

**Regional Transportation Commission of Southern Nevada (RTC)
Ticket Vending Machine Revenue Services**

The Regional Transportation Commission of Southern Nevada (RTC) desires to retain the services of a qualified firm to provide revenue servicing of Ticket Vending Machine (TVM) cash collection and counting services. A key objective of this contract is to provide RTC riders with the highest quality customer service by maximizing the availability of TVMs at all times.

The Supplier is expected to have a flexible business model that can accommodate the services requested by the RTC. This business model should be adaptable enough to accommodate the many changes anticipated as RTC increases its services. This contract does not include TVM maintenance services, which are provided through another contract.

RTC currently has 35 TVMs in 27 locations, and will have over 63 TVMs by the end of 2010 in approximately 48 locations located throughout the Las Vegas Valley. These numbers will continue to grow over the next 5 years as the RTC continues to expand its system. Total cash receipts for TVMs was approximately \$4,600,000 in 2009, the cash receipts are projected to be between \$14 – 17 million in 2010. Exhibit E provides a map of the RTC TVM locations. The Supplier representatives are required to conform to the scope of services contained in this Invitation to Bid as part of the contract.

TECHNICAL SPECIFICATIONS

DEFINITIONS

- Bill Stacker. The bill stacker stores accepted bills.
- Card Cassette. Cassettes for holding pass (card) stock (farecards).
- Cash Box. This unit is a locked box that accepts and stores inserted coins.
- Coin Hopper. This unit stores and circulates coin as change for overpayment.
- Coin Mechanisms. This unit accepts, validates, escrows, stores and recirculates coins as change for overpayment.
- Standard Operating Procedures (SOP's). Policies and procedures provided by the RTC that the Supplier is required to adhere to in the performance of this Contract.
- Vault(s). Bill Stacker and Cash Box collectively.

A. SERVICES

Requested services include:

- Currency and Coin Exchange
- Limited Problem Resolution
- Equipment Handling and Storage
- Cash Transportation
- Cash Counting
- Reconciliation
- Bank Deposits
- Reporting
- Filling Pass/Card Stock Cassettes
- Supply, Stock and Install Receipt Paper

1. Currency , Coin and Pass Stock Exchange

TVM Units Exchanged. The following units will be exchanged and filled in each TVM as required:

- Bill Stackers
- Cash Boxes
- Coin Hoppers
- Coin Mechanisms
- Ticket Stock Cassettes

Exchanging Cash Boxes and Bill Stackers. The Supplier will exchange cash boxes and bill stackers according to a schedule to be provided by RTC prior to commencement of service. Supplier will remove cash boxes, stackers and coin mechanisms from each machine and replace them with new units. Coin hoppers will be replaced with components containing a full compliment of coins.

Ticket Stock Cassettes. The Supplier will check ticket stock cassettes and replenish as needed.

Timing Requirements. Revenue servicing per machine by a service crew shall not require more than 20 minutes to complete, including printing of audit tickets.

This interval shall begin from the moment the front door of the TVM is opened to the moment the front door is latched closed and the TVM is back in operation.

Bill and Coin Servicing. The Supplier will unload and insert empty bill stackers and cash boxes in each TVM. The Supplier will be expected to change the coin hoppers and coin mechanisms. The TVM provides information necessary to determine the number of coins left in a coin hopper or coin mechanisms at the time of each service.

TVM Service Crew. A two-person (sometimes three-person) dedicated crew is estimated to be necessary to provide regularly scheduled TVM revenue servicing. It is the Supplier's responsibility to determine the exact number of crew it needs to provide the regularly scheduled service effectively as well as have the necessary backup crew to provide special services that may be required. TVM Machines are located in the open and locations in the Resort Corridor (Las Vegas Strip) in the Las Vegas Valley can be very crowded.

Maintain TVM Availability. RTC desires to maximize TVM availability at all times. To meet this goal, two machines cannot be serviced concurrently at any location by the revenue servicing crew.

Coin Inventory for Change. Funds necessary to fill the change making units (coin hoppers and coin mechanisms) will be provided by RTC.

2. Limited Problem Resolution

Problems Identified With TVM Machines. The RTC will notify the Supplier if any issues arise with the TVMs. The Supplier may discover problems with a TVM and is obligated to immediately inform a designated contact at the RTC within 30 minutes of discovering the situation. If the Supplier has been trained by a RTC representative in resolving specific problems, then such resolution is considered part of normal servicing of the TVM.

Graffiti Reporting. The Supplier will notify the designated contact at the RTC of any graffiti on the TVM equipment serviced. The Supplier will notify the RTC daily via e mail.

3. Equipment Handling and Storage

Repair and Replacement of Damaged Components. The Supplier shall routinely handle and transport bill stackers, cashboxes, and coin hoppers. The Supplier shall ensure that the equipment is transported in a manner that will prevent the equipment from being damaged. In the event any of these components are damaged while in the possession of the Supplier, the Supplier shall be responsible for the repair or replacement of these components. The repair and replacement cost of equipment damaged as a result of improper handling by the Supplier (dropped bill or cashboxes, or storage units) will be charged back to the Supplier. Before a Supplier is charged for the cost of repairing or replacing the damaged equipment, RTC will first provide to the Supplier in writing the details of the damage. The Supplier will be allowed ten (10) working days to respond in writing to RTC with any relevant information. The final decision on charge backs

for the cost of repairing or replacing damaged equipment will be made by the designated RTC representative.

The following are examples of damage to revenue service equipment which primarily happen when equipment is dropped, thrown, or allowed to slide on a service:

- Cracked/broken coin chute (Coin Hopper)
- Cracked/broken Coin Hopper (Coin Hopper)
- Cracked/bent casing (Coin Hopper)
- Bent/misshapen pin connector (Bill Stacker/Cashbox/ Coin Hopper)
- Broken/bent handles (Bill Stacker/Cashbox)
- Broken/bent door (Bill Stacker/Cashbox)
- Bent housing (Bill Stacker/Cashbox)
- Broken/bent/misaligned access door
- Broken/sheared stand-off pins
- Bent/misaligned slider mounts
- Strained/unseated electrical cables

Reporting on Damaged Equipment. The Supplier shall provide to RTC, a report on a biweekly basis listing all damaged equipment used in revenue servicing that is awaiting repairs. This equipment shall be returned to the RTC on a biweekly basis.

4. Cash Transportation

Security. The Supplier shall provide security for vehicle(s), employees, transported cash, TVM keys, vaults, hoppers, and cash counting where necessary.

5. Cash Counting

Cash Counting Facility. The Supplier shall provide a secure facility for sorting and counting cash. The Supplier's facility shall meet the minimum industry standards.

Cash Counting. The Supplier shall sort and count the cash from the TVM cash vaults in a secured facility with closed circuit monitoring. The Supplier shall count RTC funds and report the contents of each cashbox, bill stacker, coin hopper and coin mechanism separately for each TVM serviced. Reports on the contents of each TVM serviced shall be provided to RTC within 24 hours of deposit.

Counterfeit Coins and Currency. The Supplier is required to report to RTC any non-conforming or counterfeit cash within 24 hours of pick-up.

Mutilated Coin and Currency. The Supplier shall count and repair currency as necessary and possible, and deposit all mutilated coin and currency and give RTC bank credit within 24 hours of pick-up.

RTC Monitoring. RTC employees may monitor the counting of coin and currency on a periodic basis at RTC's sole discretion.

6. Reconciliation

Balancing and Reconciling TVMs. The Supplier will be responsible for balancing and reconciling each machine when it is revenue serviced. When the Supplier removes a Vault from a TVM, the TVM prints a report showing total cash in each Vault. The Supplier shall use this report to demonstrate the TVM generated data reconciles against cash deposited. The reconciliation and the TVM reports shall be provided to RTC within 48 hours of pick-up.

Notification of Variances. A designated representative from RTC must be notified of variances of plus (+) or minus (-) \$10.00 or more in any Vault processed. This notification will be both verbal and faxed within two (2) hours of the processing by the Supplier.

Shortages. The Supplier shall be responsible for all shortages over \$10.00 between deposited cash and TVM accounting reports unless such discrepancies are a result of TVM errors that are known and approved by RTC.

7. Bank Deposits

Responsibility for Cash. The Supplier is responsible for all cash picked up from the TVMs until such cash is deposited into RTC's bank account.

Timing of Deposits. Once the ticket revenues are returned to the Cash Counting Facility, the Supplier will process the coins and currency separately. This includes both counting and reconciliation functions. Bank credit shall be issued to RTC within 24 hours of when the Supplier takes initial possession of the cash. The only exceptions are days that the bank is closed, such as bank holidays. Deposits shall be made no later than the next business day following the day the cash is collected from the TVMs.

Designated Bank. All deposits are to be made at Bank of America.

Bank Supplies. The Supplier will provide bank supplies (bags, straps, etc.) necessary to process all bank deposits other than deposit slips.

8. Reporting

Reporting and Confirming Revenues. The Supplier shall report all revenue by TVM, container number, and denomination within 24 hours of deposit. This report is to be presented to RTC's Revenue Control Supervisor. The Supplier and RTC's Revenue Control Supervisor shall confirm the processed revenue amount on the form provided.

TVM Records. A daily written record will be maintained by the Supplier detailing TVM numbers, empty Vaults inserted, and coin hoppers exchanged. These reports shall be provided to RTC by the Supplier with each revenue servicing. The Supplier shall provide proper inventory of Vaults and hoppers.

Auditor Reports. Each time a money container is removed or inserted by Supplier personnel, a Vault receipt shall be printed from the TVM. The Supplier is required to use these reports to process and reconcile deposits by each TVM, and then provide them as proof to RTC within 24 hours of making deposits to the bank that deposits reconcile with these reports.

B. SCHEDULE

The frequency of the above services required on an as-needed basis will vary based upon usage by location. It is estimated that approximately 20-30 TVM's will be serviced daily.

1. Scheduled Services

The Supplier will be issued a daily TVM Service Schedule by the RTC. The schedule will be delivered to the Supplier daily by 8:00 am. The Supplier shall provide service according to the prescribed schedule, which entails service seven (7) days a week, including holidays. This schedule may be modified at the RTC's discretion from time to time.

Scheduled services include the following:

- Bill stacker exchange
- Cashbox exchange
- coin hopper exchange
- Coin mechanisms exchange
- Limited problem resolution
- Cash handling and transportation
- Audit ticket printing
- Reporting
- Cash counting
- Periodic equipment delivery/collection
- Periodic inventory/damages reporting
- Equipment storage
- Refilling of cassette (card) stock
- Supply, stock and refill receipt paper.

2. Unscheduled Services

RTC may alter the service schedule by a maximum of eight (8) machines for any given day or add service to during the day with three (3) hour's notice given to the Supplier. Types of schedule adjustments might include unplanned servicing of a TVM or pick-up at a particular location. Unscheduled services are revenue services which are necessary to bring a TVM to normal revenue operating condition. This includes emergency service described above as well as services required to correct revenue error conditions. The Supplier shall correct at no cost to RTC revenue servicing error conditions which occur within twenty-four hours of the Supplier servicing equipment unless it is determined by RTC that the error is not a result of revenue servicing.

RTC shall work with the Supplier to outline those revenue error conditions where the Supplier would proceed to correct the problem without additional instructions from RTC. Unscheduled services include but are not limited to the following:

- Bill vault exchange
- Cashbox exchange
- Periodic coin hopper exchange
- Periodic coin mechanisms funds exchange
- Limited problem resolution
- Cash handling and transportation
- Audit ticket printing
- Reporting
- Cash counting

Response Times. Response time for unscheduled services shall be a maximum of 3 hours from the time of receipt of request by Supplier from RTC, or as otherwise agreed to by the RTC and Supplier when the assignment is made.

3. Special Services

Supplier shall provide special servicing which may be related to new TVM installation, relocation, or upgrade as required.

Special services may include, but not be limited to the following:

- Bill stacker exchange
- Cashbox exchange
- Periodic coin hopper exchange
- Periodic coin mechanisms funds exchange
- Limited problem resolution
- Cash handling and transportation
- Audit ticket printing
- Reporting
- Cash counting
- Periodic equipment delivery/collection
- Periodic inventory/damages reporting
- Equipment storage

C. RTC RESPONSIBILITIES

RTC will provide the following:

- Funds required to fill coin hoppers and mechanisms in each TVM as needed prior to the commencement of cash collection service.
- Empty cashboxes and bill stackers (Vaults). The number of vaults issued to the Supplier may be adjusted based on actual usage. RTC will exchange inoperative units with working units.
- Written step-by-step procedures for revenue servicing of TVMs and initial training of Supplier employees (SOP).

- Bank account number and bank deposit slips for deposit of revenue.
- Smart Cards and Access Keys to the TVMs for each of the Supplier's staff members.
- Card Stock for refill of TVM pass cassettes.

D. STAFFING

Designated Supervisor. The Supplier shall designate a project Supervisor who shall be responsible for the overall operation of the Revenue Service program, personnel and performance and quality of the work. The Supervisor shall act as the main point of daily contact between the Supplier and the RTC.

Schedule of Authorized Personnel. After contract award and at RTC's direction the Supplier shall provide a schedule of personnel authorized to pick-up and transfer RTC funds. This schedule must include pictures of the authorized personnel, names, and I.D. numbers. This information at a minimum must be submitted quarterly and shall be updated each time there is a change in personnel. The Supplier shall provide their personnel assigned to this contract with uniforms, badges, and nametags.

Staffing Qualifications. Supplier personnel must have at a minimum a high school diploma or equivalent. All Supplier personnel must speak and have the ability to communicate in English.

E. TRAINING AND MONITORING

Training. RTC or the RTC's TVM Supplier shall provide initial training to Supplier personnel at the onset of this agreement. The Supplier shall train new employees and update the skills of existing employees. Such training will address proper servicing of TVM equipment, responsibilities related to resolving problems that arise, and identification of instances where the Supplier will need to interact with RTC or the RTC's equipment maintenance Supplier.

Training and Manuals. Adequate training for TVM servicing will be provided prior to the start of TVM cash collection and counting services (Training period). RTC or the RTC's equipment Supplier will provide initial training for up to sixteen (16) employees of the revenue service Supplier. The training will be conducted in two sessions at RTC's facility with no more than eight (8) employees in each session. Each training session is estimated to last for approximately up to two (2) days. It will be the responsibility of the revenue service Supplier to provide training to employees not trained by the RTC as part of the start up training. In general, the initial training will cover the following:

- General operation of a TVM
- General operation of TVM components

- Standard operating procedures

In addition, RTC shall provide a minimum of two (2) days field training to the revenue service crew of the Supplier in the Training period. . During the field training, RTC will supervise the actual revenue servicing of TVMs by the revenue service Supplier's crew. RTC will also provide manuals to the revenue service Supplier.

The RTC will provide additional field training once the Revenue Service Contract begins, as new TVMs are installed and put into revenue service.

Quarterly Reviews. Once every quarter, RTC may require participation in a "ride-a-long" with the revenue servicing Supplier and RTC to observe that the standard procedures are being followed for servicing TVMs and transporting cash and equipment. Following this observation, a written report on findings and recommendations will be provided to the revenue service Supplier.

Annual Physical Inventory. Supplier shall maintain a current inventory of keys, vaults, and hoppers, etc., issued by RTC. Reports of inventory shall be provided to RTC on demand and be available for audits. The Supplier is financially responsible for the replacement of all items issued to the Supplier by RTC that are lost or damaged beyond use by the Supplier. The Supplier must notify RTC immediately of lost keys, Vaults, coin hoppers or other items that belong to RTC. Supplier shall conduct a detailed check of inventory once a year to include a certification of each machine's configuration.

Monthly Exception Inventory. The Supplier shall provide a monthly exception report of inventory to RTC, including such items as the keys, vaults, hoppers, etc. issued to the Supplier. The purpose of the exception report is to notify RTC of any changes (additions or deletions) to inventory, including detail of any items sent to or received from RTC.

Standards of Performance. It is the objective of RTC to maximize TVM availability to our customers. Supplier's standard of performance shall be measured based on the extent to which this objective is achieved through adequate revenue servicing. The Supplier's standard of performance shall also be based on the accuracy of work performed relative to cash processing and depositing as well as the adequacy of operating procedures and the maintenance of required records.

Internal Control Report. RTC requires an annual report on internal controls as outlined by Statement on Auditing Standards (SAS) No. 70. If the Supplier does not provide a report on internal controls, RTC will, at its cost, select an independent certified public accountant (CPA) to perform the tests necessary to issue the required report(s). The Supplier will be required by RTC to allow the independent CPA, upon reasonable notice, to examine the Supplier's records, processes, systems, and facilities, etc., as necessary to gather adequate information to issue the required report(s).

Termination: The following actions may be grounds for termination in accordance with GC.5 and GC.7 of the General Conditions if one or more of the following events occur:

- No more than three TVMs may be improperly serviced during a 30-day period.
- Not making timely or complete deposits of funds removed from TVMs.
- Excessive damage to revenue servicing equipment by the Supplier.
- Supplier shall not adhere to the revenue service schedule agreed to by RTC and Supplier (i.e., omitting one or more of the assigned stops on any given day) unless advance notification is given to RTC, and RTC has agreed to the change of schedule.
- Recurring cash shortages not related to TVM functionality.
- Failure to maintain a cash counting facility that meets minimum industry standards.
- Number and duration of time TVMs are not functioning due to revenue collection services not being provided as needed. Examples include empty coin hoppers, full cash box, and exact fare conditions.
- Failure to accurately account for equipment received.

F. Ticket Vending Machine Definitions and Specifications

Ticket Vending Machines. Ticket vending machines (TVMs) accept bills, coins, and credit and debit cards to issue a printed ticket.

TVM Physical Characteristics. Equipment has been designed and constructed to prevent theft and unauthorized access, minimize the effects of vandalism, prevent unauthorized removal of the equipment from its installed location, and facilitate access by authorized personnel

Denomination of Bills. The TVM bill handling system shall accept U.S. \$1, \$5, \$10, and \$20 bills. Bills can be processed facing upwards or downwards, and turned to face either to the left or to the right.

Bill Stacker. Each TVM is delivered with one (1) bill stacker and one (1) bill stacker supplied as a spare. Each bill stacker has the capacity to store a minimum of 2,000 accepted bills. When empty, the bill stacker shall not weigh more than 10 pounds.

Cashbox. Each TVM is delivered with one (1) cashbox and one (1) cashbox supplied as a spare. The interior dimensions of the cashbox shall be not less than 350 cubic inches. When empty, the cashbox shall not weigh more than 10 pounds.

Coin Hopper. There are two (2) coin hoppers supplied with each TVM.

Coin Mechanism. There is one (1) coin mechanism delivered with each TVM.

Designated Coins. The TVMs shall accept the following U.S. coins: (a) Nickels, (b) Dimes, (c) Quarters, and (d) Dollars (Susan B. Anthony or Sacajawea types). Coins of foreign denominations or not meeting the U.S. Department of the Treasury standards shall not be accepted as a valid coin. The machines can be reconfigured to allow the coin handling system to accept coins other than those listed above, such as 50-cent pieces and a different mix of denominations caused by a change in fares.

Access to TVMs. Access to the TVM interior for servicing is through the front door. Opening the front door of the TVM will require engagement of the locking mechanism with the proper keying device. Each person accessing a TVM must have a separate PIN which must be entered upon opening the door. These will be assigned by RTC and will under no circumstances be used or shared with anyone other than the assignee. RTC will be notified immediately of any change of personnel and individual PINs disabled.

G. Other Equipment Definition and Specifications

Transportation Equipment. The Supplier shall maintain adequate vehicles and equipment needed to load/unload and transport vaults and supplies as well as to accurately process cash. RTC funds shall be transported using vehicles that meet minimum armored car industry requirements. The Supplier shall be responsible for providing transport racks and carts, and for storing coin hoppers, cash vaults, bill vaults, etc., inside the transport vehicle in a manner which does not damage the equipment. The Supplier is responsible for determining the make and type of vehicles to be used. However, the revenue service vehicles shall have a rack system designed to (1) prevent TVM units from resting directly on the vehicle floor, (2) prevent TVM units from moving or sliding, and (3) provide some shock absorption. RTC shall review and approve all transportation equipment before it is put into operation. The Supplier shall be responsible for the storage of spare money containers in a manner that does not damage the equipment.

Security Keys. The Supplier shall be issued high security keys and designated Smart Cards to access revenue collection components and vault contents. The Supplier shall be responsible for the safekeeping of these keys and Smart Cards. In the event that the keys are lost or misplaced the Supplier shall be responsible for all costs associated with the rekeying or replacement of locks and any revenue loss or equipment damage attributed to the subsequent use of the lost keys. The Supplier must notify RTC within 12 hours of when a key or Smart Card is identified as lost, missing or damaged beyond repair. The Supplier must also coordinate the changing of locks and replacement of keys within 24 hours of discovery.