



Supplement to Addendum 2

TRANSIT MANAGEMENT
SERVICES
Proposal No: 1920-03-31-01

City of Spartanburg
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NOTICE IS HEREBY GIVEN – The City of Spartanburg is issuing the following clarification:

Answers for First Transit – RFP

Question

Section 2 General Proposer Requirements

Bond and Insurance

- **Page 4 Management company to provide liability insurance. Is this coverage for the Management company employee only or for all employees of Management company and sub-corp? If for everyone, how should the cost for this be broken out in the proposal?**
- **Page 5 Management company to provide workers comp for all employees. Is this coverage for the Management company employee only or for all employees of Management company and sub-corp? If for everyone, how should the cost for this be broken out in the proposal?**
- **Page 5 All other exposures to loss in the operation are contractually transferred to the management company. The shifting of all losses is typically found in a contracting type of contract. Since this is a management services contract, the risk is typically bourn by the contracting agency. Is it the City's intent that the contractor will be required to reimburse the City for any and all losses that arise from the transit operation? Will these costs be reimbursable by the City and specifically what losses is this section addressing?**

Answer

Yes the Management Company is responsible for insurance on its employee. The sub Corp handles its own insurance

Question

Section 3 City Responsibilities

- **F. Insurance (page 10) – The transit management company also purchases employment-related acts coverage against employment related litigation. Is this expense reimbursed by the City? If not, specifically what coverage does the City want placed and is the coverage for the Management company employee only or for all employees?**

Answer

3. No it is not the intent of the City to transfer the cost of loss operations. This was written regarding if a new management company was to be created July 1st. They would be responsible for any previous insurance losses of the sub –corp whose responsible for the day to day activities of the bus system.

4. Yes this insurance is for the transit management company and paid for my TMS. In additional to this First Transit should have insurance for their employee(s) at their expense.

