



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE OPERATIONS CLUSTER

DATE: October 13, 2011
TIME: 1:00 p.m.
LOCATION: Kenneth Hahn Hall of Administration, **Room 864**

AGENDA

Members of the Public may address the Operations Cluster on any agenda item by submitting a written request prior to the meeting.
Three (3) minutes are allowed for each item.

1. Call to order – Ellen Sandt
 - A) **Managed Print Services RFP**
CIO – Greg Melendez or designee
 - B) **Board Letter – JOB ORDER CONTRACTS FOR MAINTENANCE, REPAIR, AND REFURBISHMENT OF COUNTY INFRASTRUCTURE AND FACILITIES ADOPT, ADVERTISE, AND AWARD VARIOUS SPECIFICATIONS**
ISD – Tom Tindall or designee
 - C) **County Employee Discount Program**
CEO – Martin Zimmerman or designee
2. Public Comment
3. Adjournment

Managed Print Services Briefing – Agenda

- Project Background
- Print Assessment – Consultant Key Assumptions
- Print Assessment – Estimates
- Achieving Cost Savings Requires
- Proposed Procurement Approach
- Anticipated Benefits
- Issues

Project Background

- Managed Print Services (MPS) is an efficiency initiative sponsored by the CEO based on savings reported by many organizations
- Project team formed with representatives from multiple departments

CIO
CEO

DCFS
DMH

DPH
ISD

DHS
Sheriff

- In December 2010 contracted with Print Operations Group (POG), an independent print consultant to assist with current state assessment and MPS vendor selection
- Print Assessment conducted between March – June 2011 at four pilot departments
- Conducted 3 weeks of onsite inventory review at the pilot departments
 - 38% of inventory of pilot departments

Print Assessment – Consultant Key Assumptions

- Consultant used County information on spending and volumes to formulate savings assumptions
- Gathered departmental data from the pilot departments
- All estimates and projections were developed using the consultant's MPS database and methodology
- Major factor for achieving projected savings is the number of departments that implement MPS
- Based on on-site inventory and POG's model it is projected the County has 43,426 devices

Print Assessment – Estimates

- Estimated Current Printer Spend \$35.6 million per year
- Model Target State Spend \$25.9 million per year
- Projected Cost Reduction \$9.7 million 27%

* *Green impact savings not included*

Achieving Cost Savings Requires

- High level of county department participation in MPS program
- Confirmation of estimated 43,000 plus devices
- Use an all-inclusive price per page services model
- Standardize ratios of devices-to-staff from 1:2 to 1:5 (best practice is 1:8)
- Standardize device categories (5 categories of laser printers, MFPs recommended)
- Deploy devices that meet departmental capacity and functional requirements
- Manage use of color
- Track and manage costs
- Leverage County's purchasing power and select a limited number of MPS vendors

Proposed Procurement Approach

- Release MPS RFP to potential vendors
 - Define device categories, services, standards for performance, “apples to apples” costs
- Select short list of qualified vendors
 - Select based on technology, services and costs
 - No more than 3 qualified vendors to
 - Maximize County pricing leverage
 - Minimize administrative burden
- Participating departments will issue a bid to short list and select a departmental MPS vendor
 - Follow County process to evaluate technology, services and costs
 - Allow for additional pricing reductions
 - Choose vendor best able to meet individual department requirements

Anticipated Benefits

- Reduce departmental operating costs
- Reduce print device inventory
- Enable additional future savings as well as “green” improvements
- Allow for \$50 million in new technology over 5 years – replace over 80% of existing devices
- Departments follow a standardized, streamlined procurement approach while allowing some flexibility to meet departmental requirements
- Allow for ongoing competition between short list vendors
- Reduce technical support and administrative processing workloads

Issues

- The MPS approach will change current print procurement practice and vendor relationships
- Bid Selection will identify only 3 MPS vendors for “short list”. Eliminates opportunities for vendors not on this list.
- Prime MPS contractors must have a proven track record of providing MPS to large organizations. Bid will strongly encourage contractors to include LSBE vendors as subcontractors, but will be the prime contractor’s choice
- 5 year term is recommended (standard for MPS contracts) for short list
- RFP will state Board policy to use remanufactured black & white toner and to state impact to pricing, warranty and maintenance
- RFP will state Board’s 2007 Motion to use Hero Appreciation Network for recycling used cartridges and ask to state impact to pricing or service

Next Steps

- Based on Board support for proposed MPS approach, issue the MPS RFP



TOM TINDALL
Director

County of Los Angeles
INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue
Los Angeles, California 90063

Telephone: (323) 267-2101
FAX: (323) 264-7135

"To enrich lives through effective and caring service"

November 1, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**JOB ORDER CONTRACTS
FOR MAINTENANCE, REPAIR, AND REFURBISHMENT
OF COUNTY INFRASTRUCTURE AND FACILITIES
ADOPT, ADVERTISE, AND AWARD VARIOUS SPECIFICATIONS
(ALL DISTRICTS) (3 VOTES)**

SUBJECT

This action is to adopt the Job Order Contract Unit Price Book and Specifications; approve for advertisement bids to be received; and award agreements to the Lowest Responsive and Responsible Bidders for 12 separate Job Order Contracts.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the adoption of the Job Order Contract Unit Price Book and Specifications, advertisement for bids and award of Job Order Contracts are exempt from the California Environmental Quality Act, for the reasons stated in this letter and in the record of the action.
2. Adopt the November 2011 Job Order Contracts Unit Price Book and Specifications.
3. Instruct the Executive Officer of the Board to advertise for bids to be received for twelve separate Job Order Contracts in accordance with the Instruction Sheet for Publishing Legal Advertisements (Attachment I).

4. Authorize the Director of ISD or his designee to prepare, award and execute six general and six specialty (two electrical, two mechanical and two paint) Job Order Contract agreements to provide services to County facilities such as as-needed repair, deferred maintenance, and refurbishments. The agreements are for a one-year term effective on contract execution. JOC99, JOC100, JOC101, JOC102, JOC103, JOC104, EJOC29, EJOC30, MJOC26, and MJOC27 are not-to-exceed \$3.4 million each. PJOC7 and PJOC8 are not-to-exceed \$250,000 each to the lowest responsive and responsible bidders. The aggregate not-to-exceed amount for the twelve agreements is \$34.5 million.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will find that adoption of the Job Order Contract Unit Price Book and Specifications, advertisement for bids and award of Job Order Contracts are exempt from the California Environmental Quality Act (CEQA) and will augment the Internal Services Department's (ISD) ability to effectively and efficiently maintain and repair (including emergency repairs) County infrastructure and facilities.

The Job Order Contract (JOC) is a flexible, cost-effective unit price contracting method to accomplish maintenance, repair, and refurbishment of County infrastructure and facilities without extensive plans and specifications. JOCs are annual contracts that may be awarded for repair, remodeling, refurbishment, or other repetitive work, but not for new construction. This process reduces administrative requirements and lowers direct construction costs while meeting all federal, State, and County procurement requirements.

Implementation of Strategic Plan Goals

This action meets the County's Strategic Plan Goal No. 1 for Operational Effectiveness by providing timely facilities services, effectively managing County resources and investing in public infrastructure.

FISCAL IMPACT/FINANCING

Maintenance, repair, and refurbishment work will be funded through the appropriate maintenance, capital, refurbishment, or infrastructure project budgets. ISD's Fiscal year (FY) 2011-12 Adopted Budget includes \$35 million for JOC agreement expenditures. ISD will only incur JOC expenditures to the extent that they are offset through County department billings and within available appropriation. For capital

The Honorable Board of Supervisors

November 1, 2011

Page 3

projects, no work will be assigned to these JOCs without authorization from the Chief Executive Office.

Public Contract Code Section 20128.5 allows individual JOCs to have a one-year term and a maximum value of \$4.2 million. A 1997 amendment to the Public Contract Code allows annualized increases in the maximum contract value, based on the California Consumer Price Index. However, given ISD's available budget in FY 2011-12 for JOC agreement expenditures, JOC99, JOC100, JOC101, JOC102, JOC103, JOC104, EJOC29, EJOC30, MJOC26, and MJOC27 are not-to-exceed \$3.4 million each. PJOC7 and PJOC8 is not-to-exceed \$250,000 each. There are no minimum obligations on these contracts.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Board approval of the recommended actions is required by Public Contract Code Sections 20124 and 20125.

The terms and conditions of the recommended contracts will be approved as to form by County Counsel prior to execution and will contain the Board's required contract provisions including those pertaining to consideration of qualified County employees targeted for layoffs as well as qualified GAIN/GROW participants for employment openings, compliance with the Jury Service Ordinance, Safely Surrendered Baby Law, the Child Support program, Defaulted Tax Program Ordinance, and the Local Worker Program. The JOC Agreements are not Proposition "A" contracts and therefore are not subject to the County's Living Wage Program.

Data regarding the proposers' minority participation will be on file with ISD. The contractors will be selected upon final analysis and consideration without regard to race, creed, gender, or color.

The General Conditions and November 2011 Unit Price Book and Specifications include the contractual provisions, methods, and material requirements necessary for this project and are on file with ISD.

ENVIRONMENTAL DOCUMENTATION

The recommended action, to adopt the Job Order Contract Unit Price Book and Specifications, advertise for bids and award of Job Order Contracts are categorically exempt from CEQA. JOC projects provide facilities repairs, maintenance and refurbishment services requested by County departments, which are generally categorically exempt under Section 15301, Class 1, of the State CEQA Guidelines. ISD will file all required Notices of Exemption for each categorically exempt project as required by CEQA. Your Board will be asked to make environmental determinations for any projects that are not categorically exempt.

CONTRACTING PROCESS

The Executive Officer of the Board will advertise the invitation for bids in various publications throughout the County of Los Angeles. Additionally, ISD will advertise the invitation for bids on the Green Sheet publication and post the bids on the County's "Doing Business with Us" web site.

The recommended contracts will be solicited on an open-competitive basis and in accordance with applicable federal, State, and County requirements. The County will award contracts to the lowest responsive and responsible bidder pursuant to the State Public Contract Code.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The use of these contracts will expedite the completion of maintenance, repair, and refurbishment of County infrastructure and facilities work managed by ISD. Minor impacts to tenant departments may occur while maintenance, repair, and refurbishment of County infrastructure and facilities work is underway.

There is no employee impact. JOCs are intended to augment, but not replace the County workforce, and to ensure our ability to respond to emergent requirements.

CONCLUSION

Upon Board approval, please return one adopted stamped copy of this letter to ISD.

Respectfully submitted,

Tom Tindall
Director

Attachments

c: Chief Executive Officer
County Counsel

ATTACHMENT I

**INTERNAL SERVICES DEPARTMENT: JOB ORDER CONTRACTS
FOR MAINTENANCE, REPAIR, AND REFURBISHMENT
OF COUNTY INFRASTRUCTURE AND FACILITIES
ADOPT, ADVERTISE, AND AWARD VARIOUS SPECIFICATIONS
(ALL DISTRICTS) (3 VOTES)**

PUBLISHING LEGAL ADVERTISEMENTS: In accordance with the State of California Public Contract Code Section 20125, you may publish once a week for two weeks in a weekly newspaper, or ten times in a daily newspaper. However, the first publication must appear at least 10 days prior to the bid opening date. Forward three reprints of this advertisement to Alterations & Improvements Division, Internal Services Department, 1100 Eastern Avenue, Los Angeles, California 90063.

**OFFICIAL NOTICE
INVITING BIDS**

Notice is hereby given that Internal Services Department (ISD) will receive sealed bids for furnishings, materials, labor, and equipment required to complete construction for the following work:

<u>SPECS.</u>	<u>PROJECT</u>	<u>BID DOC. FEE</u>	<u>BID DEADLINES</u>	
			<u>DATE</u>	<u>TIME</u>
JOC Specs.	JOC 99	\$50.00 each	12/07/2011	9:00 a.m.
JOC Specs.	JOC 100	\$50.00 each	12/07/2011	9:00 a.m.
JOC Specs.	JOC 101	\$50.00 each	12/07/2011	9:00 a.m.
JOC Specs.	JOC 102	\$50.00 each	12/07/2011	9:00 a.m.
JOC Specs.	JOC 103	\$50.00 each	12/07/2011	9:00 a.m.
JOC Specs.	JOC 104	\$50.00 each	12/07/2011	9:00 a.m.
JOC Specs.	EJOC 29	\$50.00 each	12/07/2011	9:00 a.m.
JOC Specs.	EJOC 30	\$50.00 each	12/07/2011	9:00 a.m.
JOC Specs.	MJOC 26	\$50.00 each	12/07/2011	9:00 a.m.
JOC Specs.	MJOC 27	\$50.00 each	12/07/2011	9:00 a.m.
JOC Specs.	PJOC 7	\$50.00 each	12/07/2011	9:00 a.m.
JOC Specs.	PJOC 8	\$50.00 each	12/07/2011	9:00 a.m.

Copies of the project manual and technical specifications may be obtained at the **mandatory** Pre-bid Conference or Internal Services Department Bid Office located at 1100 N. Eastern Avenue, Los Angeles, California, 90063 for the fee stated above. For bid information, please call (323) 267-3129. Each bid shall be submitted on the required form sealed and filed at the Bid Office located at the first floor of 1100 N. Eastern Avenue, Los Angeles, CA 90063 no later than 9:00 a.m. on the date indicated above. Bids will be publicly opened, examined, and declared by ISD JOC Contract Administration approximately 15 minutes following the deadlines for submission of bids

The Honorable Board of Supervisors

November 1, 2011

Page 6

stated above in Conference Room G101, 1100 N. Eastern Avenue, Los Angeles, CA
90063.

Bidders must comply with the provisions of the Bidding Requirements and General Conditions concerning bid guarantee, contract bonds, and insurance requirements. These projects require the prime contractor to possess a "B" license at time of bid for General Contract JOCs (JOC99, JOC100, JOC101, JOC102, JOC103, JOC104). Contractors bidding Electrical JOCs (EJOC29, EJOC30) are required to possess a "C-10" license at time of bid. Contractors bidding the Mechanical JOCs (MJOC26, MJOC27) are required to possess a "C-20" and "C-36" license at time of bid. Contractor bidding Paint JOC (PJOC7, PJOC8) required to possess a "C-33" license at time of bid. Contractor should verify to his/her satisfaction that he/she holds the correct license for this type of project.

PREBID CONFERENCE

ISD will hold a single **mandatory** pre-bid conference for all of the listed Job Order Contract (JOC) contracts/projects at 10:00 a.m. on November 21, 2011, Conference Room G101 at 1100 N. Eastern Avenue, Los Angeles, CA 90063 to provide information on the JOC, bidding process, and answer any questions that potential bidders may have. A bid submitted by a company that did not have a representative of the company sign in as being present at the mandatory pre-bid conference will be rejected as non-responsive, and it is strongly recommended that the representative who attends the mandatory pre-bid conference for the company be a principal of the company or a person authorized to make decisions for the company. For further directions, please contact Ms. Sue Chang at (323) 267-3129 or Ms. Jane Lee at (323) 267-2243.

OTHER INSTRUCTIONS

The County supports and encourages equal opportunity contracting. The contractor shall make good faith efforts, as defined in Section 2000 of the Public Contract Code, relating to contracting with Community Business Enterprises.

The Board of Supervisors reserves the right to reject any or all bids or to waive technical errors and discrepancies in bids submitted in the public's interest.

Si necesita información en español, por favor llame al telefono (323) 267-2864.



Upon 72 hours notice, ISD can provide program information and publication in alternate formats or make other accommodations for people with disabilities. In addition, program documents are available at our office in Los Angeles (1100 N. Eastern Avenue, Los Angeles), which is accessible to individuals with disabilities. To request accommodations ONLY, or for more ADA information, please contact our departmental ADA Coordinator at (323) 267-2432, Monday through Thursday, from 7:00 a.m. to 5:30 p.m.



Con 72 horas de notificación, ISD puede proporcionar información y publicaciones sobre el programa y formas alternas o hacer otras comodidades para gente incapacitada. Además, documentación sobre el programa está disponible en nuestra oficina principal en Los Angeles (1100 N. Eastern Avenue, Los Angeles) lo cual es accesible para individuos con incapacidades. Para solicitar comodidades SOLAMENTE, o para mas información del ADA, pongase en contacto con nuestro Coordinador del ADA del departamento al (323) 267-2432, de Lunes a Jueves de 7:00 a.m. a 5:30 p.m.

By order of the Board of Supervisors of the County of Los Angeles, State of California, dated November 1, 2011.

SACHI A. HAMAI, EXECUTIVE OFFICES
OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF LOS ANGELES



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

October 3, 2011

To: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

METRO DESTINATION DISCOUNT PROGRAM FOR COUNTY EMPLOYEES

In response to a request from Mayor Michael D. Antonovich, this Office has researched a potential County Employee Discount Program (CEDP) that mirrors the one offered by Metro to its employees. Currently, Metro employees show their identification badge at various sports, entertainment and recreation venues and are able to take advantage of numerous discount offers provided by the local venues.

There have been extensive conversations between staff in the Chief Executive Office (CEO) and Metro's Communications unit to develop a joint effort, whereby vendors who participate in Metro's Destination Discount Program would agree to accept a County employee identification badge as well.

Attached is a phased implementation outline, as well as a proposed "L.A. County Employee" section on Metro's Destination Discount page (Attachment I); and a sample of one of Metro's Cross Promotional Agreements, which may vary depending on the venue/vendor.

Metro's Destination Discounts

The Metro program was developed to give riders exclusive discounts to destinations across the County of Los Angeles. Using the "Go Metro" catch phrase, the agency has partnered with such popular entities as the Dodgers, Clippers and Kings, the Los Angeles Zoo, Long Beach's Aquarium of the Pacific, the Pantages and Ahmanson Theatres, and a wide range of restaurants, museums and movie theaters.

"To Enrich Lives Through Effective And Caring Service"

**Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only**

On the Metro website there is a link for viewers to access the Destination Discounts page. To support the program, an electronic newsletter is sent out monthly to Metro employees and riders, and an electronic billboard with the information is operational on Metro buses and rail lines.

According to Metro officials, between 8 and 10 new Destination Discounts are implemented on a monthly basis. The program is updated on a regular basis and is designed to take advantage of short-term events, such as Long Beach Roller Derby. Sometimes, a great deal with substantial discounts on tickets (e.g., The Color Purple at the Pantages) may be offered to Metro, but the window may be as short as 30 days.

County-Metro Partnership

A two-phase implementation plan is proposed if a partnership between the County and Metro is pursued for a County Employee Discount Program. In Phase I, Metro would provide a link to the Metro Destination Discounts website where County employees could click on the link: "For L.A. County Employees." The page would display the various discount offers available and be updated monthly (Attachment I).

On the County side, an email blast would be sent to employees encouraging them to take advantage of the "Destination Discounts." Metro would not be linked to the County database or have direct, electronic access to employees as this is not done for any other entities. The CEO will handle sending of the email blasts to employees.

In Phase II, the County and Metro would work collaboratively on the promotional campaign, targeting the message for the County Digest, Workplace Connection, County Channel, department newsletters, County Intranet site, flyers and electronic paystub messages.

Metro also would continue to include the County of Los Angeles identification badges in agreements the agency develops with additional venues and vendors. Depending on the scope of the agreements, we would return to your Board for specific direction if the need arises. Regular status reports will be provided. Metro currently has in place a cross promotional agreement with its "Destination Discount" partners. (Attachment II)

Each Supervisor
October 3, 2011
Page 3

Conclusion

Based on anecdotal comments, it appears that a County Employee Discount Program may have wide support among County employees. However, there also are many businesses which have expressed an interest in offering discounts to employees. We have not followed up on these requests pending specific direction from the Board of Supervisors.

Therefore, in addition to pursuing the Metro program, we are prepared to expand our research on a CEDP and return to your Board with findings that will include potential partnerships with other businesses, and estimated costs for development, implementation and maintenance of partnerships.

At present, the CEO distributes a bi-monthly County Employee Discount calendar, which is posted on the County Intranet website and distributed electronically to approximately 70 County sites with 250 or more employees. The calendar also is posted on bulletin boards throughout the Civic Center.

Please let me know if you have any questions, or your staff may contact Victoria Pipkin-Lane at (213) 974-2495, or vpipkin@ceo.lacounty.gov.

WTF:EFS
MKZ:VPL:dmt

Attachments

c: Executive Office, Board of Supervisors
County Counsel

Metro Discount Program

Metro Destination Discounts

County Employee Discount Program (CEDP) – Outline

Phase I - Launch (1 month) – focus and targeting online

- Provide link information to Metro Destination Discounts for use by LA County agencies for addition to their websites, flyers and other materials @ <http://www.metro.net/discounts> ;
- Add language/copy welcoming LA County employees to the program on metro.net sites. Information would accompany existing “How it works” pages;
- Internal email to LA County employees;
- Alert partners of changes to the Destination Discount program;
- Metro Marketing provides language/copy including link to Metro Destination Discounts for inclusion in the Monthly Electronic Newsletter (County Digest) sent to 60,000 employees;
- Metro Marketing provides language/copy including link to Metro Destination Discounts for inclusion on the County Intranet site; and
- Access County database for Email Blasts to leverage Metro’s email notification system (GovDelivery) to inform 60,000 employees of Destination Discounts

Phase II - Program Growth (1-2 months) – focus and targeting print materials

- Metro Marketing provides language/copy including link to Metro Destination Discounts for inclusion on CEDP Flyers;
- Metro Marketing provides language/copy (50 word limit) to be included in Paystubs messages at agreed upon intervals; and
- Metro Marketing provides message on (based on provided spec) County Channel

Bus & Rail Basics
Getting Started
Maps & Timetables
Fares, Passes & TAF
Park & Ride Lots

Rider Tools
Trip Planner
Service Advisories
Mobile Resources
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Commuting
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Online Art & Music
Destination Discounts
Destination Discounts
College Links

Home > Getting Around > Special Discounts for Metro Riders > County of Los Angeles Employees

Search metro.net



County of Los Angeles Employees

Are you a County of Los Angeles employee?

Now you can enjoy exclusive rider discounts to destinations. Just pick your Destination Discounts, show your badge and save!



Overview



- ▶ Museums
- ▶ Dining
- ▶ Family Friendly
- ▶ Sports
- ▶ Travel/Sustainability

More Ways to Save

- ▶ Elephant Card
- ▶ NoHo Card

Keywords: Arts, Entertainment, Destination Discounts
Last Revised: Monday February 28, 2011

Metro Monthly

Check Metro Monthly every month on your Metro bus or train to see what is new.

- ▶ Metro Monthly 2011 February - English
- ▶ Metro Monthly 2011 February - Spanish

For the previous issues go to [Works Online](#).

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Site Map
Privacy Policy
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Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

Metro

Cross Promotional Agreement No.

This Cross Promotional Agreement (this "Agreement") is entered into on _____ by and between the Los Angeles County Metropolitan Transportation Authority ("Metro") and the _____ (the "Company").

RECITALS:

A. Metro is a multifaceted public agency responsible for operating a cohesive rail and bus system, constructing public mass transit guideways in Los Angeles County and planning and programming all transportation dollars to Los Angeles County from local, state and federal sources.

B. The Company has _____ (the "Company's Product") that it wishes to promote along with certain Metro services.

C. Metro would like to promote the Company's Product along with certain Metro services.

D. The parties hereby agree to cross promote each other's services and products all as more particularly described herein.

NOW, THEREFORE, the parties hereby agree as follows:

AGREEMENT:

1. METRO PROMOTIONAL ELEMENTS

In consideration for the Company's Promotional Elements, as defined in Paragraph 2 below, Metro shall provide the Company with the following promotional elements (collectively, the "Metro Promotional Elements"):

As outline below for promotional consideration..

- a. "Metro Monthly" brochure:
DESCRIPTION: Brochure includes the latest news about Metro discount promotions, service, events and projects, as well as games.
DISTRIBUTION:

1. Promotion included in 85,000 brochures distributed on board all 2,500 Metro Buses and 350 Metro Rail cars and to Metro Customer Service Centers.
2. E-blasted to 1,500 businesses in LA County which employs 800+ employees per location.
3. Shared with our cable network media partner who broadcasts the information on public access cable channels.
4. **DEADLINE:** All copy, artwork and logos due for the sample Metro Monthly brochure: **deadline for copy, logo and photos (jpeg format) are due TBD _____**. (Lead time on this brochure is 3-6 months advance notice).
http://www.metro.net/news_info/publications/metronews_2007_06_eng.pdf
5. **Estimated promotional value \$35,000 monthly**

b. "This Month's Destination Discounts" (Metro web page)

DESCRIPTION: Metro's web based link on Metro's homepage under "Spotlight," which promotes patron incentives and rewards for choosing to "Go Metro" including discounts and exclusive giveaways for using public transit to get to your destination. On this site we would provide detailed information about your event/destination with link(s) to your homepage. Metro's homepage receives close to a million hits per month.

1. **DEADLINE:** Artwork due for posting. **deadline for copy, logo and photos (jpeg format) are due on TBD _____**.
2. Link to current Destination Discounts page:
http://www.metro.net/riding_metro/destination_discounts/destination_discounts.htm
3. **Estimated promotional value \$10,000 monthly**

c. "The Source" Metro's blog

DESCRIPTION: Metro has a social network blog "The Source" which carries stories about Transit and also features a Destination Discount page weekly where we promote our promotional partners events, business or venues to Metro patrons and highlight the Metro Destination Discount opportunities associated with each promotion. This Destination Discount blog is posted weekly to Metro patrons and reminds patrons places where they can go and places they can visit and show their Metro Pass or

Metro Rail ticket and receive a discount opportunity. "The Source" receives 25,000+ hits per week and is a favorite with our social media fans.

"The Source" always is stored on the patrons google maps and google calendars.

1. DEADLINE for "The Source": The same artwork and copy used for the Destination Discount webpage and can only be used in conjunction with the Metro Destination Discount web promotions along with the Metro Monthly where applicable. The deadline for Destination Discount webpage and "The Source" is 3 weeks notice prior to start of event, or discount promotion. TBD.
4. Link to current "The Source" is metro.net (where is located on the Metro Home page metro.net)
5. Estimated promotional value \$5,000

d. Press Release

DESCRIPTION: News release announcing cross promotion and discount/reward for Metro patrons.

DISTRIBUTION: All major news media outlets in Southern California.

Posted on metro.net under HEADLINES.

1. DEADLINE: Four weeks prior to distribution/posting.
2. Estimated promotional value \$5,000 monthly

* Metro's daily system wide ridership is 3.3 million boarding's per day for both Metro bus and rail.

2. COMPANY PROMOTIONAL ELEMENTS

In consideration for the Metro Promotional Elements, the Company shall provide Metro with the following promotional elements (the "Company Promotional Elements"):

- The Company shall provide Metro with equal promotional trade value in return for Metro's promotion of the company's event (part of the trade value can be the Metro added value or Metro redemption for Metro patrons and employees).
- The Company will also be required to provide an added value for Metro patrons who visit or attend the event or business, and show their Metro Pass, Metro Rail ticket, or TAP card (all of which include the Metro logo as identification).

- The Company will provide a list of the promotional trade elements which it will provide to Metro, below, along with the added value promotional element. (This we can work out as we move along with the promotion).

List Promotional Trade Elements Below:

- 1.
- 2.
- 3.

3. VALUATION OF PROMOTIONAL SERVICES.

The total trade value for the Metro Services described in Paragraph 1 above has a promotional value of **\$55,000**. The total trade value for the Company's Services described in Paragraph 2 above has a promotional value of **\$55,000**.

4. USE OF METRO LOGO.

a. The Company must provide an opportunity for prior review and written comment by the Chief Communications Officer of Metro or its designee before any Company Promotional Element using the Metro Logo can be produced. If the Company does not receive a response from Metro Communications within seven (7) working days from the day of receipt by Metro Communications staff, the Company may proceed with producing the Company Promotional Element as proposed.

b. The Company shall notify the Metro Chief Communications Officer or its designee of all press events related to a Company Promotional Element in such a manner that allows Metro to participate in such events, at Metro's sole discretion.

c. The Metro logo is a trademarked item that shall be reproduced and displayed in accordance with specific graphic guidelines available from the Metro Communications Division.

d. The Company shall ensure that any subcontractor, including, without limitation, public relations, public affairs, and/or marketing firms hired to produce Company Promotional Elements will comply with the requirements contained in this Paragraph 4.

5. TERM.

The term of this Agreement shall begin on and shall terminate on unless this Agreement is terminated earlier by either party on thirty (30) days prior written notice.

6. TERMINATION

Either party may, by written notice to the other party, terminate this Agreement in whole or in part at any time. Upon receipt of such notice, the parties shall immediately terminate all Promotional Elements.

7. MISCELLANEOUS

- a. Any amendment to this Agreement must be in writing and signed by both the Company and Metro.
- b. In performing its duties under this Agreement, the Company and Metro will be acting as independent contractors and not as agents or employees of the other party. Each party will have no authority to contract in the name of the other party and each party will be responsible for its own acts and those of its agents and employees. This Agreement is not intended to be construed as a partnership agreement creating a separate and distinct partnership entity.
- c. Each party (the "Indemnifying Party") agrees to indemnify, defend and hold harmless the other party and its officers, agents and employees from all liability, damages and expenses resulting from the Indemnifying Party's acts or omissions of its services provided herein and that of the Indemnifying Party's agents, employees or subcontractors in the creation, production, and use of the Indemnifying Party's Promotional Elements and performance of its duties under this Agreement.
- d. In connection with the performance of its duties under this Agreement, each party agrees that it will not, on the grounds of race, religious creed, color, national origin, ancestry, physical disability, medical condition, marital status, sex, sexual orientation, or age, discriminate or permit discrimination against any person or group of persons in any manner prohibited by Federal, State or local laws.
- e. Notices shall be in writing and may be personally delivered or given by United States mail or by Federal Express or other overnight air courier, and in either case, postage prepaid and addressed as follows, unless a different address is provided:

Metro: Los Angeles County Metropolitan Transportation
Authority
One Gateway Plaza
Los Angeles, California 90012
Attn: Fran Curbello

Company:

f. Neither party will assign or subcontract any part of this Agreement without the prior written consent of the other party, and any attempt to do so will be void and unenforceable.

g. This Agreement constitutes the entire understanding between the parties with respect to the subject matter herein.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the dates indicated below:

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By: Metro Date:
Name: Fran Curbello
Title: Communications Manager for Special Events and Promotions

By: _____ Date: _____
Name: _____
Title: _____