

**THIRD AMENDMENT TO
PARATRANSIT BROKER AND OPERATING AGREEMENT
BETWEEN
THE CITY AND COUNTY OF SAN FRANCISCO
AND TRANSDEV SERVICES, INC.**

**Contract No. SFMTA 2016-17
CCO No. 15-1367**

THIS THIRD AMENDMENT TO PARATRANSIT BROKER AND OPERATING AGREEMENT is made and entered into this 1 day of June, 2017, between the City and County of San Francisco, a municipal corporation (City), acting through its Municipal Transportation Agency (SFMTA), and Transdev Services, Inc. (Contractor).

- A. On July 1, 2016, City and Contractor entered into a Paratransit Broker and Operating Agreement (the Agreement).
- B. On April 30, 2017, the parties executed the First Amendment to the Agreement (1) to delete Section 10.8 (Health Care Accountability Ordinance); (2) to add clauses that were inadvertently omitted from Appendix D to the Agreement and (3) to correct Exhibit E by retitling it Appendix E and correcting the SBE goal.
- C. On May 25, 2017, the parties executed the Second Amendment to the Agreement (1) to provide for the City to lease to Contractor 22 additional accessible minivans and 27 additional paratransit vans for use in the SF Access Program; (2) to eliminate references to mandatory subleasing of the Vehicles and (3) to eliminate references to lease payments.
- D. The parties wish to further amend the Agreement to reflect the fact that, starting June 1, 2017, the Contractor's Transit Division (TD) will be directly providing a larger portion of Group Van service than anticipated when the Agreement was originally executed, including all of the Group Van services currently subcontracted to the Group Van Service Provider Baymed Express, Inc., which has advised that it intends to go out of business.
- E. After the Contractor conducted a competitive solicitation on two occasions without receiving any proposals for some portions of the group van service, and after contacting prospective proposers to determine why they did not submit a proposal, the Contractor and SFMTA determined that the specifications were not unduly restrictive and that additional changes could not be made to encourage greater competition; therefore, the competition was determined to be adequate.
- F. The City wishes to revise the budget to reduce the Broker Service Provider costs and increase the TD costs to accommodate the increased service to be provided by TD. The TD G&A and the TD Management Fee rates will remain the same for the Transit Division with this added service. The five-year grand totals for FY17-FY21 and FY22-FY26 will also remain unchanged.

NOW, THEREFORE, Contractor and the City agree that the Agreement is amended as follows:

1. The above Recitals are incorporated to the extent not inconsistent with either the Agreement or this Amendment.
2. Appendix B of the Agreement is replaced with a new Appendix B, attached hereto.
3. **Effective Date.** Each of the modifications set forth in Section 2 shall be effective on and after the date of this Amendment.
4. **Legal Effect.** Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment on the day first mentioned above.

<p>CITY</p> <p>Municipal Transportation Agency</p> <p> _____ Edward D. Reiskin Director of Transportation</p> <p>Approved as to Form:</p> <p>Dennis J. Herrera City Attorney</p> <p>By:  _____ Robin M. Reitzes Deputy City Attorney</p> <p>n:\ptc\as2017\1000378\01196049.docx</p>	<p>CONTRACTOR</p> <p>Transdev Services, Inc.</p> <p> _____ Alan B. Moldawer EVP & General Counsel 720 East Butterfield Road, Suite 300 Lombard, IL 60148-5601</p> <p>City vendor number: 81173</p>
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**APPENDIX B
CALCULATION OF CHARGES**

BUDGET SUMMARY: FY 2017 - FY 2021

Broker

Description	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Broker Reimbursable Expenses					
Personnel	1,869,786	1,917,441	1,970,371	2,024,187	2,077,439
Contracted Services	246,593	272,146	257,818	258,648	244,616
Direct Costs	1,363,241	1,392,877	1,360,854	1,387,277	1,490,022
Subtotal Broker Reimbursable Expenses	3,479,620	3,582,465	3,589,043	3,670,111	3,812,077
Broker G&A	155,898	160,770	160,823	164,597	171,412
Broker Management Fee	173,637	178,770	179,090	183,135	190,223
Total Broker	3,809,156	3,922,005	3,928,957	4,017,843	4,173,712
Five-Year Broker Total					\$19,851,673
Broker Service Provider Costs					
Approx. 20% of Group Van, Taxi, Intercounty, DAAS	7,200,264	4,748,429	5,124,685	5,464,688	5,960,190
Subtotal Broker Service Provider Costs	7,200,264	4,748,429	5,124,685	5,464,688	5,960,190
Other Broker Costs (not subject to G&A and Management Fee)					
Peer Escort Program	55,000	55,000	55,000	55,000	55,000
Paratransit Plus	36,000	72,000	72,000	72,000	72,000
Capital Purchase (Trapeze Pass-Web)	200,000	0	0	0	0
Subtotal Other Broker Costs	291,000	127,000	127,000	127,000	127,000
Total Broker Service Providers & Other Broker Costs	7,491,264	4,875,429	5,251,685	5,591,688	6,087,190
Five-Year Total Broker Service Provider & Other Broker Costs					\$29,580,485

Transit Division (TD) (SF Access, approx. 80% of Group Van, Shop-a-Round, Van Gogh)

Description	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Transit Division (TD) Reimbursable Expenses					
Personnel	10,604,978	13,390,091	14,111,100	14,949,454	15,424,612
Contracted Services	336,990	415,800	465,652	499,084	480,128
Direct Costs	2,514,078	3,131,951	3,543,782	3,601,356	3,743,199
Subtotal TD Reimbursable Expenses	13,456,046	16,937,842	18,120,534	19,049,895	19,647,939
TD G&A	672,802	846,892	906,027	952,495	982,397
TD Management Fee	336,401	423,446	453,013	476,247	491,198
Total Transit Division	14,465,249	18,208,181	19,479,574	20,478,637	21,121,534
Five-Year Transit Division Total					\$93,469,945

Grand Totals

Description	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Grand Total	25,765,669	27,005,615	28,660,216	30,088,168	31,382,436
Five-Year Grand Total					\$142,902,103

BROKER: FY 2017 - FY 2021

Description	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
PERSONNEL					
Labor	1,296,445	1,328,856	1,362,077	1,396,129	1,431,032
Fringe	573,342	588,586	608,294	628,058	646,406
<i>Fringe Percentage</i>	44.2%	44.3%	44.7%	45.0%	45.2%
SUBTOTAL - PERSONNEL	1,869,786	1,917,441	1,970,371	2,024,187	2,077,439
CONTRACTED SERVICES					
Professional/Consultant	187,690	211,768	195,931	195,212	179,589
Janitorial	58,903	60,379	61,887	63,436	65,027
SUBTOTAL - CONTRACTED SERVICES	246,593	272,147	257,818	258,648	244,616
DIRECT COSTS					
Utilities	16,110	16,513	16,926	17,349	17,782
Telecommunications	75,190	77,070	79,000	80,980	83,010
Rent	462,260	475,877	489,893	504,331	519,199
Other Incidental Direct Costs	28,633	29,125	29,612	30,128	30,653
Printing	35,550	36,440	37,360	38,290	39,240
Supplies	27,815	28,508	29,221	29,954	30,708
Shipping/Mailing	39,140	40,120	41,120	42,150	43,200
Security Services	5,210	5,340	5,470	5,610	5,750
Travel	13,030	13,356	13,692	14,039	14,387
Insurance	7,400	7,770	8,158	8,566	8,895
Computer Supplies/Maint./Hosting	153,110	168,439	170,599	181,700	184,840
SF Gross Receipts & SF Payroll Tax	30,000	30,750	31,520	32,310	33,120
CabConnect	361,650	367,070	372,580	378,170	383,840
Mobility Management Direct Costs	58,000	95,000	20,000	20,600	21,218
Projected Equipment Purchases	50,143	1,500	15,703	3,100	74,180
SUBTOTAL - DIRECT COSTS	1,363,241	1,392,877	1,360,854	1,387,277	1,490,022
TOTAL BROKER REIMBURSABLE EXPENSES	3,479,620	3,582,465	3,589,044	3,670,112	3,812,077
Broker G & A ¹	155,898	160,770	160,823	164,597	171,412
Broker Admin Management Fee	173,637	178,770	179,090	183,135	190,223
TOTAL BROKER	3,809,155	3,922,005	3,928,957	4,017,844	4,173,712

Notes:

(1) Broker G&A is calculated as 5% of Broker Reimbursable Expenses excluding Cabconnect costs. The Broker G&A rate will be subject to audit at the end of each fiscal year by SFMTA.

TRANSIT DIVISION (TD): FY 2017 - FY 2021

Description	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
PERSONNEL					
Labor	7,832,378	9,892,354	10,351,875	10,899,484	11,213,371
Fringe					
<i>Fringe billed within payroll</i>					
Payroll Taxes					
FICA	634,925	804,103	848,136	900,082	927,067
SUTA	85,328	86,782	89,932	91,132	91,792
FUTA	10,276	12,356	12,860	12,972	12,972
401K/Retirement	67,337	89,949	94,702	97,381	99,479
Vacation & Other PTO	527,301	678,796	769,236	900,023	938,229
Health Insurance	485,640	610,836	664,097	700,298	727,310
Employee Incentives	31,760	32,554	33,368	34,202	35,057
Mechanic Tool Allowance	2,380	3,080	3,080	3,080	3,080
Mechanic ASE Incentive ¹	2,740	3,410	3,530	3,650	3,780
<i>Fringe billed separately from payroll</i>					
STD & LTD	2,504	3,149	3,424	3,610	3,750
HCSO ORDINANCE PAYMENTS	391,525	485,255	509,518	534,994	561,743
Dental Insurance	16,577	20,851	22,669	23,904	24,827
Vision Insurance	2,952	3,713	4,037	4,257	4,421
Life Insurance	5,118	6,437	6,999	7,380	7,665
Employee Assistance Program	1,662	2,090	2,272	2,396	2,488
Workers Comp. Insurance	504,576	654,376	691,365	730,609	767,581
Subtotal Fringe	2,772,600	3,497,737	3,759,225	4,049,970	4,211,241
SUBTOTAL - PERSONNEL	10,604,978	13,390,091	14,111,100	14,949,454	15,424,612
CONTRACTED SERVICES					
Operator Uniforms	21,610	25,370	30,260	31,510	32,300
Third Party Admin. of Drug & Alcohol Testing	6,468	13,176	8,793	9,133	9,362
Physicals	6,820	11,321	9,180	9,521	9,762
DriveCam Review	34,608	37,342	41,351	42,384	43,444
Mechanic Uniforms	5,504	6,964	7,138	7,316	7,499
Out-of-shop Repairs	34,750	11,767	44,550	45,670	46,810
Major Component Rebuilds	5,650	68,000	80,780	105,100	77,550
Towing	16,750	21,000	21,470	22,010	22,560
Contracted Vehicle Cleaning	46,260	62,000	59,310	60,800	62,320
Shop & Garage Equipment Repair	3,560	4,460	4,560	4,680	4,790
Environmental Expenses	1,880	7,900	2,420	2,480	2,540
Payroll Processing	19,130	10,400	15,380	15,760	16,150
IT Consulting	84,000	86,100	90,460	92,720	95,040
Legal Fees	50,000	50,000	50,000	50,000	50,000
SUBTOTAL - CONTRACTED SERVICES	336,990	415,800	465,652	499,084	480,128

TRANSIT DIVISION (TD): FY 2017 - FY 2021

(continued)

Description	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
DIRECT COSTS					
Safety & Training Supplies	7,500	7,500	7,688	7,880	8,077
Fuel	1,155,520	1,384,160	1,395,680	1,396,550	1,397,170
GM & Shop Truck Fuel	6,300	12,000	6,620	6,788	6,956
Non-revenue Vehicle Lease	21,972	25,972	25,972	25,972	25,972
Lubricants	26,580	30,930	34,080	34,940	35,810
Tires	39,140	48,220	63,600	46,220	66,830
Parts	177,391	210,190	212,821	235,788	263,254
Non-revenue Vehicle Repairs	1,470	1,500	1,880	1,930	1,970
Shop Supplies	13,610	18,920	17,440	17,880	18,330
Bus Cleaning Supplies	1,670	0	2,150	2,200	2,260
Vehicle Insurance	513,811	642,058	658,371	674,836	691,707
Recruiting Expenses	5,000	35,130	36,010	36,910	37,830
Office Supplies	15,000	15,380	15,760	16,150	16,550
Shipping/Mailing	3,000	2,580	3,160	3,240	3,320
Printing & Photocopying	6,000	6,150	6,300	6,460	6,620
Maintenance/Service Contracts	1,050	2,628	2,250	3,910	2,400
Travel	8,400	8,610	8,830	9,050	9,280
Utilities	56,000	57,400	58,840	60,310	61,820
Telephone & Internet	45,000	66,130	47,280	48,460	49,670
Building & Grounds	18,000	8,000	18,910	19,380	19,860
SF Gross Receipts & SF Payroll Tax	87,150	85,330	91,560	93,850	96,200
Facility Lease	265,650	456,038	816,870	837,290	858,220
Non-revenue Vehicle Registration	1,000	1,200	1,230	1,260	1,290
General Manager Car	4,364	5,925	5,925	5,925	5,925
Revenue Vehicle Lease	0	0	0	0	0
Projected Equipment Purchases	33,500	0	4,555	8,178	55,879
SUBTOTAL - DIRECT COSTS	2,514,078	3,131,951	3,543,782	3,601,356	3,743,199
TOTAL TD REIMBURSABLE EXPENSES	13,456,046	16,937,842	18,120,534	19,049,895	19,647,939
TD G & A ²	672,802	846,892	906,027	952,495	982,397
TD Management Fee	336,401	423,446	453,013	476,247	491,198
TOTAL TRANSIT DIVISION	14,465,249	18,208,181	19,479,574	20,478,637	21,121,534

Notes:

(1) Incentives for Automotive Service Excellence (ASE) Certification

(2) Transit Division G&A is calculated as 5% of TD Reimbursable Expenses. The TD G&A rate will be subject to audit at the end of each fiscal year by SFMTA. In no event will the annual TD G&A amount payable exceed the TD G&A amounts in Appendix B.

BUDGET SUMMARY: OPTION YEARS (FY 2022 - FY 2026)

Broker

Description	FY 21/22*	FY 22/23*	FY 23/24*	FY 24/25*	FY 25/26*
Broker Reimbursable Expenses					
Personnel	2,140,969	2,206,903	2,275,359	2,346,467	2,420,365
Contracted Services	270,732	256,997	283,432	270,003	296,755
Direct Costs	1,505,789	1,538,640	1,533,657	1,636,354	1,611,589
Subtotal Broker Reimbursable Expenses	3,917,490	4,002,539	4,092,448	4,252,824	4,328,710
Broker G&A	176,395	180,355	184,554	192,272	195,760
Broker Management Fee	195,484	199,727	204,213	212,221	216,005
Total Broker	4,289,369	4,382,622	4,481,214	4,657,317	4,740,475
Five-Year Broker Total	\$22,550,996				
Broker Service Provider Costs					
Approx. 20% of Group Van, Taxi, Intercounty, DAAS	6,068,924	6,158,694	6,381,649	6,459,596	6,627,437
Subtotal Broker Service Provider Costs	6,068,924	6,158,694	6,381,649	6,459,596	6,627,437
Other Broker Costs (not subject to G&A and Management Fee)					
Peer Escort Program	55,000	55,000	55,000	55,000	55,000
Paratransit Plus	72,000	72,000	72,000	72,000	72,000
Capital Purchase (Trapeze Pass-Web)	0	0	0	0	0
Subtotal Other Broker Costs	127,000	127,000	127,000	127,000	127,000
Total Broker Service Providers & Other Broker Costs	6,195,924	6,285,694	6,508,649	6,586,596	6,754,437
Five-Year Total Broker Service Provider & Other Broker Costs	\$32,331,301				

Transit Division (TD) (SF Access, approx. 80% of Group Van, Shop-a-Round, Van Gogh)

Description	FY 21/22*	FY 22/23*	FY 23/24*	FY 24/25*	FY 25/26*
Transit Division (TD) Reimbursable Expenses					
Personnel	15,916,169	16,409,115	16,887,583	17,364,532	17,859,381
Contracted Services	504,173	521,761	515,012	514,187	449,068
Direct Costs	3,751,865	3,904,675	3,902,673	3,981,662	4,041,908
Subtotal TD Reimbursable Expenses	20,172,206	20,835,550	21,305,268	21,860,382	22,350,357
TD G&A	1,008,610	1,041,778	1,065,263	1,093,019	1,117,518
TD Management Fee	504,305	520,889	532,632	546,510	558,759
Total Transit Division	21,685,121	22,398,217	22,903,163	23,499,911	24,026,634
Five-Year Transit Division Total	\$114,513,046				

Grand Totals

Description	FY 21/22*	FY 22/23*	FY 23/24*	FY 24/25*	FY 25/26*
Grand Total	32,170,414	33,066,532	33,893,026	34,743,824	35,521,546
Five-Year Grand Total	\$169,395,343				

* Option years that may be exercised by SFMTA

BROKER: OPTION YEARS (FY 2022 - FY 2026)

Description	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
PERSONNEL					
Labor	1,466,808	1,503,478	1,541,065	1,579,592	1,619,082
Fringe	674,161	703,424	734,294	766,875	801,283
<i>Fringe Percentage</i>	46.0%	46.8%	47.6%	48.5%	49.5%
SUBTOTAL - PERSONNEL	2,140,969	2,206,902	2,275,359	2,346,467	2,420,365
CONTRACTED SERVICES					
Professional/Consultant	204,084	188,685	213,413	198,240	223,193
Janitorial	66,649	68,312	70,017	71,764	73,562
SUBTOTAL - CONTRACTED SERVICES	270,732	256,997	283,431	270,004	296,756
DIRECT COSTS					
Utilities	18,227	18,683	19,150	19,628	20,119
Telecommunications	85,090	87,220	89,400	91,630	93,920
Rent	534,508	550,269	566,493	583,191	600,391
Other Incidental Direct Costs	31,187	31,740	32,301	32,872	33,462
Printing	40,220	41,220	42,250	43,310	44,400
Supplies	31,472	32,257	33,062	33,887	34,733
Shipping/Mailing	44,280	45,390	46,520	47,680	48,870
Security Services	5,890	6,040	6,190	6,340	6,500
Travel	14,745	15,114	15,494	15,885	16,286
Insurance	9,444	9,917	10,413	10,933	11,480
Computer Supplies/Maint./Hosting	192,129	200,787	210,658	224,424	225,860
SF Gross Receipts & SF Payroll Tax	33,950	34,800	35,670	36,560	37,470
CabConnect	389,600	395,440	401,370	407,390	413,500
Mobility Management Direct Costs	41,855	22,510	23,185	23,881	24,597
Projected Equipment Purchases	33,193	47,253	1,500	58,743	0
SUBTOTAL - DIRECT COSTS	1,505,790	1,538,641	1,533,657	1,636,354	1,611,589
TOTAL BROKER REIMBURSABLE EXPENSES	3,917,491	4,002,540	4,092,447	4,252,824	4,328,710
Broker G & A ¹	176,395	180,355	184,554	192,272	195,760
Broker Admin Management Fee	195,484	199,727	204,213	212,221	216,005
TOTAL BROKER	4,289,370	4,382,623	4,481,214	4,657,317	4,740,475

Notes:

(1) Broker G&A is calculated as 5% of Broker Reimbursable Expenses excluding Cabconnect costs. The Broker G&A rate will be subject to audit at the end of each fiscal year by SFMTA.

TRANSIT DIVISION (TD): OPTION YEARS (FY 2022 - FY 2026)

Description	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
PERSONNEL					
Labor	11,517,087	11,821,165	12,108,430	12,390,018	12,671,939
Fringe					
<i>Fringe within payroll</i>					
Payroll Taxes					
FICA	953,197	978,918	1,003,084	1,026,577	1,050,383
SUTA	92,462	93,152	93,862	94,592	95,612
FUTA	12,972	12,972	12,972	12,972	13,028
401K/Retirement	101,629	103,834	106,093	108,409	111,158
Vacation & Other PTO	975,398	1,006,864	1,034,784	1,059,554	1,088,083
Health Insurance	778,221	832,697	890,986	953,355	1,024,005
Employee Incentives	35,934	36,832	37,753	38,696	39,664
Mechanic Tool Allowance	3,080	3,080	3,080	3,080	3,080
Mechanic ASE Incentive ¹	3,910	4,050	4,190	4,340	4,490
<i>Fringe billed separately from payroll</i>					
STD & LTD	4,012	4,293	4,593	4,915	5,279
HCSO ORDINANCE PAYMENTS	589,830	619,322	650,288	682,802	716,943
Dental Insurance	26,564	28,424	30,414	32,543	34,954
Vision Insurance	4,730	5,062	5,416	5,795	6,224
Life Insurance	8,201	8,776	9,390	10,047	10,792
Employee Assistance Program	2,663	2,849	3,048	3,262	3,503
Workers Comp. Insurance	806,279	846,825	889,200	933,575	980,244
Subtotal Fringe	4,399,082	4,587,950	4,779,153	4,974,514	5,187,442
SUBTOTAL - PERSONNEL	15,916,169	16,409,115	16,887,583	17,364,532	17,859,381
CONTRACTED SERVICES					
Operator Uniforms	33,110	33,930	34,780	35,650	36,630
Third Party Admin. of Drug & Alcohol Testing	9,592	9,832	10,083	10,333	10,634
Physicals	10,004	10,256	10,509	10,773	11,087
DriveCam Review	44,530	45,643	46,784	47,954	49,153
Mechanic Uniforms	7,687	7,879	8,076	8,278	8,485
Out-of-shop Repairs	47,980	49,180	50,410	51,670	52,960
Major Component Rebuilds	92,790	101,330	85,340	75,020	0
Towing	23,120	23,700	24,290	24,900	25,520
Contracted Vehicle Cleaning	63,880	65,480	67,110	68,790	70,510
Shop & Garage Equipment Repair	4,910	5,040	5,160	5,290	5,420
Environmental Expenses	2,600	2,670	2,730	2,800	2,870
Payroll Processing	16,550	16,960	17,380	17,810	18,260
IT Consulting	97,420	99,860	102,360	104,920	107,540
Legal Fees	50,000	50,000	50,000	50,000	50,000
SUBTOTAL - CONTRACTED SERVICES	504,173	521,761	515,012	514,187	449,068

TRANSIT DIVISION (TD): OPTION YEARS (FY 2022 - FY 2026) (continued)

Description	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
DIRECT COSTS					
Safety & Training Supplies	8,279	8,486	8,698	8,915	9,138
Fuel	1,397,810	1,398,460	1,399,140	1,399,820	1,400,530
GM & Shop Truck Fuel	7,132	7,308	7,492	7,680	7,872
Non-revenue Vehicle Lease	25,972	25,972	25,972	25,972	25,972
Lubricants	36,710	37,630	38,570	39,530	40,520
Tires	68,500	70,220	71,970	73,770	75,620
Parts	272,318	287,809	317,744	342,807	347,693
Non-revenue Vehicle Repairs	2,020	2,070	2,130	2,180	2,230
Shop Supplies	18,790	19,260	19,740	20,230	20,740
Bus Cleaning Supplies	2,310	2,370	2,430	2,490	2,550
Vehicle Insurance	708,999	726,725	744,892	763,515	782,603
Recruiting Expenses	38,780	39,750	40,740	41,760	42,800
Office Supplies	16,960	17,380	17,810	18,260	18,720
Shipping/Mailing	3,400	3,490	3,580	3,670	3,760
Printing & Photocopying	6,790	6,960	7,130	7,310	7,490
Maintenance/Service Contracts	3,910	2,400	3,910	150	3,910
Travel	9,510	9,750	9,990	10,240	10,500
Utilities	63,370	64,950	66,570	68,230	69,940
Telephone & Internet	50,910	52,180	53,480	54,820	56,190
Building & Grounds	20,360	20,870	21,390	21,920	22,470
SF Gross Receipts & SF Payroll Tax	98,610	101,080	103,610	106,200	108,860
Facility Lease	879,680	901,670	924,210	947,320	971,000
Non-revenue Vehicle Registration	1,320	1,360	1,390	1,430	1,460
General Manager Car	5,925	5,925	5,925	5,925	5,925
Revenue Vehicle Lease	0	0	0	0	0
Projected Equipment Purchases	3,500	90,601	4,160	7,518	3,415
SUBTOTAL - DIRECT COSTS	3,751,865	3,904,675	3,902,673	3,981,662	4,041,908
TOTAL TD REIMBURSABLE EXPENSES	20,172,206	20,835,550	21,305,268	21,860,382	22,350,357
TD G & A ²	1,008,610	1,041,778	1,065,263	1,093,019	1,117,518
TD Management Fee	504,305	520,889	532,632	546,510	558,759
TOTAL TRANSIT DIVISION	21,685,121	22,398,217	22,903,163	23,499,911	24,026,634

Notes:

(1) Incentives for Automotive Service Excellence (ASE) Certification

(2) Transit Division G&A is calculated as 5% of TD Reimbursable Expenses. The TD G&A rate will be subject to audit at the end of each fiscal year by SFMTA. In no event will the annual TD G&A amount payable exceed the TD G&A amounts in Appendix B.