity obligation set forth above will not be limited by any limitation on the amount of damages, compensation or benefits payable under any employee benefit acts, including workers' compensation or disability acts. The indemnity obligations of Contractor shall not apply to the extent that claims arise out of the sole negligence of UTA or the Indemnitees.

**10. INSURANCE REQUIREMENTS**

- a. Contractor and subcontractors shall procure and maintain until all of its obligations have been discharged (including satisfaction of all warranty periods under the Contract), insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.
- b. The insurance requirements herein are minimum requirements for the Contract and in no way limit the indemnity covenants contained in the Contract. UTA in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under the Contract by the Contractor, its agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.
- c. Contractor shall provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a "following form" basis.

**1. Commercial General Liability – Occurrence Form - Policy shall include bodily injury, property damage and broad form contractual liability coverage.**

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Each Occurrence \$1,000,000

The policy shall be endorsed to include the following additional insured language: "Utah Transit Authority shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor."

**2. Automobile Liability - Bodily Injury and Property Damage for any owned, hired, and non-owned vehicles used in the performance of the Contract.**

- Combined Single Limit (CSL) \$2,000,000

The policy shall be endorsed to include the following additional insured language: "Utah Transit Authority shall be named as an additional insured with respect to

liability arising out of the activities performed by, or on behalf of the Contractor, including automobiles owned, leased, hired or borrowed by the Contractor."

**3. Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	\$100,000
Disease – Each Employee	\$100,000
Disease – Policy Limit	\$500,000

Policy shall contain a waiver of subrogation against UTA.

- d. The policies shall include, or be endorsed to include, the following provisions:
  - 1. On insurance policies where UTA is named as an additional insured, UTA shall be an additional insured to the full limits of liability purchased by the Contractor. Insurance limits indicated in the Contract are minimum limits. Larger limits may be indicated after the Contractor's assessment of the exposure for the Contract; for its own protection and the protection of UTA.
  - 2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.
- e. Insurance is to be placed with insurers duly licensed or authorized to do business in the State of Utah and with an "A.M. Best" rating of not less than A-VII. UTA in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
- f. Contractor shall furnish UTA with certificates of insurance (ACORD form or equivalent approved by UTA) as required by the Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.
- g. Contractors' certificate(s) shall include all subcontractors as additional insureds under its policies or Contractor shall furnish to UTA separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to the minimum requirements identified above.

**11. OTHER INDEMNITIES**

- a. The Contractor shall protect, release, defend, indemnify and hold harmless the UTA and the other Indemnitees against and from any and all claims of any kind or nature whatsoever on account of intellectual property infringement relating to performance under the Contract. If notified promptly in writing and given authority, information and assistance, Contractor shall defend, or may settle at its expense, any suit or proceeding against UTA so far as based on a claimed infringement and Contractor shall pay all damages and costs awarded therein against UTA due to such breach. In case any Good or Service is in such suit held to constitute such an intellectual property infringement or an injunction is filed that interferes with UTA's rights under the Contract, Contractor shall, at its expense and through mutual agreement between UTA and Contractor, either procure for UTA any



necessary intellectual property rights, or modify Contractor's Goods and Services such that the claimed infringement is eliminated.

- b. Contractor shall: (i) protect, release, defend, indemnify and hold harmless UTA and the other Indemnitees against and from any and all liens or claims made or filed against UTA on account of any Goods or Services furnished by subcontractors of any tier; and (ii) keep UTA property free and clear of all liens or claims arising in conjunction with any Goods or Services furnished under the Contract by Contractor or its subcontractors of any tier. If any lien arising out of the Contract is filed in conjunction with any Goods or Services furnished under the Contract, Contractor, within ten (10) calendar days after receiving from UTA written notice of such lien, shall obtain a release of or otherwise satisfy such lien. If Contractor fails to do so, UTA may take such steps and make such expenditures as in its discretion it deems advisable to obtain a release of or otherwise satisfy any such lien or liens, and Contractor shall upon demand reimburse UTA for all costs incurred and expenditures made by UTA in obtaining such release or satisfaction.

**12. INDEPENDENT CONTRACTOR**

The parties agree that Contractor, in the carrying out of its duties hereunder, is an independent contractor and that neither Contractor nor any of its employees is or are agents, servants or employees of UTA. Neither Contractor nor any of Contractor's employees shall be eligible for any workers compensation insurance, pension, health coverage, or fringe benefits which apply to UTA's employees. Neither federal, state, nor local income tax nor payroll tax of any kind shall be withheld or paid by UTA on behalf of Contractor or the employees of Contractor. Contractor acknowledges that it shall be solely responsible for payment of all payrolls, income and other taxes generally applicable to independent contractors.

**13. USE OF SUBCONTRACTORS**

All sub-suppliers used by Contractor to furnish Goods under this Contract shall be subject to UTA's review and approval and UTA reserves the right to qualify any new Goods (without a current product number in UTA's inventory system) pursuant to an "approved equals" submittal process.

**14. CONTRACTOR SAFETY COMPLIANCE**

UTA is an ISO 14001 for Environmental Management Systems, ISO 9001 Quality and Performance Management, and OSHAS 18001 safety systems management company. Contractor, including its employees, subcontractors, authorized agents, and representatives, shall comply with all UTA and industry safety standards, NATE, OSHA, EPA and all other State and Federal regulations, rules and guidelines pertaining to safety, environmental Management and will be solely responsible for any fines, citations or penalties it may receive or cause UTA to receive pursuant to this Contract. Each employee, contractor and subcontractor must be trained in UTA EMS and Safety Management principles. Contractor acknowledges that its Goods and Services might affect UTA's Environmental Management Systems obligations. A partial list of activities, products or Services deemed as have a potential EMS effect is available at the UTA website [www.rideuta.com](http://www.rideuta.com). Upon request by UTA, Contractor shall complete and return a *Contractor Activity Checklist*. If UTA determines that the Goods and/or Services under the Contract has the potential to impact the environment, UTA may require Contractor to submit additional environmental documents. Contractor shall provide one set of the appropriate safety data sheet(s) (SDS) and container label(s) upon delivery of a hazardous material to UTA.

**15. LAWS, REGULATIONS AND UTA PROPERTY REQUIREMENTS**

Contractor agrees that all Goods and Services shall be in compliance with applicable federal, state, and local laws and regulations including, without limitation, those related to safety and environmental protection. With respect to its use of (or presence upon) UTA property, Contractor also agrees to comply with all UTA work site rules including, without limitation, those related to safety and environmental protection.

**16. ASSIGNMENT OF CONTRACT**

Contractor shall not assign any of its rights or responsibilities, nor delegate its obligations, under this Contract or any part hereof without the prior written consent of UTA, and any attempted transfer in violation of this restriction shall be void.

**17. END OF CONTRACT TERM OBLIGATIONS (APPLIES ONLY IF PHASE 2 OPTION EXERCISED)**

a. In order to secure continuity of UTA's operations at the expiration of the Contract, UTA and the Contractor shall agree upon a demobilization plan at least three months prior to the last day of the Term. As part of this plan, UTA and the Contractor shall agree which Goods Contractor will continue to order into inventory and which Goods will be consumed and not be reordered. If there are previously ordered Goods that are not scheduled to be delivered to UTA until after the expiration date, Contractor will assign the purchase orders/contracts for such Goods to UTA.

b. At the expiration of the Contract, UTA shall purchase: (i) Contractor's remaining warehoused stock of Goods at a quantity that does not exceed a three month supply (based on then-current usage); and (ii) Contractor's remaining supply of those Goods for which UTA has specifically directed Contractor to maintain a warehouse stock that exceeds a three month supply. Contractor shall be solely responsible for any excess inventoried items (beyond those described above).

**18. TERMINATION PRIOR TO END OF TERM**

a. UTA shall have the right to terminate the Contract at any time by providing written notice to Contractor. If the Contract is terminated for convenience: (i) UTA shall pay Contractor in full for all Services performed in accordance with the Contract up to the effective date of termination; and (ii) Contractor shall sell to UTA, and UTA shall purchase, Contractor's remaining warehoused stock of Goods and Goods on order in accordance with the terms and conditions of Section 16 of this Contract. UTA shall not be responsible for anticipated profits based on the terminated portion of the Contract. Contractor shall promptly submit a termination claim to UTA. If Contractor has any property in its possession belonging to UTA, Contractor will account for the same, and dispose of it in the manner UTA directs.

b. If Contractor materially fails to deliver the Goods in accordance with the Contract requirements, fails to perform any Services in the manner called for in the Contract, or fails to comply with any of its obligations under the Contract, other than for reason of Force Majeure (as defined below), and such failure is not cured or a cure initiated to the satisfaction of UTA within seven (7) days after receipt of written notice from UTA, UTA may, at its discretion:

1. Terminate the Contract (in whole or in part) for default and obtain the Goods and Services using other contractors or UTA's own forces, in which

- event Contractor shall be liable for all incremental costs so incurred by UTA;
2. Pursue other remedies available under the Contract (regardless of whether the termination remedy is invoked); and/or
  3. Except to the extent limited by the Contract, pursue other remedies available at law.
- c. Upon receipt of a termination notice as provided above, Contractor shall (i) immediately discontinue all work affected (unless the notice directs otherwise); and (ii) deliver to UTA all data, drawings and other deliverables, whether completed or in process. Contractor shall also remit a final invoice for all services performed and expenses incurred in full accordance with the terms and conditions of the Contract up to the effective date of termination. UTA shall calculate termination damages payable under the Contract, shall offset such damages against Contractor's final invoice, and shall invoice Contractor for any additional amounts payable by Contractor (to the extent termination damages exceed the invoice). All rights and remedies provided in this Article are cumulative and not exclusive.
- d. If UTA terminates the Contract for any reason, Contractor shall remain available, for a period not exceeding 90 days, to UTA to respond to any questions or concerns that UTA may have regarding the Goods and Services furnished by Contractor prior to termination.

**19. FORCE MAJEURE**

If the Contractor is delayed at any time during the performance of the work by the neglect or failure of UTA or by delay or failure of the Contractor caused by an event beyond its control, including, but not limited to, natural disasters, floods, fires, acts of war or terrorism, labor shortages, strikes or lock-outs or shortages or loss of transportation, then the time for completion of the work and/or the delivery dates shall be extended by the UTA by a reasonable period of time after such event of delay has ended in order that the Contractor may complete the work or deliver the Goods.

**20. CHANGES**

UTA may direct changes to the Contract. Upon receipt of such direction, Contractor shall prepare an estimate of the cost impacts of the change (if any). Any material changes to the Goods identified in Exhibit "A" shall give rise to an equitable adjustment of the fixed-fee set forth in Exhibit "A". No change in the Contract shall be made unless made pursuant to a mutually executed written instrument designated to be a change order or contract amendment. Oral changes to the Contract are not permitted.

**21. AUDIT**

Contractor shall retain all books, papers, documents, accounting records and other evidence to support invoices submitted (or any other provision of the Contract). Such records shall include, without limitation, time sheets and other documentation related to the performance of "Optional Services," as well as solicitation documents, subcontracts, purchase orders, other contract documents, invoices, receipts or other documentation identifying Contractor's cost of acquiring the Goods. Contractor shall provide copies of such documentation to UTA upon request. Contractor shall also retain other books and records related to the performance, quality or management of the Contract and/or Contractor's compliance with the Contract. Records shall be retained by Contractor for a period of at least six (6) years, or until any audit initiated within that six-year period has been completed (whichever is later). During this six-year period, such records shall be made available at all

reasonable times for audit and inspection by UTA and other authorized auditing parties including, but not limited to, the Federal Transit Administration. Copies of requested records shall be furnished to UTA or designated audit parties upon request. Contractor agrees that it shall flow-down (as a matter of written contract) these records requirements to all subcontractors utilized in the performance of the Contract at any tier. UTA and its representatives and agents agree to enter into a confidentiality agreement with the Contractor prior to commencing an audit, review or analysis in order to protect and maintain the confidentiality of the Contractor's information to the full extent permitted by law.

**22. FINDINGS CONFIDENTIAL**

- a. Any documents, reports, information, or other data and materials available to or prepared or assembled by Contractor or subcontractors or the UTA (with the exception of any obligations of disclosure at law) under this Contract are considered confidential and shall not be made available to any person, organization, or entity by Contractor without consent in writing from the disclosing party. In the event that a party is legally required to disclose confidential information, prior written notice shall be provided to the other party).
- b. It is hereby agreed that the following information is not considered to be confidential:
  1. Information already in the public domain;
  2. Information disclosed to Contractor by a third party who is not under a confidentiality obligation;
  3. Information developed by or in the custody of Contractor before entering into this Contract;
  4. Information developed by Contractor through its work with other clients; and
  5. Information required to be disclosed by law or regulation including, but not limited to, subpoena, court order or administrative order.

**23. PROJECT MANAGER**

UTA's Project Manager for the Contract is Jolene Higgins, or designee. All questions and correspondence relating to the technical aspects of the Contract should be directed to UTA's Project Manager at UTA offices located at 669 West 200 South, Salt Lake City, Utah 84101, office phone (801) 237-1925.

**24. CONTRACT ADMINISTRATOR**

UTA's Contract Administrator for the Contract is Jolene Higgins, Grants & Contracts Administrator, or designee. All questions and correspondence relating to the contractual aspects of the Contract should be directed to UTA's Grants & Contracts Administrator at UTA offices located at 669 West 200 South, Salt Lake City, Utah 84101, office phone (801) 237-1925.

**25. PROHIBITED INTEREST**

No member, officer, or employee of UTA during their tenure or one year thereafter shall have any interest, direct or indirect, in the Contract or the proceeds thereof.

**26. NOTICES OR DEMANDS**

- a. Any and all notices, demands or other communications required hereunder to be given by one party to the other shall be given in writing and will be personally delivered, mailed by US or Canadian Mail as applicable, or sent by overnight courier service and addressed to such party as follows:

If to UTA:

ATTN: Grants & Contracts Administrator  
669 West 200 South  
Salt Lake City, UT 84101

If to Contractor:

ATTN: Kerri Moloney  
711 Kernaghan Avenue  
Winnipeg, Manitoba R2C 3T4

- b. Either party may change the address at which such party desires to receive written notice of such change to any other party. Any such notice shall be deemed to have been given, and shall be effective, on delivery to the notice address then applicable for the party to which the notice is directed; provided, however, that refusal to accept delivery of a notice or the inability to deliver a notice because of an address change which was not properly communicated shall not defeat or delay the giving of a notice.

**27. DISPUTE RESOLUTION**

- a. The parties shall attempt to informally resolve all claims, counterclaims and other disputes through the escalation process described below. No party may bring a legal action to enforce any term of this Contract without first having exhausted such process.
- b. The time schedule for escalation of disputes, including disputed requests for change order, shall be as follows:

<b>Level of Authority</b>	<b>Time Limit</b>
UTA's Project Manager, Jolene Higgins/Contractor's Project Manager, Aimee Christian	Five Calendar Days
UTA's Procurement Manager, Troy Hamilton/Contractor's Customer Service Manager, Tiffany Stanley	Five Calendar Days
UTA's Sr. Supply Chain Manager, Todd Mills/Contractor's VP Customer Service, Kerri Moloney	Five Calendar Days

Unless otherwise directed by UTA's Project Manager, Contractor shall diligently continue performance under this Contract while matters in dispute are being resolved.

- c. If the dispute cannot be resolved informally in accordance with the escalation procedures set forth above, than either party may commence legal action in accordance with the venue and law provisions of this Contract. If mutually agreed, the parties may also submit the dispute to arbitration or mediation.

**28. GOVERNING LAW**

The validity, interpretation and performance of the Contract shall be governed by the laws of the State of Utah, without regard to its law on the conflict of laws. Any dispute arising out of the Contract that cannot be solved to the mutual agreement of the parties shall be brought in a court of competent jurisdiction in Salt Lake County, State of Utah. Contractor consents to the jurisdiction of such courts.

**29. SEVERABILITY**

Any provision of the Contract prohibited or rendered unenforceable by operation of law shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of the Contract.

**30. AMENDMENTS**

Any amendment to the Contract must be in writing and executed by the authorized representatives of each party.

**31. NO THIRD PARTY BENEFICIARIES**

The parties enter in to the Contract for the sole benefit of the parties, in exclusion of any third party, and no third party beneficiary is intended or created by the execution of the Contract.

**32. ENTIRE AGREEMENT**

This Contract with Exhibits and the documents incorporated by reference in Section 1, shall constitute the entire agreement and understanding of the parties with respect to the subject matter hereof, and shall supersede all offers, negotiations and other agreements with respect thereto.

**33. COUNTERPARTS**

This Contract may be executed in any number of counterparts and by each of the parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. Any signature page of the Contract may be detached from any counterpart and reattached to any other counterpart hereof. The electronic transmission of a signed original of the Contract or any counterpart hereof and the retransmission of any signed electronic transmission hereof shall be the same as delivery of an original.

**34. SURVIVAL**

Provisions of this Contract intended by their nature and content to survive termination of this Contract shall so survive including, but not limited to, Articles 6, 7, 8, 9, 10, 11, 15, 17, 18, 21, 22, 25, 27, 28, 29, 30, 31, 32 and 34.

**[Signature Page to Follow]**

## Exhibit A

### Parts List

Part Number	NFI Parts Item Number	Description	VMI Price from NFI Parts
03-44905N000	6369490	DRIVELINE ASSY, 1710	\$799.16
07-38007N000	6329687	STRAP KIT, SLACK ADJUSTER	\$5.61
10212508	6372591	BRAKE CHAMBER, REAR	\$112.34
10475784	6322792	SCREW, RECTIFIER COVER (D	\$1.79
10499878	6313310	BEARING, CONRAD - MAXIMUM	\$21.69
10SRH90B	6427061	HOSE, ELBOW - EGR	\$13.99
11093975	6475821	FILTER, WATER SEPARATOR	\$17.89
12124582	102878	MALE PIN	\$0.09
12L4232	6347665	CARTRIDGE, PIN & BUSHING	\$36.20
13-39316-000	6370425	LAMP, SIDE MARKER - MALE	\$22.30
13550100820	8111553	FILTER MINDER,DIRECT MOUN	\$11.52
15021024	6331249	WHEEL SEAL, REAR INNER OI	\$37.76
18621	634-3336	KIT ASSY, RAMP RH/LH	\$275.78
1956315	6316566	ROTOR, ALTERNATOR	\$143.65
20-41134N000	6343982	CHANNEL, REAR BUMPER SUPP	\$631.87
20-55786V010	6475976	MIRROR ASSY, 8"X18" CURB	\$899.65
21661	6359868	BATTERY, AMEREX BACKUP	\$72.81
221318	6397928	SEAL KIT, COMPRESSOR SCRE	\$694.05
23533816	6326423	CARTRIDGE, FUEL FILTER	\$15.26
284358	6390349	GOVERNOR, D-2 HIGH TEMP	\$44.49
29541565	6475716	BEARING, ROLLER - P1 CARR	\$9.87
29500768	6475715	THRUST PLATE	\$18.50
29539579	6356845	FILTER, CONTROL MAIN	\$9.46
29545785	6357883	FILTER KIT	\$42.40
2L376	6320198	CASE ASSY w/ NEST - DIFFE	\$758.62
30698207A	6323360	KNOB, REGULATOR VALVE ADJ	\$22.71
3074	6475975	GLASS, MIRR - HEATED w/ T	\$27.32
30756407	6336777	BLADDER, AUTO ACTUATOR	\$52.29
30874007	6344611	KIT, ERGO AM80 TRACK ASSY	\$141.96
330566	390245	ORING ,1/2"	\$3.24
3L27508	3L-27-508	FENCE, WINDSHIELD RETENT	\$398.77
364233	6322248	EXTENSION BOLT	\$12.76
3918190	6409794	WASHER, SEALING	\$4.29
395B2MLR	6389362	MIRROR, RH BOTTOM CONVEX	\$45.18
395T2MLR2	6341581	Mirror Glass, RH Top	\$30.95

Part Number	NFI Parts Item Number	Description	VMI Price from NFI Parts
3L1476	6409611	GLASS, DRV LOWER STATIONA	\$213.66
4L2822	015351	VALVE ASSY, PUSH/PULL PP2	\$35.68
415213	6352814	COIL, COMPRESSOR AC	\$66.25
4592ADX	6362631	BRAKE BLOCKS - 4592A SING	\$115.59
4592ADXX	6362624	BRAKE BLOCKS, 4592A DOUB	\$139.91
4711DX	6475524	BRAKE BLOCK, REAR - X	\$110.85
4715DX	6362506	BRAKE BLOCK, FRONT - X	\$77.05
4728DX	6362509	BRAKE BLOCK, X	\$125.70
4919555	6475717	CONNECTOR, 4 POSITION PLU	\$73.27
4L1109	6342680	BRAKE SHOE, FRONT W/O LIN	\$23.22
4L4283	6345266	BRAKE SHOE TAG W/O LINING	\$26.32
4L662	6350485	SLACK ADJUSTER, LH REAR	\$61.42
4L664	6350486	SLACK ADJUSTER, RH REAR	\$61.42
5013	6327313	MOTOR, MIRROR SMALL	\$46.65
5013672	6356478	FILTER, PURA GUARD	\$66.00
5043MLR	6348239	MOTOR, INT MIRROR RH, MED	\$41.98
51-10141-000	6369077	CAP	\$1.79
82-88800-000	6475822	LAMP, FOG - '07 GILLIG	\$124.97
51-26117-005	07-08-5461	SWITCH, PRESSURE 7 PSI	\$30.22
51-35911-000	122867	GAUGE, WATER TEMPERATURE	\$76.13
51-35913-000	6475974	GAUGE, VOLT	\$79.98
51-55736-000	6397127	LAMP ASSY LED 4" RED 12V	\$50.96
53-02222-035	6371937	V-BELT, 97.5	\$37.35
53-29242-001	115240	VALVE, SOLENOID	\$59.24
540063400	634-5094	FAN, CONDENSOR - 6 PIN	\$313.78
54-13118-056	6385109	ELBOW, SWIVEL	\$82.98
54-37358-000	30-3334-001	NUT PLATE, (TOGGLE) M8	\$1.15
56-09125-004	034528	HOSE, HUMP, 2.50"X 6"	\$10.08
6022	60-022	WIPER BLADES 22" STANDAR	\$7.30
6061297	6323604	CLUTCH, TWO SPEED ELECTRO	\$1,250.16
619913	633-5786	VALVE KIT, REGENERATION	\$9.95
620604	6349735	KIT, T-2000 AIR DRYER ASS	\$275.00
6L81193	6L-8-1193	HUMP HOSE, 1-1/8 X 1-3/4	\$30.99
772651	6378893	ARMATURE, A/C HUB & CLUTC	\$385.69
7L7277	6351019	BULB, LED	\$21.13
82-19644-001	6333725	TUBE ASSY, TIE ROD W/CLAM	\$150.16
82-21211-002	6377226	MODULE, FRONT BUMPER, RH	\$169.98
82-22756-000	6475603	MIRROR, LH FLAT HEATED	\$116.67
82-22757-000	6332783	MIRROR ASSY, 7"CONVEX HEA	\$38.90
82-24530-000	6330169	KING PIN KIT, K6000	\$154.59



Part Number	NFI Parts Item Number	Description	VMI Price from NFI Parts
82-27557-000	6337994	SEATBELT ASSY,RH W/ WRN S	\$179.10
82-27903-000	6336805	SEAT BELT, 3-PT DRIVER'S	\$195.17
82-28383-134	6469894	ARM REST ASSY, RH	\$185.65
82-37399-001	6352802	SEAL, FRONT	\$179.20
82-37400-002	6352804	RETAINER, BEARING	\$125.31
82-37401-001	6352813	COMPRESSOR DISCHARGE TEMP	\$87.42
82-39398-000	6345049	GLASS, MIRROR - FLAT HEAT	\$32.60
82-52235-003	6475815	GUIDE ASSY, LOWER PIVOT -	\$105.30
82W178	6311067	BEARING, ROD END	\$22.64
82W179	6311068	BEARING, ROD END	\$24.65
8561931002	6326995	KIT, REAR SIGN COVER 9x31	\$380.29
CT550L	6359049	CLAMP, BREEZE -CONSTANT T	\$4.56
916PWRS223	6398726	POWER SUPPLY, SIDE SIGN	\$433.69
9440138	6304999	BEARING, ROLLER ALTERNATO	\$22.85
A3262A1353	6329898	CAP ASSY, HUB (OIL) - FRO	\$36.49
BR38	6475523	BEARING SET	\$11.20
CE3297	634-3025	COVER, JUMP START CONNECT	\$76.91
F3MDBKE2A	6475602	KIT, BRAKE CALIPER REBUIL	\$305.89
FF5632	6390263	FILTER, FUEL - SECONDARY	\$8.50
GF153	6400114	VALVE ASSY, WIPER MOTOR	\$78.59
K031562	6403208	PURGE VALVE KIT	\$87.00
N083040093	6454777	ELEMENT, AIR FILTER	\$32.14
Q86200CR80R	6475893	RESTRAINT, WC - STRAP w/	\$128.40
T0215	5960260	BUSHING, S-CAM (STANDARD	\$3.84
T224P	6357650	SEPARATOR, OIL - HD2000	\$78.80
Z632141102	LH8504	FILTER, POWER STEERING-HY	\$4.65

## **Exhibit B**

### **Engineering and Sourcing Support**

Contractor shall provide maintenance engineering services to help achieve UTA's long term objectives regarding cost-effectiveness and reliability. Contractor shall review parts usage and provide technical recommendations and solutions to help reduce long-term costs and/or improve the operational capability of the rolling stock and infrastructure.

Contractor must assist in analyzing repetitive part/equipment failures, providing alternatives for review to allow for streamlining of maintenance costs, assist in assessing the needs for parts and equipment replacement, establishing replacement programs and assist in the assessing and reporting of safety hazards associated with rolling stock and infrastructure material.

Contractor shall assist UTA's supply-chain management, maintenance, and training teams in sourcing alternatives to parts that are either difficult to obtain, no longer available or excessively priced. Any alternative part must be inspected and approved by UTA's maintenance team prior to implementing any part substitution. For each task order, Contractor shall negotiate with UTA a process for the approval/disapproval of alternatives including the anticipated time period for such review and appropriate forms. UTA reserves the right to verify specifications and test results prior to approval of the specific alternate. UTA reserves the right to approve/disapprove based on the risk to UTA for using an alternate. Contractor shall provide on a quarterly basis, or approved time period, the specific items that are being considered for the approval/disapproval process.

In an effort to incentivize cost reduction through engineering and alternative sourcing support services, cost savings shall be split equally (50%/50%) between Contractor and UTA. The cost savings shall be discounted in the new unit price to UTA. Any alternative part must be inspected and approved by UTA's maintenance team prior to implementing the use of the substitute part.

IN WITNESS WHEREOF, the parties hereto have caused the Contract to be executed by officers duly authorized to execute the same as of the day and year first above written.

**UTAH TRANSIT AUTHORITY:**

By \_\_\_\_\_ Date \_\_\_\_\_

W. Steve Meyer  
Interim Executive Director

By *Robert K. Biles* Date 4/8/19

Robert K. Biles  
Chief Financial Officer

Reviewed & Recommended

*J. Hain*  
\_\_\_\_\_  
UTA Project Manager

Approved as to Form

*RWB Biles*  
\_\_\_\_\_  
~~UTA Legal Counsel~~ *Compliance officer*

**THE AFTERMARKET PARTS COMPANY, LLC:**

By *Maloney* Date 4-5-19

Name *Kerri Maloney*  
Title *VP of Customer Service*

By *Paul Alexander* Date 4-5-19

Name *Paul Alexander*  
Title *VP of Finance*

Fed ID# 98-0453252



# Process For Establishing Board Policies

Board of Trustees Policy No. 1.1

Application: Board of Trustees and Local Advisory Council

- I. Purpose: The purpose of this policy is to establish the process for the adoption of Board policies and for the approval of UTA policies that fall under the responsibility of the Executive Director.
- II. Policy:
  - A. The Board will adopt Board policies pursuant to the following process.
    - 1. At the Board’s request, the Executive Director or designee will draft a proposed policy.
    - 2. The Executive Director will present the proposed policy to the Board for discussion and direction.
    - 3. The Executive Director or Board Trustees will consult with the Local Advisory Council regarding the proposed policy.
    - 4. The Executive Director will present the proposed policy to the Board for final adoption by resolution.
  - B. The Board will review UTA policies pursuant to the following process.
    - 1. The Executive Director will submit the proposed UTA policy to the Board for review.
    - 2. The Board will approve the proposed UTA policy in its consent agenda or direct the Executive Director to make further revisions to the proposed policy.

Cross References: Utah Code Ann. §17B-2a-808.1(2)(t).

Revision/Review History:

Date of Local Advisory Council Consultation	Board of Trustees Approval (Resolution Number)	Action
		Revised and Renumbered from Board Policy 4.1.4 to Board Policy 1.1