

**ALTRAN Transit Authority
P.O. Box 69, 530 E. Munising Ave.
Munising, MI 49862
(906) 387-4845**

Invitation for Bid

Date: May 20, 2013
For: Medium Duty Wheel Chair Lift/Paratransit Hybrid Bus
Sealed Bid Due: June 10, 2013, 9:30 a.m. to Rochelle A. Cotey
Public Bid Opening: June 10, 2013, 10:00 a.m., ALTRAN Office,
530 E. Munising Ave., Munising, Michigan
Contact People: Rochelle Cotey, Executive Director (general questions)
Terry Bower, Mechanic (specs)

The bidder hereby offers to furnish the goods and/or services described and for the price stated:

ADA Compliant Para-Transit Vehicle

to conform to specifications which are attached and incorporated as part of this bid. ALTRAN Transit Authority reserves the right to accept or reject any and all bids, or parts thereof, and to waive any irregularities in the bid except those specifically mentioned in the sealed bid instructions.

This section must be included with your bid!!

I, the undersigned, hereby state that I have full authority to execute this bid on behalf of the bidder and that all attached contracts and clauses will be acknowledged and complied with.

Company: _____
Address: _____ City: _____ State: _____ Zip code: _____
Telephone: _____ Fax: _____ Email: _____
Title: _____

Signature: _____ Date: _____

This offer is accepted by the issuance of a "Notice to Proceed" letter signed by ALTRAN's Executive Director.

DBE, minority-owned and female-owned firms and businesses are encouraged to respond to this solicitation.

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SECTION 1: PROCUREMENT SCHEDULE

The following schedule represents ALTRAN's proposed procurement time line:

- May 20, 2013.....IFB notices mailed to potential bidders/IFB to be advertised
- June 10, 2013.....Bids due at ALTRAN Office
- June 10, 2013.....Public bid opening - 10:00 a.m., ALTRAN Office
(530 E. Munising Ave. Munising, MI.)
- June 11, 2013.....Low bidder notified of recommended selection
- July 15, 2013 (est.)Contract awarded upon State approval of Third-Party Contract
- January 31, 2014Vehicle delivered
- March 15, 2014.....Contract completed

SECTION 4: INSTRUCTIONS TO BIDDERS

A. DEFINITIONS

The following are general definitions used in this procurement document and may not all relate directly to the item being procured.

1. IFB: Invitation for Bid
2. Procuring Agency: Alger County Transit Authority (ALTRAN)
3. Contracting Officer: The person who is executing this contract on behalf of ALTRAN and who has complete and final authority except as limited herein.
4. Contractor: The successful bidder who is awarded a contract for providing all equipment described in the contract documents.
5. Authorized Signee: The person who is executing this contract on behalf of the bidder/contractor and who is authorized to bind the bidder/contractor.
6. MDOT: Michigan Department of Transportation
7. Supplier: Any manufacturer, company, or agency providing units, components, or subassemblies for inclusion in the equipment. Supplier items shall require qualification by type and acceptance tests in accordance with requirements.
8. Work: Any and all labor, supervision, services, materials, machinery, equipment, tools and supplies, and facility called for by the contract and necessary to the completion thereof.
9. Defect: Patent or latent malfunction or failure in manufacture or design of any component or subsystem that causes a coach to cease operating or causes it to operate in a degraded mode.
10. Related Defect: Damage inflicted on any component or subsystem as a direct result of a defect.

B. Tax Exempt: Bidders are informed that, by Public Act 196 of 1986, ALTRAN is exempt from state sales taxes and federal excise taxes.

C. Approved Equals and Deviations from Specifications:

If the bidder proposes to submit a bid containing “approved equals” or “deviations” from the specific requirements of these specifications, the bidder must obtain such approval, confirmed in writing, prior to the date of bid opening.

Requests for “approved equals” and clarification must be received by ALTRAN in writing no less than seven (7) days before date of bid opening. Any request for approved equal must be fully supported with technical data, test results or other pertinent information, as evidence that the substitute offered is equal to, or better than, the specification requirements. Any unapproved deviations, exceptions, substitutions, alternates, or conditional qualifications contained in a bid may be cause for rejection.

The decision of ALTRAN, as represented by the Executive Director, shall be final with respect to whether any proposed deviations from the specifications are acceptable.

ALTRAN reserves the right to postpone the bid opening or receipt of bids for its own convenience.

Changes to the specifications will be made by addendum only and issued by ALTRAN’s Executive Director in writing.

Bidders may make appointments to discuss project specifications. This, however, does not relieve them from providing written documented requests.

All requests for approved equals or clarification of specifications should be addressed to:

Terry Bower, Mechanic
ALTRAN Transit Authority
P.O. Box 69, 530 E. Munising Ave.
Munising, MI 49862
(906) 387-4845 phone
(906) 387-2963 fax
mechanic@jamadots.com

ALTRAN's mechanic shall reply to all requests for approved equals or clarification of specifications within three (3) days after receipt of the request. A copy of the response shall be sent to the requestor and all contractors who requested a copy of the original solicitation.

D. BIDS

1. All bids shall be subject to all requirements of the contract documents and these instructions to bidders.
2. The contract will be awarded to a responsible bidder on the basis of the lowest price, according to the contract documents.
3. Five (5) hard copies of the bid documented are to be submitted. One (1) electronic copy may be requested upon bid award.

E. CONDITIONAL BID

Conditional bids, or those which take exception to the specifications, will be considered non-responsive and may be rejected unless specific approval from ALTRAN is requested in writing by the bidder at least three (3) days prior to bid due date. All other eligible bidders are to be notified of any approved exceptions to the specifications.

F. CORRECTIONS

Erasures or other changes in the bids must be explained or noted over the signature of the bidder.

G. TIME FOR RECEIVING BIDS

1. Bids received prior to the advertised hour of opening will be securely kept and sealed. The officer whose duty it is to open them will decide when the specified time has arrived, and no bid received thereafter will be considered.
2. Bidders are cautioned that, while telegraphic modifications of bids may be received as provided above, such modifications, if not explicit and if any sense subject to misinterpretation, shall make the bid so modified or amended, subject to rejection.

H. WITHDRAWAL OF BIDS

Bids may be withdrawn upon written request received by ALTRAN prior to the time fixed for bid due date. No bid may be withdrawn for a period of sixty (60) days after the time set herein for bid due date.

I. BID ACCEPTANCE OR REJECTION

ALTRAN reserves the right to accept any bids or to reject any or all bids or postpone bid due date or to contract on such basis as ALTRAN deems to be in its best interest.

J. BASIS OF AWARD

A firm-fixed-price contract is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price.

K. SINGLE BID

In the event a single bid is received, ALTRAN will conduct a price analysis of the bid. A price analysis is the process of examining the bid and evaluating costs based on the comparison and established or competitive price of other similar procurements. The comparison must be made to a purchase of similar quantity and quality, involving similar specifications. Where a difference exists, a detailed analysis must be made of this difference and costs attached hereto.

Upon completion of the price analysis, award will be processed if price is determined as fair and reasonable and MDOT approves.

L. LIMITATIONS

This "Invitation for Bid" does not commit ALTRAN to award a contract, to pay any cost incurred in the preparation of a bid, or to preclude ALTRAN from canceling, in part or in its entirety, this "Invitation for Bid" if it is in the best interest of ALTRAN.

M. NOTICE TO PROCEED

Upon acceptance by ALTRAN of the bid, a contract will be awarded for furnishing the item described in the bid in strict conformity with the specifications, these instructions, and the contract bid. Following contract signing, a "Notice to Proceed" letter will be issued by ALTRAN for the purchase of the vehicle.

N. CONTRACT DOCUMENTS The Contract Documents consist of the "Invitation for Bid" and all sections and appendixes included with these instructions.

O. BID AS CONTRACT

Each bid will be submitted with the understanding that acceptance in writing by ALTRAN of the offer to furnish the equipment described therein shall constitute a contract between the successful bidder and ALTRAN which shall bind the bidder to furnish and deliver the equipment at the bid price in accordance with the bid specifications, general conditions and general requirements detailed in the bid specification package or subsequently added or made a part thereof. There will be no price changes allowed once the bids have been opened.

P. BID DISCLOSURE

All information on a submittor's bid, except proprietary financial information and responsibility, is subject to disclosure under the provisions of Public Act No. 442 of 1976 known as the "Freedom of Information Act". This Act also provides for the complete disclosure of contracts and attachments thereto.

Bids may be inspected at the office of the ALTRAN Office after the award is completed. Inspections will be during office hours and within specified time limits as directed by ALTRAN.

Information available for inspection shall include the tabulated price bids and copies of the bid documents subject to the exceptions listed above and proprietary legal constraints.

Q. POINT OF CONTACT

All communications, contracted items, contracts, documentation submittals, and correspondence shall take place between the bidder and:

Rochelle A. Cotey, Executive Director
ALTRAN Transit Authority
P.O. Box 69, 530 E. Munising Ave.
Munising MI 49862
(906) 387-4845 (p)
(906) 387-2963 (f)
altranco@jamadots.com

R. IRAN LINKED BUSINESS

The bidder certifies that it *is* ____, *is not* ____ an Iran linked business as defined in MCL129.312.

GENERAL

This contract is for the commodities or services specified hereunder to be furnished during the period as noted under Contract Term. Orders for delivery will be issued directly to the Contractor by the agency.

In order of precedence, the contract will consist of published addenda modifying the IFB, the contents of the IFB, and the Contractor's response to the IFB requirements. In case of disagreement, the IFB as modified by the published addenda will rule. The Agency shall not be bound by any part(s) of any bidder's response to the IFB which contained information, options, conditions, terms, or prices not requested nor required in the IFB.

The failure of a party to insist upon strict adherence to any term of this contract shall not be considered a waiver or deprive the party of the right thereafter to insist upon strict adherence to that term or any other term of the contract.

This contract may not be modified, amended, extended, or augmented except by a writing executed by the parties hereto, and any breach or default by a party shall not be waived or released other than in writing signed by the other party.

Each provision of a resulting contract shall be deemed to be severable from all other provisions of the contract and, if one or more of the provisions of the contract shall be declared invalid, the remaining provisions of the contract shall remain in full force and effect.

This contract shall in all respects be governed by, and construed in accordance with, the laws of the State of Michigan.

CONTRACT TERM

The term of the contract will be for a 12 month period and will commence with the issuance of the contract and a Notice to Proceed.

ISSUING OFFICE

ALTRAN is the sole point of contact with regard to all procurement and contractual matters relating to the commodities and/or services described herein and is the only office authorized to change, modify, amend, alter clarify, etc., the specifications, terms, and conditions of this contract. The Agency will remain the SOLE POINT OF CONTACT throughout the procurement process. All communications covering this procurement must be addressed to:

Rochelle A. Cotey, Executive Director
Alger County Transit Authority
P.O. Box 69
Munising, MI 49862
1-906-387-4845
altranco@jamadots.com

CONTRACT ADMINISTRATOR

Upon receipt at the Agency of the properly executed Contract Agreement(s), it is anticipated that the Agency will direct Rochelle A. Cotey to authorize and administer the contract on a day-to-day basis during the term of the agreement.

INCURRING COSTS

The Agency shall not be liable for any cost incurred by the bidder prior to signing of a contract. The Agency's fiscal year is 10/1/12 through 9/30/13. The prospective Contractor(s) should realize that payments in any given fiscal year are contingent upon enactment of legislative appropriations. Total liability of the Agency is limited to terms and conditions of this contract.

NEWS RELEASES

News releases pertaining to this contract or project to which it relates shall not be made without prior written approval by the Agency, and then only in accordance with the explicit written instructions from the Agency. No results of the activities associated with this contract are to be released without prior written approval of the Agency and then only to persons designated.

PRIME CONTRACTOR RESPONSIBILITIES

The prime Contractor will be required to assume responsibility for all contractual activities offered in this contract, whether or not that Contractor performs them. Further, the Agency will consider the prime Contractor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated contract. If any part of the work is to be subcontracted, this contract will include a list of subcontractors, including firm name and address, contact person and a complete description of work to be subcontracted. The Agency reserves the right to approve subcontractors and to require the primary Contractor to replace subcontractors found to be unacceptable. The Contractor is totally responsible for adherence by the subcontractor to all provisions of the contract. Any change in subcontractors must be approved by the Agency, in writing, prior to such change.

ASSIGNMENT

The Contractor shall not have the right to assign this contract or to assign or delegate any of its duties or obligations under this contract to any other party (whether by operation of law or otherwise), without the prior written consent of the Agency. Any purported assignment in violation of this Section shall be null and void. Further, the Contractor may not assign the right to receive money due under the contract without the prior written consent of the Agency.

DELEGATION

The Contractor shall not delegate any duties or obligations under this contract to a subcontractor other than a subcontractor named in the bid unless the Agency has given written consent to the delegation.

DISCLOSURE

All information in a bidder's proposal and any contract resulting from this IFB is subject to the provisions of the Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, *et seq.*

RECYCLED MATERIALS

Bidders were encouraged to offer bids for products containing recovered materials suitable for the intended use. By doing so, the bidder warrants the product(s) as at least functionally equivalent to the bid specifications. "Recovered material" is defined as post-consumer waste (any product generated by a business or consumer which have served their intended end use, and which have been separated or diverted from solid waste for the purpose of collection, recycling, and disposition). and secondary waste (industrial by-products as in wastes generated after completion of a manufacturing process that would normally not be reused). All bidders are requested to indicate on the space provided on the Item Listing the percentage of recycled materials, if any, contained in each item bid.

SPECIFICATIONS

Definite Specifications - All commodities and services to be furnished thereunder shall conform to the specifications as noted in the "Contact Agreement" and/or copies of specifications attached.

All vehicles must be new and of the manufacturer's current models in production at the time of order. All standard or optional equipment to be included shall be as advertised by the manufacturer (OEM) and factory installed and shall not consist of substitute or after market equipment. Equipment not available from the factory may be dealer installed, in compliance with specifications.

MINIMUM ORDER

The minimum order is one (1) Medium Duty Paratransit/Hybrid Bus with Wheelchair Lift

F.O.B. POINT

Prices are "F.O.B. Delivered" with transportation charges prepaid on all orders of one (1) unit or more.

DELIVERY

The vehicle ordered from this contract shall be for a current production model at time of order, unless noted and approved otherwise. Delivery shall be within 180 calendar days after receipt of order, or alternate schedule mutually agreed upon in writing by the contractor and the ordering agency. Exact delivery due date will be determined by delivery schedule, plus (+) seven calendar days from order date indicated on the Agency's Notice to Proceed.

TAXES

The Agency is exempt from Federal Excise Tax, State or Local Sales Tax. Prices shall not include such taxes. Exemption Certificates for Federal Excise Tax will be furnished upon request.

ADDITIONAL PRODUCTS

The Agency reserves the right to add an item(s) that is not described on the item listing and is available from the contract vendor. The item(s) may be included on the contract, only if prior written approval has been granted by the Agency.

CONTRACT DISTRIBUTION

The Agency shall retain the sole right of contract distribution unless other arrangements are authorized by the Agency.

ACCOUNTING RECORDS

The Contractor and all subcontractors shall maintain all pertinent financial and accounting records and evidence pertaining to the contract in accordance with generally accepted principles of accounting and other procedures specified by the Agency. Financial and accounting records shall be made available, upon request, to the Agency, or its designees at any time during the contract period and any extension thereof, and for three years from expiration date and final payment on the contract or extension thereof.

NON-DISCRIMINATION CLAUSE

In the performance of this contract or purchase order resulting herefrom, the prime contractor agrees not to discriminate against any employee or applicant for employment, with respect to their hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability unrelated to the individual's ability to perform the duties of the particular job or position. The prime contractor further agrees that every subcontract entered into for the performance of any contract or purchase order resulting herefrom will contain a provision requiring non-discrimination in employment, as herein specified, binding upon each subcontractor. This covenant is required pursuant to the Elliot Larsen Civil Rights Act, 1976 Public Act 453, as amended, MCL 37.2201, *et seq*, and the Persons with Disabilities Civil Rights Act, 1976 Public Act 220, as amended, MCL 37.1101, *et seq*, and any breach thereof may be regarded as a material breach of the contract or purchase order.

INDEMNIFICATION

1. General Indemnification

The Contractor shall indemnify, defend and hold harmless the Agency, officers, employees and agents, from and against all losses, liabilities, penalties, fines, damages and claims (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties), arising from or in connection with any of the following:

- (a) any claim, demand, action, citation or legal proceeding against the Agency, its employees and agents arising out of or resulting from (1) the product provided or (2) performance of the work, duties, responsibilities, actions or omissions of the Contractor or any of its subcontractors under this contract.
- (b) any claim, demand, action, citation or legal proceeding against the Agency, its employees and agents arising out of or resulting from a breach by the Contractor of any representation or warranty made by the Contractor in the contract;
- (c) any claim, demand, action citation, or legal proceeding against the Agency, its employees and agents arising out of related to occurrences that the Contractor is required to insure against as provided for in this contract;
- (d) any claim, demand, action, citation or legal proceeding against the Agency, its employees and agents arising out of or resulting from the death or bodily injury of any person, or the damage, loss or destruction of any real or tangible personal property, in connection with the performance of services by the Contractor, by any of its

subcontractors, by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable; provided, however, that this indemnification obligation shall not apply to the extent, if any, that such death, bodily injury or property damage is caused solely by the negligence or reckless or intentional wrongful conduct of the Agency;

- (e) any claim, demand, action, citation or legal proceeding against the Agency, its employees and agents which results from an act or omission of the Contractor or any of its subcontractors in its or their capacity as an employer of a person.

2. Patent/Copyright Infringement Indemnification

The Contractor shall indemnify, defend and hold harmless the Agency, officers, employees and agents from and against all losses, liabilities, penalties, fines, damages (including taxes), and all related costs and expenses (including reasonable attorney's fees and disbursements, costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the Agency to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Contractor or its subcontractors, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States or foreign patent, copyright, trade secret or other proprietary right of any person or entity, which right is enforceable under the laws of the United States. In addition, should the equipment, software, commodity, or service, or the operation thereof, become or in the Contractor's sole expense (I) procure for the Agency the right to continue using the equipment, software, commodity or service or, if such option is not reasonably available to the Contractor, (ii) replace or modify the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if such option is not reasonably available to Contractor, (iii) accept its return by the Agency with appropriate credits to the Agency against the Contractor's charges and reimburse ALTRAN for any losses or costs incurred as a consequence of the Agency ceasing its use and returning it.

3. Indemnification Obligation Not Limited

In any and all claims against the Agency, or any of its officers, employees and agents, by any employee of the Contractor or any of its subcontractors, the indemnification obligation under the contract shall not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the Contractor or any of its benefits acts. This indemnification clause is intended to be comprehensive. Any overlap in sub clauses, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other sub clause.

4. Continuation of Indemnification Obligation

The duty to indemnify will continue in full force and effect notwithstanding the expiration or early termination of the contract with respect to any claims based on facts or conditions which occurred prior to termination.

CONTRACTOR'S LIABILITY INSURANCE

The Contractor shall purchase and maintain such insurance as will protect him from claims set forth below which may arise out of or result from the Contractor's operations under the Contract, whether such operations be by himself or by any Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

1. Claims under workers' compensation, disability benefit and other similar employee benefit act. A non-resident Contractor shall have insurance for benefits payable under Michigan's Workers' Compensation Law for any employee resident of and hired in Michigan; and as respects any other employee protected by workers' compensation laws of any other State the Contractor shall have insurance or participate in a mandatory State fund to cover the benefits payable to any such employee.
2. Claims for damages because of bodily injury, occupational sickness or disease, or death of his employees.
3. Claims for damages because of bodily injury, sickness or disease, or death of any person other than his employees, subject to limits of liability of not less than \$300,000 each occurrence and, when applicable \$300,000 annual aggregate, for non-automobile hazards and as required by law for automobile hazards.
4. Claims for damages because of injury to or destruction of tangible property, including loss of use resulting therefrom, subject to a limit of liability of not less than \$50,000 each occurrence for non-automobile hazards and as required by law for automobile hazards.
5. Insurance for Subparagraphs (3) and (4) non-automobile hazards on a combined single limit of liability basis shall not be less than \$300,000 each occurrence and when applicable, \$300,000 annual aggregate.

The insurance shall be written for not less than any limits of liability herein specified or required by law, whichever is greater, and shall include contractual liability insurance as applicable to the Contractor's obligations under the Indemnification clause of the Contract.

Before starting work the contractor must furnish to the agency, certificate(s) of insurance verifying liability coverage. The contract number must be shown on the certificate of insurance to assure correct filing. These Certificates shall contain a provision that coverage afforded under the policies will not be cancelled until at least fifteen days prior written notice bearing the Contract No. has been given to Agency.

UNFAIR LABOR PRACTICES

Pursuant to 1980 Public Act 278, as amended, MCL 423.231, et seq, the Agency will not award a contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to Section 2 of the Act. A Contractor of the Agency, in relation to the contract, shall not enter into a contract with a subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to Section 4 of 1980 Public Act 278, MCL 423.324, the Agency may void any contract if, subsequent to award of the contract, the name of the Contractor as an employer, or the name of the subcontractor,

manufacturer or supplier of the Contractor appears in the register.

USAGE REPORTING

The prime contractor may be required to report the contract usage. Such usage shall be reported when requested, and by item to the Agency.

INVOICING

The prime contractor shall submit two (2) copies of invoices for payment.

No payment will be submitted to the State of Michigan for reimbursement until ALTRAN verifies that the bus meets the bid specifications. Upon acceptance ALTRAN will submit a request to the State which will take a minimum of forty-five (45) days to be processed. No payment will be made by ALTRAN until the reimbursement check is received by the finance department. The invoice shall be *itemized* stating the base bus price and any additions or deletions in accordance with the bid documents. Lump Sum Payment.

PRE-AWARD & POST-DELIVERY AUDITS

All bidders were subject to the Federal Transportation Administration's (FTA) 49 DFR Part 663 for Pre-Award and Post-Delivery Audits of Rolling Stock Purchases. Prior to award, ALTRAN will conduct a pre-award audit of the contractor that has been recommended for award, to verify that the contractor has successfully met all of the following requirements: 1) Federal Motor Vehicle Safety Requirements, 2) Federal Buy American Requirements, and 3) Grantee's Bid Specifications. Post-Delivery Audits shall include a "Road Test" of each unit.

BUS OPERATING INSTRUCTIONS

Instructions, either graphic or audio-visual (video tape), for bus operating shall be included with the bus delivered to the Agency. The instructions shall clearly identify the controls, switches, gauges, and other instructions that bus drivers and operators use while the bus is in service. Instructions shall also be included for operation of the lift interlock system, entrance door, and vehicle engine compartment fluid level fill and check areas.

OPTIONAL EQUIPMENT AND ACCESSORIES

Factory Equipment not specifically listed in the contract and/or specifications may be added in accordance with the current Kelley Blue Book in effect at the time of order, using the Dealer Cost Column.

LIQUIDATED DAMAGES

The dates for the delivery of vehicles as set forth in this IFB have been fixed so that the delivery of vehicles is consistent with timing schedules of the Agency. If the delivery of vehicles do not fall within the time limits set forth in the contract, the delay will interfere with the proper implementation of the Agency utilizing the system pursuant to the contract, to the loss and damage of the Agency. From the nature of the case, it would be impractical and extremely difficult to fix the actual damage sustained in the event of any such delay. The Agency and the contractor, therefore, presume that in the event of any such delay the amount of damage which will be sustained from a delay will be in the amount set forth below, and they agree that in the event of any such delay, the contractor shall pay such amount as liquidated damages and not as a penalty. The Agency at its option, for amounts due the Agency as liquidated damages may deduct such from any money payable to the contractor or may bill the contractor as a separate item.

1. If the contractor does not deliver the vehicle, ready for use on or before the scheduled delivery date, the contractor shall pay to the Agency, as fixed and agreed, liquidated damages, for each calendar day between the delivery date specified and the date of final delivery, but not more than 30 calendar days in lieu of all other damages due to such non-delivery, an

amount of 1/10th of 1% of the Purchase Order/Departmental Contract Release Form unit cost per vehicle.

2. If the delay is more than thirty 30 calendar days, then by written notice to the Contractor, the Agency may terminate the right of the contractor to deliver, and may obtain substitute vehicle. In this event, the Contractor shall be liable for liquidated damages in the amounts specified above until acceptable substitute vehicle is delivered, ready for use, or for 30 days from the scheduled delivery date, whichever occurs first.

EXCEPTION: Except with respect to defaults of subcontractors, the Contractor shall not be liable for liquidated damages when delays arise out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God, or of the public enemy, acts of the State and/or Local Unit of Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but, in every case, the delays must be beyond the control and without the fault or negligence of the Contractor. If the delays are caused by the default of a subcontractor, if such default arises out of causes beyond the control of both the Contractor and subcontractor and without the fault or negligence of any of them, the Contractor shall not be liable for liquidated damages for delays, unless the supplies or services to be furnished by the subcontractors were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule.

NON-STATE AGENCY REQUIREMENTS

This may be extended to other local units of government. The governmental agency must enter into an agreement with the Agency to become authorized to participate.

All purchase orders will be submitted by, invoices will be billed to, and payment remitted by an authorized local unit of government on a direct and individual basis in compliance with contract terms and conditions. Orders received from non-approved local units of government shall not be considered unless prior approval is granted by the Agency.

Estimated requirements for authorized local units of government are included in the quantities shown on the attached IFB.

NON-FACTORY INSTALLED EQUIPMENT

All bidders were to provide a listing of equipment to be furnished that is not installed at the point of vehicle manufacturer. The list of non-factory installed equipment should identify the item number(s) to which it applies and list the description of equipment involved.

CANCELLATION

1. The Agency may cancel the contract for default of the Contractor. Default is defined as the failure of the Contractor to fulfill the obligations of the quotation or contract. In case of default by the Contractor, the Agency may immediately and/or upon 30 days prior written notice to the Contractor cancel the contract without further liability to the Agency, its officers, agents and employees, and procure the services from other sources, and hold the Contractor responsible for any excess costs occasioned thereby.
2. The Agency may cancel the contract in the event the Agency no longer needs the services or products specified in the contract, or in the event program changes, changes in laws, rules or regulations, relocation of officer occur, or the Agency determines that implementation of the contract is not feasible, or if prices for additional services requested by the Agency are not acceptable to the Agency. The Agency may cancel the contract without further liability to the Agency, its officers, agents and employees by giving the Contractor written notice of such cancellation 30 days prior to the date of cancellation.

3. The Agency may cancel the contract for lack of funding. The Contractor acknowledges that, if this contract extends for several fiscal years, continuation of this contract is subject to appropriation of funds for this project. If funds to enable the Agency to effect continued payment under this contract are not appropriated or otherwise made available, the Agency shall have the right to terminate this contract without penalty at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to the Contractor. The Agency shall give the Contractor written notice of such non-appropriation within 30 days after it receives notice of such non-appropriation.
4. The Agency may immediately cancel the contract without further liability to the Agency its officers, agents and employees if the Contractor, an officer of the Contractor, or an owner of a 25% or greater share of the Contractor, is convicted of a criminal offense incident to the application for or performance of a Agency, public or private contract or subcontract; or convicted of a criminal offense including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence an employee to breach the ethical conduct standards for Agency employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of ALTRAN, reflects on the Contractor's business integrity.
5. The Agency may immediately cancel the contract in whole or in part by giving notice of termination to the Contractor if any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, Section 5, and Civil Service Rule 4-6.
6. The Agency may, with 30 days written notice to the Contractor, cancel the contract in the event prices proposed for contract modification/extension are unacceptable to the Agency.

TITLE FEES

Prices include the cost of title fees for each vehicle. If the State of Michigan raises the cost of the vehicle titles during the contract period, contractors may request a price adjustment to reflect the actual cost increases experienced. Contractor shall show satisfactory proof that application for title for the State of Michigan has been applied for.

PRODUCTION SCHEDULE

For the delivery of the unit that may be released against the contract, the following shall apply:

1. Number of days between Notice to Proceed published by ALTRAN to delivery of chassis to body company will be within sixty (60) calendar days.
2. Number of days between Delivery of Chassis to the Body Contractor and delivery of vehicle to hybrid outfitter shall be within ninety (90) calendar days.
3. Number of days following delivery of vehicle to hybrid outfitter to delivery to ALTRAN shall be within thirty (30) calendar days.
4. The above production schedule may be adjusted as necessary, as long as the final product is delivered to ALTRAN within one hundred eighty (180) days from date of Notice to Proceed.

COMPLIANCE OF SPECIFICATIONS

If equipment does not fully comply with specifications, bidders were to include a list of designated exceptions to specifications. When no statement of exception is indicated, conformance to specifications will be required. Exceptions are registered with the item number(s) to which it applies and list the description of equipment involved.

DRIVER DELIVERY

Contractor assumes all liability until vehicle is delivered. Contractor must contact ordering agency 48 hours prior to scheduled delivery time and date.

PRE-DELIVERY SERVICE & CONDITIONS

Prior to delivery, each vehicle shall be serviced and inspected by the dealer or his agent. At a minimum, this pre-delivery service and inspection shall cover what is listed in the specifications. A copy of the contractor's inspection and service check, including the contractors and vehicle identification, check off of service and inspection performed and the service manager's signature shall be furnished with the delivered vehicle. The vehicle's crank case, differential and transmission shall be filled to the manufacturer's recommended capacity and the fuel tank shall have a minimum of ten (10) gallons of fuel when the vehicle arrives at the delivery destination and no more than three hundred and fifty (350) miles on the odometer, unless approved otherwise. The vehicle shall be clean and free from defects when delivered. Each unit shall have an initial fill of windshield washer solution with solvent giving winter protection. Payment documents, will be delayed if the vehicle fails to comply with specification requirements. Therefore, we wish to impress on contract dealers that close pre-delivery inspection in accordance with specifications be made.

WARRANTY AND WARRANTY REPAIR WORK

The prime contractor will be responsible for all materials and accessories used in the vehicle, whether the same is ready made or from an outside source; and this responsibility may not be transferred, conveyed, assigned to any other person, company, corporation or entity without the previous written approval of the Agency.

Extension of warranty and or other policy adjustments will be considered when constant maintenance is required or if replacement parts prove unsound. The Agency shall expect the manufacturer to have an adequate stock of replacement parts available to service Agency vehicles and to make delivery of all replacement parts to their dealers who may service Agency vehicles, within a reasonable time. The prime contractor will be required to contact the Agency within ten (10) days after receipt of contract, to arrange procedures concerning the implementation of warranty claims and to designate personnel to handle claims. The Agency further expects that warranty service and repairs as well as non-warranty service and repairs will be handled without prejudice.

WARRANTY PERFORMANCE STANDARDS

1. Principle Period of Maintenance (PPM) will be the same hours as the Agency's normal working hours (currently 7:00 AM to 5:00 PM).
2. The PPM hours may be changed upon thirty (30) days written notice by mutual agreement, except the Contractor shall make every reasonable effort to change his schedule in a shorter period of time.

The contractor will proceed expeditiously to complete the repair of any defect or failure reported by the Agency in the shortest practicable time except that it shall not exceed five (5) State working days following notice of defect unless agency and contractor mutually agree on alternate repair arrangements. Such alternate arrangements shall be made within five (5) working days of defect notice. If the Contractor fails to repair the equipment within five (5) State working days, the State shall have as its option the right to obtain the required repair from other sources, or to complete the work itself and hold the contractor liable for any cost incurred. The Agency as it option for amounts

due may deduct such from any money payable to the Contractor or may bill the Contractor as a separate item.

If the Contractor fails to remit amounts due, these claims shall be subject to the standard State of Michigan Collection Claim Procedures by the State Treasury Department, in addition failure to remit amounts due may be considered cause for a contractor to be considered in default.

AGENCY LISTING

The following is the listing of the Agency's Ship To, Bill To, and Title To information. The listing shall not limit participation of additional agencies as the need may develop at the same prices, terms and conditions.

Ship To: ALTRAN Transit Authority
530 E. Munising Ave.,
Munising, Michigan 49862

Bill To: ALTRAN Transit Authority
P.O. Box 69
Munising, Michigan 49862

Title To: ALTRAN Transit Authority
530 E. Munising Ave., P.O. Box 69
Munising, Michigan 49862
1st Secured on title shall be State of Michigan.

AFFIDAVIT FOR DRIVER DELIVERY

Vehicles may be driven to the final delivery destination if the following conditions are met:

1. The drivers of the vehicles are correctly licensed and trained in proper vehicle operation.
2. The dealership accepts all responsibility and liability for vehicles in transit.
3. The requesting contractor must sign the affidavit below and submit this with the bid.
4. The delivery is for delivery purposes only, it is not acceptance that the vehicle meets the specifications contained in the bid documents.

The contractor accepts all responsibility and liability for vehicles in transit and guarantees vehicles shall be transported in a safe, proper, and efficient manner. I understand that the Agency may cancel approval of this affidavit at any time during the contract if the contractor fails to meet the above obligations.

Signed: _____ Dated: _____

Title: _____

Contractor: _____

(The signature on this statement applies to this statement only, the IFB must be signed to be considered for award.)

MANUFACTURER'S REBATE (INCENTIVES)

In any circumstance during or prior to completion of the contract, whereupon the Agency becomes eligible to receive a rebate for any vehicle purchased under this contract, it shall be the prime contractors responsibility to inform the Agency, in writing, of its qualification for such rebate and to advise the procedures for obtaining such rebates.

LATE PAYMENT TERMS

Payment of "VENDOR LATE PAYMENT CHARGES" will be approved if the deliveries are within the specified time and if the vehicles satisfactorily comply with the specifications in accordance with Public Act 196 of 1986, and reimbursement is made by the State of Michigan and approved by ALTRAN which can take up to 60 days.

CONTRACTOR CONTACT

The person(s) responsible for administering the contract:

NAME: _____

PHONE: _____

FACTORY CONTACT NAME: _____ TITLE: _____

PHONE: _____

MINORITY/WOMEN/HANDICAPPER SUBCONTRACTING

To help insure participation in state contracts by minority, women and handicapper owned and operated businesses, ALTRAN strongly encourages companies, when responding to Invitation To Bids, to subcontract with certified minority, woman and handicapper owned and operated businesses. For assistance in locating potential subcontractors, contact:

Michigan Department of Civil Rights
Contractual Services Division
State of Michigan Plaza Building - 5th Floor 1200
Sixth Avenue
Detroit, Michigan 48226
1-313-256-2650

To assist the Agency in monitoring the participation of certified minority/women/handicapper owned and operated firms in Agency contracts, the successful bidder using such firms as subcontractors should submit a report quarterly outlining expenditures to such firms for the reporting period. Reporting forms for this purpose will be sent with the contract.

PARTICIPATION

Bidders should indicate below the names, addresses, and type of work assigned for each proposed minority/women/handicapper owned and operated firm which will be a subcontractor. The total amount and/or percentage of dollars to be paid to such subcontractor(s) should be included.

Total Amount/Percentage: _____

NAME & ADDRESS: _____
