

## Public Records Request #5179

The following materials have been gathered in response to public records request #5179. These materials include:

- Contract #2019000544: Transit Security Services – G4S Secure Solutions (USA) Inc.

This information was provided as a response to a public records request on 5/13/21 and is current to that date. There is a possibility of more current information and/or documents related to the stated subject matter.

### Further Information

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For further information about this request or the Citywide Records Program, please contact:

Cheyenne Flotree  
Citywide Records Program Manager  
City of Charlotte/City Clerk's Office  
600 East 4<sup>th</sup> Street, 7<sup>th</sup> Floor  
Charlotte, NC 28202  
Cheyenne.Flotree@charlottenc.gov

Amelia Knight  
Public Records Specialist  
City of Charlotte/City Clerk's Office  
600 East 4<sup>th</sup> Street, 7<sup>th</sup> Floor  
Charlotte, NC 28202  
Amelia.Knight@charlottenc.gov

**STATE OF NORTH CAROLINA**

**COUNTY OF MECKLENBURG**

**SERVICES CONTRACT**

THIS SERVICES CONTRACT (the "Contract") is made and entered into as of 10/25/18 2018 (the "Effective Date"), by and between **G4S Secure Solutions (USA) Inc.**, a corporation doing business in North Carolina (the "Contractor"), and the City of Charlotte, a North Carolina municipal corporation (the "City") by and through its public enterprise, the Charlotte Area Transit System (CATS).

**RECITALS**

**WHEREAS**, the parties hereto desire to enter into a contract for the Contractor to provide Transit Security Services to the City;

**WHEREAS**, the Charlotte City Council authorized the City to enter into this contract for the Contractor to provide Transit Security Services to the City at its regular business meeting of October 8, 2018;

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in further consideration of the covenants and representations contained herein, the parties agree as follows:

**CONTRACT**

1. **INCORPORATION OF EXHIBITS.** The following Exhibits are attached to this Contract and are incorporated into and made a part of this Contract by reference:

Exhibit A: Scope of Work

Exhibit B: G4S Secure Solutions (USA) Inc., Price Proposal

These two following additional Exhibits are also incorporated into and made a part of this Contract by reference, but are not attached to this Contract and are available upon request from the City point of contact (See § 16):

Exhibit C: CATS Request for Proposal (#269-20180713-561) and 3 related addenda

Exhibit D: G4S Secure Solutions (USA) Inc. Proposal, including Best-and-Final-Offer proposal.

Each reference to this Contract shall be deemed to include all Exhibits whether attached or not. Any conflict between language in an Exhibit or Appendix and language in the main body of this Contract shall be resolved in favor of the main body of this Contract. Each reference to **G4S Secure Solutions (USA) Inc.** in the Exhibits and Appendices shall be deemed to mean the Contractor.

**2. DESCRIPTION OF WORK.**

2.1. The Contractor shall perform the services described in **Exhibit A** attached to this Contract and incorporated herein by reference (the "Work"). The Contractor shall perform the Work onsite at CATS' facilities in Charlotte, North Carolina, except to the extent the City specifically agrees in writing to the contrary. Unless otherwise provided in **Exhibit A**, the Contractor shall obtain and provide all labor, materials, equipment, transportation, facilities, services, permits, and licenses necessary to perform the Work.

2.2. The Contractor will comply with the schedule set forth in **Exhibit A** in performing the Work. The parties agree that **time is of the essence** in having the Contractor meet each completion date specified in **Exhibit A**. All references to days in this Contract (including the exhibits) shall refer to calendar days rather than business days, unless a provision specifically uses the term "business days." Any references to "business days" shall mean the days that the City's offices are open for the public to transact business.

**3. COMPENSATION.**

3.1. **TOTAL FEES AND CHARGES.** The City agrees to pay the Contractor for the Work at the hourly rate set forth in **Exhibit B**, provided that the total amount payable under this Contract shall not exceed **\$ 17,672,880 for the three years** (the "Payment Cap"). This agreement has an **annual payment cap of \$5,890,960**. This amount constitutes the maximum fees and charges payable to the Contractor in the aggregate under this Contract and will not be increased except by a written amendment duly executed by both parties. The hourly rates set forth in **Exhibit B** shall remain firm for the duration of this Contract term.

3.2. **INVOICES.** Each month, the Contractor shall submit an invoice to the City detailing the number of hours worked by the Contractor during the preceding month, broken down by day, Contractor employee, hourly rate and task performed.

3.2.1. The Contractor shall not charge the City at overtime rates (as defined by the Fair Labor Standards Act), regardless of the number of hours worked in a given day or week.

3.2.2. The Contractor shall submit all invoices to the City by either (but not both), of the following methods:

- Invoices must be e-mailed to: [cocap@charlottenc.gov](mailto:cocap@charlottenc.gov)  
With *carbon copy* to Billie Johnson [bjjohnson@ci.charlotte.nc.us](mailto:bjjohnson@ci.charlotte.nc.us)  
And  
Lisa Wood [lwood@ci.charlotte.nc.us](mailto:lwood@ci.charlotte.nc.us)

With both options, "Accounts Payable" or "AP" must be in the first line of the e-mail and/or invoices

3.2.3. The City will pay undisputed, properly submitted invoices within thirty (30) days after the receipt of the Contractor's invoice (the "Due Date"), provided that the invoice has been submitted at the appropriate time as authorized in **Exhibit A**. Each invoice shall cite the contract number; specific task description for which payment is being requested; the time period covered by the invoice and the amount of payment requested. Failure to provide this information on each and every invoice may result in a delay in payment. There shall be no interest penalties assessed against the City for late or partial payments.

3.2.4. As a condition of payment, the Contractor must invoice the City for Work within 60 days after such Work is performed. **THE CONTRACTOR WAIVES THE RIGHT TO CHARGE THE CITY FOR ANY SERVICES THAT HAVE NOT BEEN INVOICED TO THE CITY WITHIN 60 DAYS AFTER SUCH SERVICES WERE RENDERED.**

3.3. **TIME RECORDS.** The Contractor shall be responsible for keeping documentation sufficient to verify the time billed to the City. The City shall have the right to audit the Contractor's time cards, invoices, reports and other documents relating to the Work performed under this Contract, and shall not be required to pay for: (a) any time billed that was excessive in light of the amount of manpower requested, the amount provided, and the need that was presented, or (b) any Work that did not meet the standards and requirements referenced in this Contract. The Contractor shall make such documents available for inspection and copying by the City in Charlotte, North Carolina between the hours of 9:00 a.m. to 5:00 p.m. Monday through Friday, whenever requested by the City. The City shall pay its own expenses, relating to such audits, but shall not have to pay any expenses or additional costs of the Contractor. However, if non-compliance is found that would have cost the City in excess of \$5,000 but for the audit, then the Contractor shall be required to reimburse the City for the cost of the audit.

3.4. **EMPLOYMENT TAXES AND EMPLOYEE BENEFITS.** The Contractor acknowledges and agrees that its employees and subcontractors are not employees of the City. The Contractor represents, warrants, and covenants that it will pay all withholding tax, social security, Medicare, unemployment tax, workers' compensation, and other payments and deductions which are required by law in connection with provision of the Work.

4. **DUTY OF CONTRACTOR TO IDENTIFY AND REQUEST INFORMATION, PERSONNEL AND FACILITIES.** The Contractor shall identify and request in writing from the City in a timely manner: (i) all information reasonably required by the Contractor to perform the Work, (ii) a list of the City's personnel whose presence or assistance reasonably may be required by the Contractor to perform the Work, and (iii) any other equipment, facility or resource reasonably required by the Contractor to perform the Work. Notwithstanding the foregoing, the Contractor shall not be entitled to request that the City provide information, personnel or facilities other than those which **Exhibit A** specifically requires the City to provide, unless the City can do so at no

significant cost. The Contractor shall not be relieved of any failure to perform under this Contract by virtue of the City's failure to provide any information, personnel, equipment, facilities or resources: (i) that the Contractor failed to identify and request in writing from the City pursuant to this Section; or (ii) which the City is not required to provide pursuant to this Contract. In the event the City fails to provide any information, personnel, facility or resource that it is required to provide under this Section, the Contractor shall notify the City in writing immediately in accordance with the notice provision of this Contract. Failure to do so shall constitute a waiver by Contractor of any claim or defense it may otherwise have based on the City's failure to provide such information, personnel, facility or resource.

5. **REMOVAL, REPLACEMENT AND PROMOTION OF CONTRACTOR PERSONNEL.** The City will have the right to require the removal and replacement of any personnel of the Contractor or the Contractor's subcontractors who are assigned to perform Work for the City. The City shall be entitled to exercise such right in its sole discretion by providing written notice to the Contractor.

The City must approve in writing any hires or transfers of personnel to "Key Personnel" positions on the Project, and the City shall have the right to interview all personnel that the Contractor proposes to hire or transfer to such positions. As used in this Contract, the term "Key Personnel" shall mean the "Account Manager," and any other personnel of the Contractor or its subcontractors who are identified as Key Personnel in an Exhibit to the Contract, or whom the City from time to time designates in writing to the Contractor as fulfilling a key role in the Project. Unless approved by the City in writing, the Contractor will not: (i) remove the Contractor's Key Personnel from the Project or permit its subcontractors to remove Key Personnel from the Project; or (ii) materially reduce the involvement of the Contractor's Key Personnel in the Project or allow its subcontractors to materially reduce the involvement of Key Personnel in the Project.

The Contractor will replace any personnel who leave the Project with equivalently qualified persons. The Contractor will replace such personnel as soon as reasonably possible, and in any event within thirty days after the Contractor first receives notice that the person will be leaving the Project.

If the Contractor gets more than 7 days behind in completing any Deliverable required by this Contract or the Project Plan, the Contractor will devote all personnel assigned to the Project to working on the Project on a first priority basis.

As used in this Contract, the term "personnel" includes all staff provided by the Contractor or its subcontractors, including but not limited to Key Personnel.

6. **REPRESENTATIONS AND WARRANTIES OF CONTRACTOR.** The Contractor represents, warrants and covenants that:
- 6.1. The Contractor has the qualifications, skills and experience necessary to perform the Work described or referenced in **Exhibit A**.
  - 6.2. The Work shall satisfy all requirements set forth in this Contract, including without limitation **Exhibit A**. Additionally, all Work performed by the Contractor pursuant to this Contract shall meet the highest industry standards, and shall be performed in a professional and workmanlike

manner by staff with the necessary skills, experience and knowledge.

- 6.3. Neither the Work, nor any deliverables provided by the Contractor under this Contract will infringe or misappropriate any patent, copyright, trademark, trade secret or other intellectual property rights of any third party. The Contractor shall not violate any non-compete agreement or any other agreement with any third party by entering into or performing this Contract.
- 6.4. In connection with its obligations under this Contract, the Contractor shall comply with all applicable federal, state, and local laws and regulations and shall obtain all applicable permits and licenses.
- 6.5. The Contractor is a corporation duly organized, validly existing and in good standing under the laws of the state of Florida. The Contractor has all the requisite power and authority to execute, deliver and perform its obligations under this Contract, and the execution, delivery, and performance of this Contract have been duly authorized by the Contractor.

**7. OTHER OBLIGATIONS OF THE CONTRACTOR.**

- 7.1. **WORK ON CITY'S PREMISES.** The Contractor will, whenever on the City's premises, obey all instructions and City policies that the Contractor is made aware of with respect to performing work on the City's premises.
- 7.2. **REGENERATION OF LOST OR DAMAGED DATA.** If the Contractor loses or damages any data in the City's possession, the Contractor shall, at its own expense, promptly replace or regenerate such data from the City's machine-readable supporting material or obtain, at the Contractor's own expense, a new machine-readable copy of lost or damaged data from the City's data sources.
- 7.3. **REPAIR OR REPLACEMENT OF DAMAGED EQUIPMENT OR FACILITIES.** In the event that the Contractor causes damage to the City's equipment or facilities, the Contractor shall, at its own expense, promptly repair or replace such damaged items to restore them to the same level of functionality that they possessed prior to the Contractor's action.

8. **SUBSTITUTE PERFORMANCE.** If the Contractor fails to comply with the schedule set forth in **Exhibit A**, the City may, in its discretion, perform or cause to be performed some or all of the Work, and doing so shall not waive any of the City's rights or remedies under this Contract, at law or in equity. The Contractor shall reimburse the City for all additional costs incurred by the City in exercising its rights to perform or cause to be performed some or all of the Work pursuant to this Section.

9. **NO SUSPENSION.** In the event that the City disputes in good faith an allegation of default by the Contractor, notwithstanding anything to the contrary in the Agreement, the Contractor agrees that it will not terminate the Agreement or suspend or limit the Services or any warranties or repossess, disable or render unusable any software supplied by the Contractor, unless (i) the parties agree in writing, or (ii) an order of a court of competent jurisdiction determines otherwise.

**10. TERMINATION OF CONTRACT.**

10.1. **TERM.** This Contract shall commence on the Effective Date (October 11, 2018) and shall continue in effect for three (3) years (through October 10, 2021); the City shall have the option to extend the contract term for up to two (2) additional one (1) year terms, provided that the Work shall cease when the Payment Cap has been reached unless such Cap is increased by the City. No rate or price increases shall apply or be considered during the original term of the contract. The Contractor may request to increase its rates and prices for the 1<sup>st</sup> optional extension year. The City shall allow a reasonable increase only upon a showing by the Contractor that its actual costs of providing the Work has increase a commiserate amount. No increases shall be allowed for the 2<sup>nd</sup> optional extension period.

10.2. Not used.

10.3. **TERMINATION BY THE CITY.** The City may terminate this Contract at any time without cause by giving written notice to the Contractor. In the event the City terminates this Contract, the Contractor shall continue performing the Work until the termination date designated by the City in its termination notice. If the City terminates this Contract without cause, the City shall pay the Contractor for Work rendered through the date of termination at the rates set forth in **Exhibit A**.

The City's obligation to make the payments required by this Section is conditioned upon the Contractor providing to the City prior to the date of termination all materials referenced in **Section 10.4**. Nothing in this Section shall be construed as limiting any right of the City in the event of a breach.

10.4. **TERMINATION BY THE CONTRACTOR.** By giving written notice, the Contractor may terminate this Contract for cause in the event the City fails to pay an overdue invoice within thirty (30) days after receiving written notice from the Contractor that: (i) such invoice is overdue, and (ii) the Contractor intends to exercise its right to terminate this Contract pursuant to this Section in the event it is not paid within said thirty (30) day period.

10.5. **OBLIGATIONS UPON EXPIRATION OR TERMINATION.** Upon expiration or termination of this Contract, the Contractor shall promptly return to the City (i) all computer programs, files, documentation, media, related material and any other material and equipment that is owned by the City; (ii) all deliverables that have been completed or that are in process as of the date of termination; and (iii) a written statement describing in detail all work performed with respect to deliverables which are in process as of the date of termination. The expiration or termination of this Contract shall not relieve either party of its obligations regarding "Confidential Information," as defined in this Contract.

10.6. **NO EFFECT ON TAXES, FEES, CHARGES OR REPORTS.** Termination of this Contract shall not relieve the Contractor of the obligation to pay any fees, taxes or other charges then due to the City; to file any daily, monthly, quarterly or annual reports; or relieve the Contractor from any claim for damages previously accrued or then accruing against the Contractor.

10.7. **OTHER REMEDIES.** The remedies set forth in this Section and **Section 8** shall be deemed cumulative and not exclusive, and may be exercised successively or

concurrently, in addition to any other remedies available under this Contract or at law or in equity.

10.8. **AUTHORITY TO TERMINATE.** The following persons are authorized to terminate this Contract on behalf of the City: (a) the City Manager, any Assistant City Manager or any designee of the City Manager; (b) Chief Executive Officer of CATS.

10.9. **CHANGE IN CONTROL.**  
In the event of a change in "Control" of the Contractor (as defined below), the City shall terminate the Agreement for default unless the City has granted prior written consent. Such consent shall not be unreasonably withheld. Any approval by the City of transfer of ownership or control shall be contingent upon the perspective controlling party becoming a signatory to the Agreement and otherwise complying with all the terms and conditions of the Agreement. The Contractor shall notify the City within ten (10) days after it becomes aware that a change in Control will occur. As used in the Agreement, the term "Control" shall mean the possession, direct or indirect, of either:

10.9.1. The ownership of or ability to direct the voting of, as the case may be fifty-one percent (51%) or more of the equity interests, value or voting power in Contractor; or

10.9.2. The power to direct or cause the direction of the management and policies of Contractor whether through the ownership of voting securities, by contract or otherwise.

10.10. **Transition Services Upon Termination.**  
Upon termination or expiration of this Agreement, the Contractor shall cooperate with the City to assist with the orderly transfer of the Contractor police functions and operations provided by the Contractor hereunder to another Contractor or to the City as reasonably agreed to by the City and the Contractor. Prior to termination or expiration of this Agreement, the City may require the Contractor to perform and, if so required, the Contractor shall perform certain transition services necessary to shift the support work of the Contractor to another provider or to the City itself as described below (the "Transition Services"). Transition Services may include but shall not be limited to the following:

- Working with the City to jointly develop a mutually agreed upon Transition Services Plan to facilitate the termination of the Services;
- Notifying all affected Contractors and subcontractors of the Contractor;
- Performing the Transition Service Plan activities;
- Answering questions regarding the Services on an as-needed basis; and
- Providing such other reasonable services needed to effectuate an orderly transition to a new Contractor.

11. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties established by this Contract is solely that of independent contractors. Nothing contained in this Contract shall be construed to (i) give any party the power to direct or control the day-to-day administrative activities of the other; or (ii) constitute such parties as partners, co-owners or otherwise as participants in a joint venture. Neither party nor its agents or employees is the representative of the other for any purpose, and neither party has power or authority



to act for, bind, or otherwise create or assume any obligation on behalf of the other.

**12. CITY OWNERSHIP OF WORK PRODUCT**

- 12.1. The parties agree that the City shall have exclusive ownership of all reports, documents, designs, ideas, materials, reports, concepts, plans, creative works, software, data, programming code and other work product developed for or provided to the City in connection with this Contract, and all patent rights, copyrights, trade secret rights and other intellectual property rights relating thereto (collectively “the Intellectual Property”). The Contractor hereby assigns and transfers all rights in the Intellectual Property to the City. The Contractor further agrees to execute and deliver such assignments and other documents as the City may later require it to perfect, maintain, and enforce the City’s rights as sole owner of the Intellectual Property, including all rights under patent and copyright law. The Contractor hereby appoints the City as attorney-in-fact to execute all such assignments and instruments and agrees that its appointment of the City as an attorney-in-fact is coupled with an interest and is irrevocable.
- 12.2. The City grants the Contractor a royalty-free, non-exclusive license to use and copy the Intellectual Property to the extent necessary to perform this Contract. The Contractor shall not be entitled to use the Intellectual Property for other purposes without the City’s prior written consent, and shall treat the Intellectual Property as “Confidential Information,” as defined in this Contract.
- 12.3. The Contractor will treat as Confidential Information all data provided by or processed for the City in connection with this Contract. Such data shall remain the exclusive property of the City. The Contractor will not reproduce, copy, duplicate, disclose, or in any way treat the data supplied by the City in any manner except that contemplated by this Contract.

- 13. INDEMNIFICATION.** To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless each of the “Indemnitees” (as defined below) from and against any and all “Charges” (as defined below) paid or incurred by any of them as a result of any claims, demands, lawsuits, actions, or proceedings: (i) alleging violation, misappropriation or infringement of any copyright, trademark, patent, trade secret or other proprietary rights with respect to the Work or any products or deliverables provided to the City pursuant to this Contract (“Infringement Claims”); (ii) seeking payment for labor or materials purchased or supplied by the Contractor or its subcontractors in connection with this Contract; or (iii) arising from the Contractor’s failure to perform its obligations under this Contract, or from any act of negligence or willful misconduct by the Contractor or any of its agents, employees or subcontractors relating to this Contract, including but not limited to any liability caused by an accident or other occurrence resulting in bodily injury, death, sickness or disease to any person(s) or damage or destruction to any property, real or personal, tangible or intangible; or (iv) arising from any claim that the Contractor or an employee or subcontractor of the Contractor is an employee of the City, including but not limited to claims relating to worker’s compensation, failure to withhold taxes and the like. Contractor shall have no duty to indemnify an Indemnitee for any damages or portions of damages caused by negligence on the part of the City. For purposes of this Section: (a) the term “Indemnitees” means the City and each of the City’s officers, officials, employees, agents and independent contractors (excluding the Contractor); and (b) the term “Charges” means any and all losses, damages, costs, expenses (including reasonable attorneys’ fees), obligations,

duties, fines, penalties, royalties, interest charges and other liabilities (including settlement amounts).

If an Infringement Claim occurs, the Contractor shall either: (i) procure for the City the right to continue using the affected product or service; or (ii) repair or replace the infringing product or service so that it becomes non-infringing, provided that the performance of the overall product(s) and service(s) provided to the City shall not be adversely affected by such replacement or modification. If the Contractor is unable to comply with the preceding sentence within thirty (30) days after the City is directed to cease use of a product or service, the Contractor shall promptly refund to the City all amounts paid under this Contract.

This **Section 13** shall remain in force despite termination of this Contract (whether by expiration of the term or otherwise).

14. **INSURANCE.** Throughout the term of this Contract, the Contractor shall comply with the insurance requirements described in this Section. In the event the Contractor fails to procure and maintain each type of insurance required by this Contract, or in the event the Contractor fails to provide the City with the required certificates of insurance, the City shall be entitled to terminate this Contract immediately upon written notice to the Contractor.

14.1. *General Requirements.*

- 14.1.1. The Contractor shall not commence any work in connection with this Contract until it has obtained all of the types of insurance set forth in this **Section 14**, and the City has approved such insurance. The Contractor shall not allow any subcontractor to commence work on its subcontract until all insurance required of the subcontractor has been obtained and approved.
- 14.1.2. All insurance policies required by **Section 14.2** shall be with insurers qualified and doing business in North Carolina and recognized by the Secretary of State and the Insurance Commissioner's Office. The Contractor shall name the City as an additional insured under the commercial general liability policy required by **Section 14.2**.
- 14.1.3. The Contractor's insurance, except for Automobile Liability, shall be primary of any self-funding and/or insurance otherwise carried by the City for all loss or damages arising from the Contractor's operations under this Contract. The Contractor and each of its subcontractors shall and does waive all rights of subrogation against the City and each of the Indemnitees (as defined in **Section 13**).
- 14.1.4. The City shall be exempt from, and in no way liable for any sums of money that may represent a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of the Contractor and/or subcontractor providing such insurance.
- 14.1.5. Within three (3) days after execution of this Contract, the Contractor shall provide the City with certificates of insurance documenting that the

insurance requirements set forth in this **Section 14** have been met, and that the City will be given written notice in accordance with the policy provisions of any intent to amend coverage or make material changes to or terminate any policy by either the insured or the insurer. The Contractor shall further provide such certificates of insurance to the City at any time requested by the City after execution of this Contract, and shall provide such certificates within five (5) days after the City's request. The City's failure to review a certificate of insurance sent by or on behalf of the Contractor shall not relieve the Contractor of its obligation to meet the insurance requirements set forth in this Contract.

- 14.1.6. Should any or all of the required insurance coverage be self-funded/self-insured, the Contractor shall furnish to the City a copy of the Certificate of Self-Insurance or other documentation from the North Carolina Department of Insurance.
- 14.1.7. If any part of the Work under this Contract is sublet, the subcontractor shall be required to meet all insurance requirements set forth in this **Section 14**, provided that the amounts of the various types of insurance shall be such amounts as are approved by the City in writing. However, this will in no way relieve the Contractor from meeting all insurance requirements or otherwise being responsible for the subcontractor.
- 14.2. *Types of Insurance.* The Contractor agrees to purchase and maintain during the life of this Contract, with an insurance Contractor acceptable to the City and authorized to do business in the State of North Carolina, the following insurance:
- 14.2.1. Automobile Liability. Bodily injury and property damage liability covering all owned, non-owned and hired automobiles for limits of not less than \$2,000,000 combined single limit - bodily injury and property damage.
- 14.2.2. Commercial General Liability. Bodily injury and property damage liability as shall protect the Contractor and any subcontractor performing work under this Contract, from claims of bodily injury or property damage which arise from operation of this Contract, whether such operations are performed by the Contractor, any subcontractor, or anyone directly or indirectly employed by either. The amounts of such insurance shall not be less than \$1,000,000 bodily injury and property damage combined single limits each occurrence/aggregate. This insurance shall include coverage for products, operations, personal injury liability and contractual liability, assumed under the indemnity provision of this Contract. The City of Charlotte must be listed as an additional insured for General Liability.
- 14.2.3. Errors and Omissions Liability Insurance as shall protect the Contractor and its employees from claims alleging the failure to provide the services required by this Contract. This policy shall be specific to the performance of this Contract and shall provide limits of \$5,000,000 each occurrence/aggregate. Coverage for intentional tort personal injury claims must be included in either the Errors & Omissions or the General

Liability and must be verified by submission of policy language to the City's Risk Management Division before acceptance.

14.2.4. Workers' Compensation Insurance. The Contractor shall meet the statutory requirements of the State of North Carolina, \$100,000 per accident limit, \$500,000 disease per policy limit, \$100,000 disease each employee limit.

15. **DRUG-FREE WORKPLACE.** The City is a drug-free workplace employer. The Contractor hereby certifies that it has or it will within thirty (30) days after execution of this Contract:

- 15.1. Notify employees that the unlawful manufacture, distribution, dispensation, possession, or use of controlled substance is prohibited in the workplace and specifying actions that will be taken for violations of such prohibition;
- 15.2. Establish a drug-free awareness program to inform employees about (i) the dangers of drug abuse in the workplace, (ii) the Contractor's policy of maintaining a drug-free workplace, (iii) any available drug counseling, rehabilitation, and employee assistance programs, and (iv) the penalties that may be imposed upon employees for drug abuse violations;
- 15.3. Notify each employee that as a condition of employment, the employee will (i) abide by the terms of the prohibition outlines in (a) above, and (ii) notify the Contractor of any criminal drug statute conviction for a violation occurring in the workplace not later than five days after such conviction;
- 15.4. Impose a sanction on or require the satisfactory participation in a drug counseling, rehabilitation or abuse program by an employee convicted of a drug crime;
- 15.5. Make a good faith effort to continue to maintain a drug-free workplace for employees; and
- 15.6. Require any party to which it subcontracts any portion of the Work under this Contract to comply with the provisions of this Section.

A false certification or the failure to comply with the above drug-free workplace requirements during the performance of this Contract shall be grounds for suspension, termination or debarment.

16. **NOTICES AND PRINCIPAL CONTACTS.**

Any notice, consent or other communication required or contemplated by this Contract shall be in writing, and shall be delivered in person, by U.S. mail, by overnight courier, by electronic mail or by telefax to the intended recipient at the address set forth below:

For the Contractor:  
Attn: Michael Nail  
101 North Tryon Street, Suite 1200  
Charlotte, NC 28246  
PHONE: (704) 377-2501  
e-mail: [Michael.nail@usa.g4s.com](mailto:Michael.nail@usa.g4s.com)

For the City:  
Mr. Ken Chapman  
3145 South Tryon Street  
Charlotte, NC 28217  
PHONE: 704 – 336-7661  
e-mail: [kdchapman@ci.charlotte.nc.us](mailto:kdchapman@ci.charlotte.nc.us)

Communications that relate to any breach, default, termination, delay in performance, prevention of performance, modification, extension, amendment, or waiver of any provision of this Contract shall further be copied to the following (in addition to being sent to the individuals specified above):

Managing Counsel  
G4S Secure Solutions (USA) Inc.  
1395 University Blvd.  
Jupiter, FL 33458  
PHONE: (561) 691-6723  
FAX: (561) 691-6680  
e-mail: [Allison.Maffei@usa.g4s.com](mailto:Allison.Maffei@usa.g4s.com)

CATS Attorney  
City Attorney's Office  
600 East Fourth Street  
Charlotte, NC 28202  
Phone: 704-432-1271  
Fax: 704-632-8317  
e-mail: [bbranham@ci.charlotte.nc.us](mailto:bbranham@ci.charlotte.nc.us)

Notice shall be effective upon the date of receipt by the intended recipient. Each party may change its address for notification purposes by giving the other party written notice of the new address and the date upon which it shall become effective.

**17. COMMERCIAL NON-DISCRIMINATION.**

The City has adopted a Commercial Non-Discrimination Ordinance that is set forth in Section 2, Article V of the Charlotte City Code, and is available for review on the City's website (the "Non-Discrimination Policy"). As a condition of entering into this Contract, the Contractor agrees to comply with the Non-Discrimination Policy and consents to be bound by the award of any arbitration conducted thereunder. As part of such compliance, the Contractor shall not discriminate on the basis of race, gender, religion, national origin, ethnicity, age, or disability in the solicitation, selection, hiring, or treatment of subcontractors, vendors, suppliers, or commercial customers in connection with a City contract or contract solicitation process, nor shall the Contractor retaliate against any person or entity for reporting instances of such discrimination. The Contractor shall provide equal opportunity for subcontractors, vendors and suppliers to participate in all of its subcontracting and supply opportunities on City contracts, provided that nothing contained in this clause shall prohibit or limit otherwise lawful efforts to remedy the effects of marketplace discrimination that has occurred or is occurring in the marketplace. As a condition of entering into this Contract, the Contractor agrees to: (a) promptly provide to the City all information and documentation that may be requested by the City from time to time regarding the solicitation, selection, treatment and payment of subcontractors in connection with this Contract; and (b) if requested, provide to the City within sixty (60) days after the request a truthful and complete list of the names of all subcontractors, vendors, and suppliers that Contractor has used on City contracts in the past five years, including the total dollar amount paid by Contractor on each subcontract or supply contract. The Contractor further agrees to fully cooperate in any investigation conducted by the City pursuant to the City's Non-Discrimination Policy, to provide any

documents relevant to such investigation that are requested by the City, and to be bound by the award of any arbitration conducted under such Policy.

The Contractor agrees to provide to the City from time to time at the City's request, payment affidavits detailing the amounts paid by Contractor to subcontractors and suppliers in connection with this Contract within a certain period of time. Such affidavits shall be in the format specified by the City from time to time.

The Contractor understands and agrees that violation of this Commercial Non-Discrimination provision shall be considered a material breach of this Contract and may result in contract termination, disqualification of the Contractor from participating in City contracts and other sanctions.

**18. MISCELLANEOUS.**

- 18.1. ENTIRE CONTRACT. This Contract is the entire agreement between the parties with respect to its subject matter, and there are no other representations, understandings, or agreements between the parties with respect to such subject matter. This Contract supersedes all prior agreements, negotiations, representations and proposals, written or oral.
- 18.2. AMENDMENT. No amendment or change to this Contract shall be valid unless in writing and signed by both parties to this Contract.
- 18.3. GOVERNING LAW, JURISDICTION AND VENUE. North Carolina law shall govern the interpretation and enforcement of this Contract and any other matters relating to this Contract (all without regard to North Carolina conflicts of law principles). Any and all legal actions or proceedings relating to this Contract shall be brought in a state or federal court sitting in Mecklenburg County, North Carolina. By the execution of this Contract, the parties submit to the jurisdiction of said courts and hereby irrevocably waive any and all objections that they may have with respect to venue in any court sitting in Mecklenburg County, North Carolina. This Section shall not apply to subsequent actions to enforce a judgment entered in actions heard pursuant to this Section.
- 18.4. BINDING NATURE AND ASSIGNMENT. This Contract shall bind the parties and their successors and permitted assigns. Neither party may assign this Contract without the prior written consent of the other. Any assignment attempted without the written consent of the other party shall be void.
- 18.5. CITY NOT LIABLE FOR SPECIAL OR CONSEQUENTIAL DAMAGES. The City shall not be liable to the Contractor, its agents, or representatives or any subcontractor for or on account of any stoppages or delay in the performance of any obligations of the City, or any other consequential, indirect or special damages or lost profits related to this Contract.
- 18.6. SEVERABILITY. The invalidity of one or more of the phrases, sentences, clauses or sections contained in this Contract shall not affect the validity of the remaining portion of the Contract so long as the material purposes of the Contract can be determined and effectuated. If any provision of this Contract is held to be unenforceable, then both parties shall be relieved of all obligations arising under such provision, but only to the extent that such provision is

unenforceable, and this Contract shall be deemed amended by modifying such provision to the extent necessary to make it enforceable while preserving its intent.

- 18.7. NO PUBLICITY. No advertising, sales promotion or other materials of the Contractor or its agents or representations may identify or reference this Contract or the City in any manner absent the written consent of the City. Notwithstanding the forgoing, the parties agree that the Contractor may list the City as a reference in responses to requests for proposals, and may identify the City as a customer in presentations to potential customers.
- 18.8. APPROVALS. All approvals or consents required under this Contract must be in writing.
- 18.9. WAIVER. No waiver of any provision of this Contract shall be effective unless in writing and signed by the party waiving the rights. No delay or omission by either party to exercise any right or remedy it has under this Contract shall impair or be construed as a waiver of such right or remedy. A waiver by either party of any covenant or breach of this Contract shall not constitute or operate as a waiver of any succeeding breach of that covenant or of any other covenant.
- 18.10. SURVIVAL OF PROVISIONS. All provisions of this Contract which by their nature and effect are required to be observed, kept or performed after termination of this Contract shall survive the termination of this Contract and remain binding thereafter, including but not limited to the following
  - Section 3.4 "Employment Taxes and Employee Benefits"
  - Section 6 "Representations and Warranties"
  - Section 10 "Termination of Contract"
  - Section 12 "City Ownership of Work Product"
  - Section 13 "Indemnification"
  - Section 16 "Notices"
  - Section 18 "Miscellaneous"
  - Section 19 "Confidentiality"
- 18.11. SET OFF. Each party shall be entitled to set off and deduct from any amounts owed to the other party pursuant to this Contract all damages and expenses incurred or reasonably anticipated as a result of the other party's breach of this Contract.
- 18.12. FAMILIARITY AND COMPLIANCE WITH LAWS AND ORDINANCES. The Contractor agrees to make itself aware of and comply with all local, state and federal ordinances, statutes, laws, rules and regulations applicable to the Work. The Contractor further agrees that it will at all times during the term of this Contract be in compliance with all applicable federal, state and/or local laws regarding employment practices. Such laws will include, but shall not be limited to workers' compensation, the Fair Labor Standards Act (FLSA), the Americans with Disabilities Act (ADA), the Family and Medical Leave Act (FMLA) and all OSHA regulations applicable to the work.
- 18.13. TAXES. The Contractor shall pay all applicable federal, state and local taxes

that may be chargeable against the performance of the Work. The City is not exempt from North Carolina general sales taxes, but may be exempt from some federal taxes that may apply. The Contractor shall invoice the City for applicable taxes it pays on behalf of the City such as sales or use taxes. Upon approval, the City shall pay such invoiced taxes as an incidental cost to the Contractor. The Contractor will be provided information upon request regarding taxes applicable to the City that may be relevant to the Scope of Work of this contract.

- 18.14. **CONSTRUCTION OF TERMS.** Each of the parties has agreed to the use of the particular language of the provisions of this Contract and any questions of doubtful interpretation shall not be resolved by any rule or interpretation against the drafters, but rather in accordance with the fair meaning thereof, having due regard to the benefits and rights intended to be conferred upon the parties hereto and the limitations and restrictions upon such rights and benefits intended to be provided.
- 18.15. **LICENSING.** The Contractor shall provide notarized copies of all valid licenses and certificates required for performance of the work. The notarized copies shall be delivered to the City no later than ten (10) days after the Contractor receives the notice of award from the City. Current notarized copies of licenses and certificates shall be provided to the City within twenty-four (24) hours of demand at any time during the Agreement term. Licenses and certificates required for this Agreement include, by way of illustration and not limitation, the following: 1) a business license valid in North Carolina; 2) any additional licenses pertaining to or that may be required to be held by field professionals participating in the contract work. Failure to obtain a valid Charlotte Business License within thirty (30) days of receiving Contract Award Notification will result in garnishment by the Tax Office from any payments made to the Contractor.
- 18.16. **CONFLICT OF INTEREST.** The Contractor covenants that its officers, employees and shareholders have no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of Services required to be performed under the Agreement.
- 18.17. **NO BRIBERY.** The Contractor certifies that neither it, any of its affiliates or subcontractors, nor any employees of any of the forgoing has bribed or attempted to bribe an officer or employee of the City in connection with this Contract.
- 18.18. **HARASSMENT.** The Contractor agrees to make itself aware of and comply with the City's Harassment Policy. The City will not tolerate or condone acts of harassment based upon race, sex, religion, national origin, color, age, or disability. Violators of this policy may be subject to termination of contract.

**19. CONFIDENTIALITY**

- 19.1. **DEFINITIONS.** As used in this Contract, The term "Confidential Information" shall mean any information, in any medium, whether written, oral, or electronic, not generally known in the relevant trade or industry, that is obtained from the City or any of its suppliers, contractors or licensors which falls within any of the following general categories:



- 19.1.1. *Trade secrets.* For purposes of this Contract, trade secrets consist of information of the City or any of its suppliers, contractors or licensors: (a) that derives value from being secret; and (b) that the owner has taken reasonable steps to keep confidential. Examples of trade secrets include information relating to proprietary software, new technology, new products or services, flow charts or diagrams that show how things work, manuals that tell how things work, and business processes and procedures.
- 19.1.2. *Information of the City or its suppliers, contractors or licensors marked "Confidential" or "Proprietary."*
- 19.1.3. *Information relating to criminal investigations conducted by the City, and records of criminal intelligence information compiled by the City.*
- 19.1.4. *Information contained in the City's personnel files, as defined by N.C. Gen. Stat. 160A-168.* This includes all information gathered by the City about employees, except for that information which is a matter of public record under North Carolina law.
- 19.1.5. *Citizen or employee social security numbers collected by the City.*
- 19.1.6. *Computer security information of the City,* including all security features of electronic data processing, or information technology systems, telecommunications networks and electronic security systems. This encompasses but is not limited to passwords and security standards, procedures, processes, configurations, software and codes.
- 19.1.7. *Local tax records of the City that contain information about a taxpayer's income or receipts.*
- 19.1.8. *Any attorney / client privileged information disclosed by either party.*
- 19.1.9. *Any data collected from a person applying for financial or other types of assistance, including but not limited to their income, bank accounts, savings accounts, etc.*
- 19.1.10. *The name or address of individual home owners who, based on their income, have received a rehabilitation grant to repair their home.*
- 19.1.11. *Building plans of city-owned buildings or structures, as well as any detailed security plans.*
- 19.1.12. *Billing information of customers compiled and maintained in connection with the City providing utility services*
- 19.1.13. *Other information that is exempt from disclosure under the North Carolina public records laws.*

Categories **19.1.3** through **19.1.13** above constitute "Highly Restricted Information," as well as Confidential Information. The Contractor acknowledges

that certain Highly Restricted Information is subject to legal restrictions beyond those imposed by this Contract, and agrees that: (a) all provisions in this Contract applicable to Confidential Information shall apply to Highly Restricted Information; and (b) the Contractor will also comply with any more restrictive instructions or written policies that may be provided by the City from time to time to protect the confidentiality of Highly Restricted Information.

The parties acknowledge that in addition to information disclosed or revealed after the date of this Contract, the Confidential Information shall include information disclosed or revealed within one year prior to the date of this Contract.

- 19.2. *RESTRICTIONS.* The Contractor shall keep the Confidential Information in the strictest confidence, in the manner set forth below:
- 19.2.1. The Contractor shall not copy, modify, enhance, compile or assemble (or reverse compile or disassemble), or reverse engineer Confidential Information, except as authorized by the City in writing.
  - 19.2.2. The Contractor shall not, directly or indirectly, disclose, divulge, reveal, report or transfer Confidential Information to any third party, other than an agent, subcontractor or vendor of the City or the Contractor having a need to know such Confidential Information for purpose of performing work contemplated by written agreements between the City and the Contractor, and who has executed a confidentiality agreement incorporating substantially the form of this Contract. The Contractor shall not directly or indirectly, disclose, divulge, reveal, report or transfer Highly Restricted to any third party without the City's prior written consent.
  - 19.2.3. The Contractor shall not use any Confidential Information for its own benefit or for the benefit of a third party, except to the extent such use is authorized by this Contract or other written agreements between the parties hereto, or is for the purpose for which such Confidential Information is being disclosed.
  - 19.2.4. The Contractor shall not remove any proprietary legends or notices, including copyright notices, appearing on or in the Confidential Information.
  - 19.2.5. The Contractor shall use reasonable efforts (including but not limited to seeking injunctive relief where reasonably necessary) to prohibit its employees, vendors, agents and subcontractors from using or disclosing the Confidential Information in a manner not permitted by this Contract.
  - 19.2.6. In the event that any demand is made in litigation, arbitration or any other proceeding for disclosure of Confidential Information, the Contractor shall assert this Contract as a ground for refusing the demand and, if necessary, shall seek a protective order or other appropriate relief to prevent or restrict and protect any disclosure of Confidential Information.

- 19.2.7. All materials which constitute, reveal or derive from Confidential Information shall be kept confidential to the extent disclosure of such materials would reveal Confidential Information, and unless otherwise agreed, all such materials shall be returned to the City or destroyed upon satisfaction of the purpose of the disclosure of such information.
- 19.2.8. The Contractor shall restrict employee access to the Confidential Information to those employees having a need to know for purposes of their jobs.
- 19.2.9. The Contractor shall take reasonable measures to prevent the use or disclosure of Confidential Information by its employees in a manner not permitted by this Contract. The Contractor shall have each of its employees who will have access to the Confidential Information sign a confidentiality agreement which provides the City and its vendors, licensors, subcontractors, employees and taxpayers the same level of protection as provided by this Contract.
- 19.3. EXCEPTIONS. The City agrees that the Contractor shall have no obligation with respect to any Confidential Information that the Contractor can establish:
  - 19.3.1. Was already known to the Contractor prior to being disclosed by the City;
  - 19.3.2. Was or becomes publicly known through no wrongful act of the Contractor;
  - 19.3.3. Was rightfully obtained by the Contractor from a third party without similar restriction and without breach hereof;
  - 19.3.4. Was used or disclosed by the Contractor with the prior written authorization of the City;
  - 19.3.5. Was disclosed pursuant to the requirement or request of a governmental agency or pursuant to a law, rule or regulation, which disclosure cannot be made in confidence, provided that, in such instance, the Contractor shall first give to the City notice of such requirement or request;
  - 19.3.6. Was disclosed pursuant to the order of a court of competent jurisdiction or a lawfully issued subpoena, provided that the Contractor shall take reasonable steps to obtain an agreement or protective order providing that this Contract will be applicable to all disclosures under the court order or subpoena.

**20. LIQUIDATED DAMAGES FOR FAILURE TO PERFORM**

In the event of an incident that constitutes non-performance the parties agree that it would be difficult to determine the exact amount of loss or damages suffered by CATS in loss of public goodwill, reputation, and convenient operation of the public transit system. Therefore, for every occurrence that constitutes a state of non-performance, the

Contractor will be liable to CATS, as liquidated damages for the amount of FIVE HUNDRED AND NO/100 DOLLARS (\$500.00). This section will not apply to non-performance due to acts of God, acts of the Government (in either its sovereign or contractual capacity), fires, floods, strikes, and other Force Majeure events; provided, that the Contractor shall, within three (3) days of the onset of any such conditions, notify the Contracting Officer in writing of the causes of the conditions and the facts related thereto. Nothing in this clause shall be interpreted as limiting in any way CATS's right to proceed against the Contractor for additional damages caused by such non-performance on the part of the contractor. CATS reserves the right to deduct said liquidated damages from any amount due the Contractor under this Contract or, at its option, to collect such liquidated damages directly from the Contractor or its surety.

Events which constitute an incident of non-performance include, but are not limited to, the following:

1. Contractor Police officers performing their duties without all proper assigned uniform and equipment.
2. Improper Licensure.
3. Excessive hours on duty (more than 12 hours/day or 60 hours/week) (not approved in advance by CATS).
4. Reassigning to duty any Contractor Police Officer or Security Guard previously suspended by CATS.
5. Assigning to duty an improperly trained or nonqualified officer.
6. Failure to maintain proper insurance (public liability, worker's comp, auto).
7. Failure to comply with Federal Drug and Alcohol Testing Requirements.
8. Failure to cover a post after one hour notification.
9. Late for duty.
10. Sleeping on duty.
11. Failure to follow duty/post orders.
12. Abandoning duty during contracted time.
13. Violations of Local, State, or Federal laws, regulations, or ordinances.
14. Failure to provide properly equipped vehicles as prescribed in the Scope of Work. This damage may be assessed per vehicle not provided.

## **21. Equal Employment Opportunity - Threshold**

The Urban Mass Transit Administration (*see* C-4704.1, July 26, 1988) requires that any Contractor under contract to provide services to a public transit agency that has 50 or more transit related employees must comply with the above circular and must have in place and must submit to the transit agency, an Equal Employment Opportunity (EEO) plan. In the event that the Contractor has, or comes to have, 50 or more employees working in a transit related capacity through this contract, the Contractor will establish and submit for approval an EEO plan complying with the above circular's requirements. For more information, the contractor shall contact the CATS Civil Rights Office, 704-432-2566.

22. **E-Verify Requirements.**

Contractor understands that "E-Verify" refers to the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law in accordance with N.C. Gen. Stat §64-25(5). Employers must use E-Verify. Each employer, after hiring an employee to work in the United States, shall verify the work authorization of the employee through E-Verify in accordance with N.C. Gen. Stat §64-26(a). Subcontractors must also comply with E-Verify and the Contractor will ensure compliance by any subcontractors hired by the Contractor.

**IN WITNESS WHEREOF**, and in acknowledgment that the parties hereto have read and understood each and every provision hereof, the parties have caused this Contract to be executed on the date first written above.

**WITNESSED:**

**G4S SECURE SOLUTIONS (USA) Inc.:**

BY: *Malcolm Bennett*

BY: *[Signature]*

TITLE: Regional Vice President

TITLE: C.O.O USA

**WITNESSED:**

**CITY OF CHARLOTTE:**

BY: *Francesca Lamer*

BY: *[Signature]*

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

POs to be issued *Francesca Lamer*  
Deputy Finance officer Date

## **CONTRACT EXHIBITS**

The Following exhibits are contained in this section:

Exhibit A: Statement of Work

Exhibit B: Billing Rates and Price Proposal

Exhibit C: CATS Request for Proposal (#269-20180713-561) and related addenda

Exhibit D: G4S Secure Solutions Proposal, including Best-and-Final-Offer proposal

## EXHIBIT A

### SCOPE OF WORK

#### GENERAL SCOPE

CATS seeks Proposals from police/security firms experienced in providing police/security services in the public sector (*preferably* in public transit), including Sworn Company Police, unarmed security guards, and dispatchers (Security Personnel).

Maintaining a secure transit environment is CATS' top priority. The Company will be expected to assist the travelling public, visitors and the citizens of Charlotte and maintain good order by enforcing the fare payment policy, enforcing applicable laws, ordinances, and regulations and render assistance to the public and to first responders at all times and especially during any emergencies.

The security services under this Contract will include security coverage for revenue collection, transit facilities and assets, including the entire light rail and streetcar systems consisting of vehicles, station platforms, access areas, and park-n-ride and garage facilities. Also included are CATS Bus Transit Centers with particular emphasis on the Charlotte Transportation Center (CTC) and other CATS' facilities (See Section 3.3-H, "Site Specific Requirements"). It specifically does not include any areas (such as a public street) that the City does not have legal control of or own.

The Company will be responsible for providing highly qualified, professional, alert, diverse and proactive police/security personnel with an emphasis on customer service and ambassadorship. All Security Personnel assigned to the CATS contract shall not work on other accounts without CATS written consent and, even with consent to work on other accounts, shall not work on other accounts as part of their normal duty day. The security services shall be continuous, regardless of weather, disaster, or threatened or actual organized labor action, 24 hours a day, 365 days a year.

#### **A. Period of Performance:**

- (1) Period of Performance: Subject to the termination provisions in the Contract, performance shall commence on the date specified in the City's Notice to Proceed (estimated to be October 11, 2018), and shall extend for a period of three (3) years. **Pricing is to be fixed for this term of the Contract.**
- (2) Optional Contract Period Extensions: The City shall have the right to extend the Contract for up to two 1-year optional extensions. Requests for price increases may be considered in the first option year only.

#### **B. Staffing & Jurisdiction**

- (1) Current Staffing Levels: The current staffing levels are Sworn Company Police (88), Unarmed Security Guards (34), and Dispatchers (7), and are considered to be the minimum staffing levels for the duration of this Contract unless otherwise agreed to by CATS and the Company.
- (2) Jurisdiction: The Company's security personnel will have jurisdiction **only** on real property owned or in possession or control of the City for public transit and will work **at all times** in close coordination with the Charlotte Mecklenburg Police Department (CMPD) primarily through its Transit Liaison Unit.

#### COMPANY REQUIREMENTS.

All Company Police and Security Guards must be knowledgeable of all responsibilities of their post and be able to effectively interact with the public. The Company shall be responsible for the supervision of

all Security Officers assigned to the Contract, including but not limited to enforcement and compliance with all Post Orders. Failure to provide adequate supervision may result in Contract termination. The Company shall establish a chain of command reporting structure and provide the structure to the CATS Project Manager for approval. Any modification or change to the chain of command must be reported immediately to the CATS Project Manager.

The Company shall assign a full-time Company Project Manager to oversee its security services and be a single point of contact for CATS. This Company Project Manager will operate out of offices at a CATS-owned facility, and perform all duties necessary to assure contractual compliance. The Company shall have a supervision program in place to provide physical supervision for all posts. All supervisory checks will be documented and turned into the CATS Project Manager on a regular basis.

In addition, the Company shall designate a shift supervisor on duty for all shifts. The Company Project Manager shall review all incident reports and individual officer time sheets for accuracy. All Security Personnel incident reports shall be submitted into the **CATS Record Management System (RMS)**. Timesheets shall be submitted with each invoice and shall detail all worked hours for each officer and shall be signed by the individual officer and the Company Project Manager.

The Company shall ensure that all Security Personnel maintain an excellent appearance, professional demeanor, integrity, and attention to duty. The Company must have a progressive discipline policy and must investigate all "use of force" and alleged incidents of misconduct or excessive force. Investigations are to include compliance with Company internal policies and applicable law.

In the event of a Company Police Officer or Security Officer "no-show" or failure to appear on time for duty or court, the Company shall provide post coverage within one (1) hour of notification with a qualified replacement for that location, and a written report regarding failure to appear for court. The Company Project Manager shall notify the CATS Project Manager.

Any complaints lodged against the Company shall be referred to the Company Project Manager to investigate. A written notice of the complaint with the basic facts and circumstances of the complaint shall be submitted to the CATS Project Manager within three (3) business days from the receipt of the complaint. Afterwards and within a reasonable time to be set by the CATS Project Manager, a full written report showing the disposition of the complaint and any corrective action taken shall be submitted to the CATS Project Manager.

Any "use of force" by a Company Police Officer or Security Officer shall be immediately reported by the Command staff or shift supervisor to the CATS Project Manager. Afterwards, and within a reasonable time to be set by the CATS Project Manager, a full written report showing the review and disposition of the "use of force" and any corrective action (if taken or necessary) shall be submitted to the CATS Project Manager.

The Company shall adhere to Post Orders developed for each post assignment. Post Orders will be jointly developed by CATS and the Company based on CATS determined minimum requirements. Company participation in the development of Post Orders is incidental to the Scope of Work; no additional payment will be made by CATS. The Company shall develop Post Orders and have the Post Orders in place prior to the Contract officer deployment date. Post Orders are incorporated into this Contract by reference, any failure to comply with Post Orders may result in Contract termination.

The Company shall develop and implement a Post summary log for each Post that shows the officer that worked each shift, the hours of each shift, sign-in and sign-out of each officer, and a signature certification by the Company's supervisor verifying that the summary log is correct and accurate. The Company shall submit this log with their invoices.

The Company is responsible for ensuring that Company Police and Security Officers are available for court appearances on their designated date and are fully trained on how to testify in court. The Company is responsible for keeping track of all court judgments and for making them available to CATS upon request.



The Company will be responsible for its employees' full compliance with all applicable City and CATS Policies including, but not limited to, the City's "Information Security Policy" (ADM16) and "Protection of Restricted Data Policy" (ADM13).

The Company must have a written procedure and a secure location for the handling and storage of any items of evidence.

The Company is to have its legal counsel annually review its internal policies and provide CATS with a letter verifying compliance with the policies that were provided to CATS and to the requirements of the Contract.

The Company shall be responsible for establishing and implementing a drug and alcohol testing program for its employees that complies with 49 CFR Parts 40 and 655, producing any documentation necessary to establish compliance with Parts 40 and 655, and permitting any authorized representative of the Federal, State or local government to inspect the facilities, records, and testing process associated with the Company's drug and alcohol testing program as required under 49 CFR Parts 40 and 655. The Company must further agree to annually prepare and maintain a summary of the results of its drug and alcohol testing program for the previous calendar year and submit that summary report before February 15th each year to CATS' Project Manager. The Company must use the Management Information System (MIS) form as required by 49 CFR part 40, § 40.25 and Appendix H. By executing this Contract, the Company certifies compliance with the applicable requirements for drug and alcohol testing programs.

The Company must provide driver training and conduct an annual DMV license background check on any of its employees operating a patrol vehicle. The Company must provide minimum annual officer training that includes, but is not limited to, North Carolina State requirements, use of force, customer service, and laws related to search and seizure and conducting arrests. The Company must provide a comprehensive field training program that all officers must successfully complete prior to being released to work without direct supervision.

The Company shall have an established and required training program for all armed officers assigned to the Contract. The training must be provided by a certified instructor and documented for each employee prior to deployment. This basic training program must be at least 40 hours long and must include sections on Public Relations & Customer Service.

Additionally, the Company shall provide CATS required training for all Security Personnel assigned to the Contract that includes, but is not limited to:

- Rail Safety & Operating procedures
- Field Training Operations
- Fare Enforcement
- Terrorism Awareness Training

All Company Police Officers are to be certified, and must maintain certification in:

- Basic Law Enforcement Training (BLET)
- First Aid
- Cardiopulmonary resuscitation (CPR)
- Automatic external defibrillator (AED)
- National Incident Management (NIMS) annual certification

## **COMPANY PERSONNEL REQUIREMENTS & SCOPE OF SERVICES**

### **A. SWORN COMPANY POLICE OFFICERS:**

#### **(1) Requirements:**

All Company Police Officers (and unarmed security guards) shall meet and maintain current

State of North Carolina required certification and licensing. Officers must comply fully with all North Carolina laws and regulations including, but not limited to, Chapter 74E and 74C of the North Carolina General Statutes as applicable and all regulations promulgated pursuant to those Chapters.

All Company Police Officers must be armed in a manner consistent with North Carolina requirements including, but not limited to, 14B NCAC 16.0809 (2016), and must maintain current firearms certification. Company Police Officers (and unarmed security guards, as applicable) shall perform their duties in a manner consistent with the Federal and North Carolina constitutions, all applicable laws, and the International Association of Chiefs of Police (IACP) Law Enforcement "Code of Ethics" and shall always conduct themselves in a manner keeping with the best practices of law enforcement.

The average years of service in law enforcement for all Company Police Officers assigned to CATS must be three (3) years or more from the start of the Contract, and throughout the term of the Contract. The Company shall maintain adequate records for each assigned officer including, but not limited to, date of hire by the Company, previous Police Officer experience including departments and years of service, and date of leaving the Company's employment and reason for leaving. These records can be requested at any time by CATS to demonstrate compliance with the three-year average service requirement. If the three-year average service requirement should fail to be met, the Company will provide CATS with a plan of corrective action.

**(2) Scope of Services, to include but not be limited to:**

- Coverage of all designated security posts;
- Conducting foot and vehicle security patrols;
- Identification, investigation and documentation of safety and security events;
- Monitoring security systems, including surveillance systems and APPS;
- Reporting any safety or security incidents that occur outside of CATS property to the proper authorities;
- Assisting, reporting and cooperating with CMPD regarding any crime involving a victim, a weapon, or felony possession of a controlled substance;
- Providing arrest information and reports to CMPD and any other law enforcement agency for "Reported Crimes" so the proper follow-up can be completed;
- Transporting arrestees of Company for arrest processing;
- Ensuring that all paperwork is completed properly and all associated contact with the Magistrate's office and the District Attorney's office is completed for any arrests made by Company;
- Retaining control of all property as directed by CATS in consultation with CMPD;
- Fare Inspections, to include but not be limited to:
  - Enforcing CATS' Fare Policy and providing fare inspections;
  - Conducting fare inspections and "fare blitz's" on the light rail system to ensure customers have valid fare media (ticket or transfer) while riding the train or when standing within designated fare zones (Note: not all platforms have designated fare zones);
  - Conducting fare inspections on buses at CATS facilities such as Parking Garages and Park-and-Ride facilities along the alignment.
  - Conducting fare enforcement duties in accordance with specific policies and procedures that ensure enforcement **is always** conducted in a fair and impartial manner;
  - Conducting inspections to achieve or exceed the CATS Ridership Inspection rates and Fare Evasion goals, when established;

- Issuing appropriate warnings/citations for fare violations and for transit related offenses and maintaining records of all instances of no-ticket or invalid-ticket for reporting purposes;
- Tracking and documenting detailed reports/data of Fare Enforcement daily activities to track trends and ensure compliance with CATS' policies;
- Testifying in court hearings or depositions as a witness in relation to fare enforcement activity; and
- Participating in regular training to ensure proficiency in current Fare Enforcement policy/procedures and tactics; and
- Performing any additional law enforcement duties as assigned by the CATS Project Manager.

**B. UNARMED SECURITY OFFICERS:**

**(1) Requirements:**

Unarmed security guards must be fully trained, insured and in full compliance with North Carolina General Statutes Chapter 74C.

CATS encourages the Company practice of utilizing unarmed security guards that have completed BLET and who are awaiting final certification by the State. This practice has proven to be an effective means of succession planning to respond to any turnover issue within the assigned contingent of Sworn Company Police. However, if the contractor chooses this option, it can invoice CATS only at the security guard rate. Also, these officers are NOT authorized to carry a gun.

**(2) Scope of Service, to include but not be limited to:**

- Standing security posts remaining vigilant at all times;
- Conducting foot and vehicle security patrols;
- Identification, investigation and documentation of safety and security events
- Monitoring security systems, including surveillance systems
- Assisting the traveling public with a friendly, customer service approach to queries and instructions regarding all aspects of the transit system and the system's use
- Controlling site access of persons, vehicles, and other property
- Maintaining safe access to transit for authorized users and discouraging unauthorized persons and activities that detract from same.
- Performing any additional security-related duties as assigned by the CATS Project Manager

**C. COMPANY PROJECT MANAGER:**

**(1) Requirements:**

The Company Project Manager shall be the Company's senior on-site supervisor and is expected to respond to incidents on a 24-hour basis, as necessary. The Company Project Manager must have at least three (3) years' experience managing a security force in the public sector, preferably in public transit, of similar size and scope as set forth in this RFP. The Company Project Manager is to be a sworn Company Police Officer. The Company Project Manager is considered a key position and the individual designated in the Company's proposal is required to remain in this position for a minimum of one (1) year unless a change is agreed to by the CATS Project Manager. The normal working hours for the Company Project Manager are Monday through Friday, 0800 to 1700 hours unless otherwise agreed upon by CATS Project Manager. CATS will provide the Company Project Manager with adequate workspace.

**(2) Scope of Services, to include but not be limited to:**

- Serving as the daily liaison to CATS' Project Manager and providing daily updates on the

status of the account; including any occurrence that occurred during the previous 24 hours and any safety or security issues that are emerging.

- Generating reports
- Monitoring of all Company employee performance and appearance
- Conducting periodic service quality audits
- Following up on customer complaints and/or comments
- Generating post orders and special events plans as required
- Performing any additional duties as assigned by the CATS Project Manager

#### **D. DISPATCHER:**

##### **(1) Requirements:**

All dispatchers are required to possess a North Carolina Department of Justice, Division of Criminal Investigation (DCI) certification as a qualified dispatcher.

##### **(2) Scope of Services, to include but not be limited to:**

- Monitoring and receiving telephone; radio and other communication devices for normal business and emergency calls for service.
- Receiving and documenting calls to and from designated personnel. Maintaining overall situational awareness of routine and emergency events.
- Directing (Dispatching) resources to assist Operations, Customers, Security, or other personnel when requested or proactively during non-routine events.
- Receiving, screening, documenting calls and e-mails, and directing those calls and e-mails to appropriate resources for investigation or information
- Monitoring security systems, including surveillance systems.
- Contacting appropriate Emergency Service Personnel as necessary.
- Making proper notification to appropriate CATS Duty personnel in event of incidents.
- Providing information to appropriate Company Project Manager and Officers as necessary for both routine business and emergencies to include requests for information from field personnel.
- Performing any additional security related duties as assigned by the CATS Project Manager

#### **E. [RESERVED]**

#### **F. GENERAL SECTION – PERSONNEL QUALIFICATIONS**

CATS may require the immediate removal of any Company employee from the CATS account at any time.

##### **(1) Company Employee Appearance**

CATS desires a diverse Company work force that presents a professional image denoting both competence and confidence. The Company's employees' appearance, attitude, courtesy and job knowledge are key in creating the required image.

Uniforms are to be tailored to a good fit; clean; pressed; and kept in good repair. No unauthorized uniforms or accessories are permitted.

Company employees will have a neat, clean and well-groomed appearance. Tattoos, body piercings, intentional scarring or other body modifications may not be visible while in uniform. The CATS Project Manager will make all final determinations regarding the suitability of a Company's employee's appearance. In the event that CATS' expected appearance policies and the Company's appearance policies are in conflict; the more restrictive of the two shall be in effect.

No smoking (except where authorized by Post Order, or in a designated area), sitting down while on patrol, reading unauthorized material or tobacco use shall be permitted while on active patrol. Personal phone calls, texting or use of any personal electronic device shall not be permitted except in an emergency.

**(2) Minimum Personnel Standards**

CATS requires that all contractor's employees assigned to the CATS account meet or exceed the minimum standards set forth below before assignment to the account which include, but are not limited to the following:

- US Citizenship or legally able to work in the United States
- Twenty-one (21) years of age
- High School graduate or GED.
- Free of felony or Class A-1 misdemeanor or equivalent.
- Must obtain all required and applicable licenses, comply with all of their requirements, and assure that he or she has the appropriate licenses in their possession at all times while on duty.

**(3) Drug and Alcohol Policy**

Company employees assigned to the CATS' account are considered safety sensitive positions per 49 CFR Part 655. The use, possession, or transfer of illegal drugs to include marijuana, controlled substances (including medication without a valid prescription), simulated (placebo) drugs, drug paraphernalia, and/or alcohol on CATS' property is strictly forbidden at all times. Company will be required to comply with and enforce this policy.

Company is required to comply with the FTA's drug and alcohol testing requirements and procedures in 49 CFR Parts 40 and 655 including, but not limited to, a drug/urinalysis test of employees prior to assignment to the CATS' account. Individuals who return a positive test on a drug/urinalysis screening are not to be assigned to the CATS' account. CATS reserves the right to request documentation of negative test results. When appropriate, CATS may request a blood/urinalysis test to be conducted on personnel assigned to the CATS' account when one or more of the following conditions exist:

- a) A violation of the Drug and Alcohol Policy is witnessed;
- b) There is reasonable suspicion to believe an employee is, or may be, under the influence of Drugs or Alcohol as defined in 49 CFR Part 40;
- c) Extenuating or emergency circumstances require an immediate test;
- d) In the event of an accident involving personal injury and/or property damage.

**(4) Equal Employment Opportunity - Threshold**

Federal civil rights laws and regulations and federal guidance (*see* FTA Circular 4704.1A, Rev.1, April 20, 2017) require that any company receiving federal funds through a contract with a federal grant recipient must prepare and maintain an Equal Employment Opportunity (EEO) plan that complies with the requirements of the above circular if the company has:

- 50 or more transit-related employees, and
- Requests or receives capital or operating assistance in excess of \$1million in the previous federal fiscal year, or requests or receives planning assistance in excess of \$250,000 in the previous federal fiscal year.

In the event that the Company meets or, during the term of the Contract, reaches the above threshold, the Company shall establish and submit for approval an EEO plan complying with

the above circular's requirements. For more information, the Company may CATS' Civil Rights Office, 704-432-2566.

## **G. EQUIPMENT AND UNIFORMS**

### **(1) Service Uniform and Equipment**

Company is to provide all uniform and equipment items to all its personnel assigned to this Contract, in sufficient quantity as to allow a continuous professional appearance and of sufficient quality of material that allows for a sharp, pressed look throughout the duration of an employee's shift. The Company will consider the local area weather patterns and will be cognizant of the comfort of the individual officer. Most posts are outdoor, all-weather posts.

Company will furnish and keep in a good state of repair all equipment to include uniform and equipment listed below and any future negotiated uniform and equipment items.

**Company uniformed personnel may not interact with the public without the appropriate uniform and equipment.** Personnel without the appropriate uniform, body armor, and/or equipment will be relieved of duty immediately and dismissed until they become compliant.

### **(2) Service Uniform**

The Company must supply all uniforms and equipment (not provided by CATS) to each employee. Uniforms must remain in good condition. The final decision as to the suitability of any and all uniforms and/or equipment used by Company personnel rests with the CATS Project Manager. Required service uniform components include, but are not limited to, the following:

- (a) Safety Vest: All officers must be in possession of a safety vest. This vest must meet ANSI / ISEA 107-2010 class II, Level II standards for visibility and clearly marked with "POLICE" or "SECURITY", on front and back. "POLICE" for Sworn Company Police, "SECURITY" for unarmed security guards.
- (b) Body Armor: Body Armor is required for all Company Police Officers on the CATS account. Company will provide authorized Body Armor prior to assignment to field training. No personnel may interact with the public without the appropriate Armor and equipment.  
Body Armor is to be concealable and is to be worn under the uniform shirt.
- (c) Firearm: All qualified officers must carry the same weapon. Final determination on the type of weapon to be made in cooperation with CATS.
- (d) The use of Tasers may be considered under this Contract.
- (e) O/C Pepper Foam: Zark International Inc. Cap Stun MK3 1.45 Micro Spin Stream unit, foam or equivalent.

### **(3) Vehicles**

The Company shall provide six (6) vehicles dedicated to the Contract. These vehicles shall be parked at CATS operating locations and shall be for the sole use of the officers assigned to CATS. The Company shall be responsible for all maintenance and operating costs including insurance and fuel.

All Vehicles shall be "full size" 4-door, preferably sport-utility vehicles and equipped with clear light bars appropriate to the assigned tasks.

All vehicles shall have a driver's side spot light permanently mounted to the side pillar of the vehicle to be operational by the driver of that vehicle. Marked vehicles shall have signs identifying COMPANY POLICE and the name of the Company/logo in at least 4" lettering on both front-door sides of the vehicle and the trunk lid.

The final decision as to the suitability of any and all vehicles and/or equipment utilized on the

account will rest with the CATS' Project Manager

If a patrol vehicle is out of service for more than one week, the Company must provide a rental vehicle.

CATS retains the right to request an increase in the number of vehicles required, up to a maximum of eight (8) during the term of the Contract.

#### **(4) CATS-Furnished Equipment, Supplies, Services and Data**

CATS may assign the Company equipment, supplies, services, data and custody/use of keys deemed necessary, including but not limited to, the items listed below. All such material shall remain CATS' property and shall be surrendered to CATS immediately upon discharge or transfer of personnel from this account or termination of this Contract. CATS reserves the right to inspect any of these items at any time and it will be the Company's responsibility to maintain a current inventory of these items. In the event the contractor does not return any items issued, CATS reserves the right to assess fees.

**Note: The Company shall be solely responsible for the cost of lost or stolen CATS-supplied equipment or supplies and all repairs or replacement due to abuse or negligence.**

##### **A. Equipment**

- patrol bikes
- cell phones
- CATS handheld 800 MHz Radios
- lapel microphones
- ear buds
- Personal Computer, other office machines and internet connection
- Dispatcher headsets
- Digital cameras

##### **B. Services**

- CATS will provide information and incidentals necessary to access CATS'-owned property.

##### **C. Data**

- CATS will provide the Company with minimum Post Order and schedule requirements.

#### **H. SITE SPECIFIC REQUIREMENTS**

##### **(1) Light Rail and Streetcar Security Services**

The Company shall provide Company Police services for the entire light rail and streetcar alignments.

Duties shall include, but are not limited to: the physical patrol of light rail and streetcar vehicles, stations/platforms, Park-n-Rides, fare enforcement, and the enforcement of federal, state, and city statutes, regulations and ordinances and CATS rules and regulations. During each shift, the Officer shall perform the following: fare enforcement on vehicles and platforms, a minimum of two walk-through patrols at each Park-n-Ride on their assigned section of the alignment; and at least one off-train physical patrol of every passenger station on their assigned section of the alignment. Company Police officers shall work in pairs. Company Police officers shall perform their duties as outlined in the Post Orders for light rail Company Police Officers.

All Security Personnel assigned to the light rail and streetcar must pass a CATS'-administered test on systems safety, policies, and procedures with a score of at least eighty percent (80%) before assuming any duties.

The specific schedule of working hours for each required shift shall be jointly developed by the Company and CATS, and may be altered at any time by the CATS Project Manager, if deemed necessary. All shifts shall be covered during their assigned times and may not be made up at a later date or time.

Special coverage shifts may be added to cover special events at the normal contract hourly rate. Special coverage may be required at any time in response to the NTAS National Terrorism Advisory System as specified by the Department of Homeland Security (DHS) or other special events, such as : Panther games, CIAA Basketball games or Tournaments, Speed Street, 4th of July, New Year's Eve, and any other event with anticipated large Light Rail ridership. A separate special events schedule shall be jointly developed by CATS and the Company.

The Company should anticipate a minimum of five (5) to ten (10) special events per year where a minimum of eight (8) to ten (10) additional officers will be necessary, per event, in addition to the regular schedule. Additional officers for special events shall meet the minimum training and qualifications stated in the Contract.

The Company shall also supply five (6) dedicated full-size marked security vehicles (see **Section G.(3) "Vehicles"**, above).

## **(2) Facility Security Services**

The Company shall provide uniformed security services for CATS' operations and facilities throughout the City of Charlotte. The security force shall consist of as many officers as the Company deems appropriate to cover the required operating hours of each facility with single officer coverage. The specific work shifts of officers shall be determined by the Company, but must meet the single person coverage of each fixed facility during open hours and be subject to the approval of CATS Project Manager. Security officer duties shall include, but are not limited to the following: physical patrol of all post areas at least once every 30 minutes, courteously assisting CATS customers with questions, review and operation of CCTV systems, and enforcement of CATS rules and regulations. Special coverage may be required at any time in response to the National Terrorism Advisory System (NTAS) as specified by the Department of Homeland Security (DHS) or other special coverage.

CATS Holidays are New Year's Day, Martin Luther King's Birthday, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Day, and one additional day after Christmas. During holidays, CATS may run a limited schedule, which reflects Saturday or Sunday service. During limited service schedules, staffing may be adjusted according to service demands.

The following is a list of CATS' Facility names and addresses (Subject to change and expansion):

- (a) South Tryon Bus Facility
  - 3145 S. Tryon St., Administration Building
  - 3249 S. Tryon St., Maintenance Building
  - S. Tryon St., Paint & Body Building
  - S. Tryon St., Fuel Wash Fares Building
  - S. Tryon St., Parking Deck
- (b) Davidson Bus Facility
  - 901 N. Davidson St., Administration, Operations and Maintenance Buildings
- (c) Charlotte Transportation Center – Uptown
  - 310 E. Trade St.
- (d) South Blvd Light Rail Facility
  - 3305 Pelton Road



- (e) Eastland Mall Transit Center  
Central Avenue
- (f) Rosa Parks Transit Center  
2811 Beatties Ford Road
- (g) SouthPark Mall Transit Center  
Fairview Drive
- (h) LYNX Light Rail Line  
Approximate 19 mile line running from I-485 at South Boulevard in Southwest Charlotte through Uptown to UNC Charlotte's main campus in Northeast Charlotte. Includes the track right-of-way, station platforms, and vehicles. There are closed circuit security cameras installed at all LYNX Blue Line stations.

LYNX Blue Line Stations

- I-485/South Boulevard (includes Parking Garage and Park-n-Ride)
- Sharon Road West (includes Park-n-Ride)
- Arrowood (includes Park-n-Ride)
- Archdale (includes Park-n-Ride)
- Tyvola (includes Park-n-Ride)
- Woodlawn (includes Park-n-Ride)
- Scaleybark (includes Park-n-Ride)
- New Bern
- East/West Boulevard
- Bland Street
- Carson
- Stonewall
- 3<sup>rd</sup> Street/Convention Center
- CTC / Arena
- 7<sup>th</sup> Street
- 9<sup>th</sup> Street
- Parkwood
- 25<sup>th</sup> Street
- 36<sup>th</sup> Street
- Sugar Creek (includes Parking Garage)
- Old Concord Road (includes Park-n-Ride)
- Tom Hunter
- University City Boulevard (includes Parking Garage)
- McCullough Station
- JW Clay Boulevard (includes Parking Garage)
- UNC Charlotte

- (i) CityLYNX Gold Line  
Approximate 1.5 mile streetcar line running along Trade Street from the Spectrum Arena to Novant Health Presbyterian Medical Center. Includes the track right-of-way, station platforms, and vehicles

CityLYNX Gold Line Stations

- CTC Arena
- Davidson Street
- McDowell Street

- CPCC Outbound
- CPCC Inbound
- Elizabeth & Hawthorne
- Hawthorne & 5th

Other CATS operating locations or facilities may be added to this list as required by CATS. If required, the Company shall provide services at any additional CATS operating location, facility, or other CATS property throughout CATS's operating area at the established contract hourly rate.

**(3) Schedule of Estimated Billable Hours**

- (a) All hours billed to CATS will be at the contract rate. CATS will **not** pay overtime, vacation hours, or holiday hours not actually worked.
- (b) CATS may be billed for officer court time related to CATS cases only, if a subpoena or related documentation accompanies the proper invoice. All court time shall be billable at the same hourly rate and another qualified officer shall fill the time away from any scheduled shift.
- (c) Combined Yearly Estimated Billable Regular Hours
  - (i) Company Police Officers (regular) = 174,720 hours / year
  - (ii) Security Officers (regular) = 35,360 hours / year
  - (iii) Operations Center Dispatch = 14,560 hours / year

**I. LIQUIDATED DAMAGES FOR FAILURE TO PERFORM**

In the event of an incident that constitutes non-performance the parties agree that it would be difficult to determine the exact amount of loss or damages suffered by CATS in loss of public goodwill, reputation, and convenient operation of the public transit system. Therefore, for every occurrence that constitutes a state of non-performance, the Company will be liable to CATS, as liquidated damages in the amount of FIVE HUNDRED AND NO/100 DOLLARS (\$500.00). This section will not apply to non-performance due to acts of God, acts of the Government (in either its sovereign or contractual capacity), fires, floods, strikes, and other Force Majeure events; provided, that the Company shall, within three (3) days of the onset of any such conditions, notify the CATS in writing of the causes of the conditions and the facts related thereto. Nothing in this clause shall be interpreted as limiting in any way CATS's right to proceed against the Company for additional damages caused by such non-performance on the part of the Company. CATS reserves the right to deduct said liquidated damages from any amount due the Company under this Contract or, at its option, to collect such liquidated damages directly from the Company or its surety.

Events which constitute an incident of non-performance include, but are not limited to:

1. Security Personnel performing their duties without all proper assigned uniform and equipment.
2. Improper Licensure.
3. Excessive hours on duty (more than 12 hours/day or 60 hours/week) (not approved in advance by CATS).
4. Reassigning to duty any Security Personnel previously suspended by CATS.
5. Assigning to duty an improperly trained or nonqualified officer.
6. Failure to maintain proper insurance (public liability, worker's comp, auto).
7. Failure to comply with Federal Drug and Alcohol Testing Requirements.
8. Failure to cover a post after one hour notification.
9. Late for duty.
10. Sleeping on duty.

11. Failure to follow duty/post orders.
12. Abandoning duty during contracted time.
13. Violations of Local, State, or Federal laws, regulations, or ordinances.
14. Failure to provide properly equipped vehicles as prescribed in the Scope of Work. This damage may be assessed per vehicle not provided.

## **EXHIBIT B**

### **Billing Rates and Price Proposal**

#### **PRICE PROPOSAL FORMS**

Hourly and Monthly rates stated below are fully-burdened (all-inclusive rates including all labor costs, direct costs, overhead, and profit). No other direct or indirect costs, including travel, will be paid by CATS without prior approval by CATS General Manager of Safety and Security.

Hours for all personnel are to be billed at the flat rate as identified in the Price Proposal Forms, Form, and there is no provision for CATS to pay any overtime billing. The Contractor should account for any overtime hour payments they are obligated to pay to the personnel by adjusting of the stated flat hourly rate shown in the Price Proposal Forms.

- Fully burdened hourly rates for Police Officers and Security Officers must be developed to adequately compensate the contractor for any legally required overtime the contractor must pay their employees.
- Police Officer Special Duty and Security Officer Special Duty rate will only apply to assignments specifically requested by CATS General Manger of Safety and Security, which are in addition to the regularly scheduled assignments.
- Pricing for Vehicles in the following schedules are to include fuel, maintenance, upkeep, overhead, profit and all other associated costs to provide the vehicles for use on this contract.
- The Initial Training Fee represents the sole compensation for all expenses, including all required equipment, as well as, trainee and trainer time during training period.

#### **Billing Rates drawn from the G4S Secure Solutions (USA) Price Proposal and subsequent negotiations:**

Sworn Company Police (armed) regularly scheduled duty:	\$ 27.92 per hour
Security Officer (unarmed), regularly scheduled duty:	\$ 16.99 per hour
Security Center Dispatcher, regularly scheduled duty:	\$ 19.25 per hour
Account Manager / Deputy Chief	\$ 59.67 per hour
Police Captain	\$ 36.56 per hour
Police Lieutenant	\$ 31.89 per hour
Police Sergeant	\$ 29.22 per hour
Police Motor Vehicle	\$1,362.00 per month

**G4S Secure Solutions (USA) Price Proposal**

PERSONNEL			G4S FINAL Proposal			
Item	Description	Units of Measure	Approx. FTEs	Estimated Quantity	Hourly Contract Rate	Extended Price
1	Company Police Armed *	HR	68.05	141,544	\$ 27.92	\$ 3,951,908.48
2	Security Officer	HR	22	45,760	\$ 16.99	\$ 777,462.40
3	Security Ops. Center Dispatch	HR	7	14,560	\$ 19.25	\$ 280,280.00
4	Account Manager/Deputy Chief	HR	1	2,080	\$ 59.67	\$ 124,113.60
5	Police Sergeant*	HR	6	12,480	\$ 29.22	\$ 364,665.60
6	Police Lieutenant - Patrol	HR	1	2,080	\$ 31.89	\$ 66,331.20
7	Police Captain - Administrative	HR	1	2,080	\$ 36.56	\$ 76,044.80
8	Police Captain - Operations	HR	1	2,080	\$ 36.56	\$ 76,044.80
9	Police Captain - Patrol	HR	1	2,080	\$ 36.56	\$ 76,044.80
<b>PERSONNEL TOTALS</b>			<b>108.05</b>	<b>224,744</b>		<b>\$ 5,792,895.68</b>
VEHICLES			G4S BAFO Proposal			
Item	Description	Unit of Measure	Number of Units	Estimated Quantity per Year	Monthly Contract Rate	Extended Price
10	Patrol Vehicle Auto	MO	6	72	\$ 1,362.00	\$ 98,064.00
<b>CONTRACT TOTAL COST per year:</b>						<b>\$ 5,890,959.68</b>

**Exhibit C**

CATS Request for Proposal (#269-20180713-561) and 3 related addenda  
Issue Date: July 13, 2018  
Incorporated by Reference

**Exhibit D**

G4S Secure Solutions Proposal, and Best-and-Final-Offer Proposal  
Submitted: August 2, 2018  
Incorporated by Reference