

**First Amendment to the Agreement for Provision of
Public Transit Services and Certification of
ADA Eligible Passengers dated January 7th, 2009**

This First Amendment to the Agreement for Provision of Public Transit Services and Certification of ADA Eligible Passengers by and between MV Transportation, Inc. a California Corporation, hereinafter referred to as "Contractor" and the City of Lawrence, Kansas, a municipal corporation under the laws of the State of Kansas, hereinafter referred to as "CITY" is made this _____ day of _____, 2010.

WHEREAS, the City issued a Request for Proposal (hereinafter "RFP") for Public Transportation Services on January 21, 2008, and

WHEREAS, the Contractor responded by submitting a proposal (hereinafter "Proposal") dated March 17, 2008, and

WHEREAS, the City determined the Contractor had the technical expertise necessary to manage and operate the City's transportation system, and

WHEREAS, the City and the Contractor entered into an Agreement dated January 7, 2009, in which the Contractor agreed to provide public transit services for the City pursuant to the terms set forth in the January 7, 2009 agreement; and

WHEREAS, pursuant to the January 7, 2009 Agreement, the Contractor agreed to provide the transit facility for the City's public transit system and the contract rates reflected the Contractor's costs for providing said transit facility; and

WHEREAS, the City and the Contractor acknowledged in the January 7, 2009 Agreement that if during the term of the Agreement, the City purchased, leased or otherwise acquired an alternative transit facility for use by the Contractor, the costs to the Contractor in providing the services contracted for under the January 7, 2009 Agreement will be significantly lower for the Contractor; and

WHEREAS, the City reserved the right to renegotiate relevant portions of the January 7, 2009 Agreement, excluding the term of the Agreement, in the event the City purchased, leased or otherwise acquired an alternative transit facility for use by the Contractor; and

WHEREAS, the City anticipates it will successfully negotiate and execute a lease agreement and related documents with the University of Kansas, to lease a portion of a transit facility that the University will own and construct in 2010 at 1260 Timberedge Road, Lawrence, Kansas for use by the University and the City's respective transit systems; and

WHEREAS, the City and the Contractor wish to amend certain terms of the Agreement for Provision of Public Transit Services and Certification of ADA Eligible Passengers to reflect the change in the transit facility for the City's public transit system; and

WHEREAS, the City and the Contractor also wish to amend terms of the Agreement related to Major Repairs to Vehicles Unrelated to Accidents in recognition of the fact that all of the replacement vehicles required to operate the service will not be available until the end of 2011 and once acquired, the vehicles will be covered by the manufacturer's major component warranty; and

NOW THEREFORE, the City and the Contractor do hereby agree as follows:

The Agreement for Provision of Public Transit Services and Certification of ADA Eligible Passengers dated January 7, 2009 between the City and the Contractor shall be amended as set forth herein.

1. Paragraph A.1.1 Scope of Work is amended to relieve the Contractor of the obligation to provide a public transit facility to the City on and after the date the University delivers possession to the City and the Contractor of the leased premises in the University's transit facility to be constructed at 1260 Timberedge Road, Lawrence, Kansas.

2. Paragraph A.1.1 Rates is amended as follows:

A.1.1 **RATES.** On and after January 1, 2011, the following rates shall apply:

Contract Period	Rate / Revenue Hour (Variable)*	Rate Per Service Month (Fixed)
01/01/09 to 12/31/09	\$30.94	\$75,403
01/01/2010 to 12/31/2010	\$31.90	\$79,123
01/01/2011 to 12/31/2011	\$32.54	\$65,515
01/01/2012 to 12/31/2012	\$33.90	\$68,075
01/01/2013 to 12/31/2013	\$35.41	\$70,593

*rate does not include fuel.

3. Paragraph A.16.2 Major Repairs to Vehicles is amended to extend the coverage of this clause to the end of the five-year agreement with the Contractor.

4. Paragraph A.16.2 is amended as follows:

A.16.2 Major Repairs to vehicles unrelated to accidents. Upon execution of the existing agreement and through the end of the five-year agreement, major repairs not resulting from accidents, to the engine, transmission, HVAC systems or other major systems (excluding body damage) of the vehicles required to operate the service, where the necessary parts to repair a vehicle exceed \$1,000, according to the vehicle manufacturer's current parts price list, shall be completed by the Contractor, or the Contractor's repair service provided, upon the City's written approval. The City shall pay costs of said parts, or at its sole discretion, the City may acquire the necessary parts and provide them to the Contractor for installation. The Contractor shall be responsible for ensuring the parts are installed in a professional manner and in conformance with the manufacturer's specifications and shall pay the cost of labor and related costs for installation of the parts.

IN WITNESS WHEREOF, the City and Contractor have executed this First Amendment to the Agreement for Provision of Public Transit Services and Certification of ADA Eligible Passengers on this _____ day of _____, 2010. The persons signing this Agreement certify that they have the authority to bind their respective organization to the provisions herein.

MV TRANSPORTATION, INC.

CITY OF LAWRENCE, KANSAS.

By: _____

By: _____

Date: ____/____/____

Date: ____/____/____