

EXHIBIT 2 - FORM 60 INSTRUCTIONS PROFESSIONAL SERVICES COST/PRICE SUMMARY

- A. The purpose of this form is to provide a standard format by which the Proposer/Contractor submits to LACMTA a summary of incurred and estimated costs with attached supporting information suitable for detailed review and analysis.

In addition to the specific information required by this form, the Proposer/Contractor is expected, in good faith, to incorporate in and submit with this form any additional data, supporting schedules, or substantiation that is reasonably required to conduct an appropriate review and analysis of the specific facts of this procurement. For effective negotiations, it is essential to achieve a clear understanding of:

1. The existing data;
2. The judgmental factors/assumptions applied in projecting from known data to the estimate; and
3. The contingencies used by the Proposer/Contractor in its proposal price.

In short, the Proposer/Contractor's estimating process itself needs to be disclosed.

- B. When attachment of supporting cost or pricing data to this form is impracticable, the data shall be summarized with schedules, as appropriate, and attached hereto. Actual supporting cost or pricing data shall be made available to the Contract Administrator or their representative upon request. If the Proposer/Contractor deems it necessary for a more effective and efficient proposal additional schedules may be attached.

NOTE: Excel users – For proper calculations of cost elements link additional sheets to summary page.

ADDITIONAL INSTRUCTIONS "FORM 60"

A. Direct labor

This category covers all types of labor -- engineering (delineating different levels as appropriate), crafts, support staff, etc. -- that will be directly charged to the contract. (The Proposer/Consultant may classify labor in any categories that assist in managing the statement of Work as long as the costs are accumulated for the same categories that are used for estimating purposes.

Base Rate - Proposer/Consultant shall propose labor hours consistent with same or similar Work performed in the past.

B. Fringe Benefit Overhead

Provide the method of computation and application of Proposer/Consultant's overhead expenses, including cost breakdown and showing trends and budgetary data as necessary to provide a basis for evaluation of the reasonableness of proposed rates. Provide the reason for use of overhead rates, which depart significantly from experienced rates (reduced volume, a planned major rearrangement, etc.). Proposer/Consultant shall utilize forward pricing overhead rates, where applicable.

C. Subcontractors

Identify and provide total estimated cost or price for each subcontractor. Attach separate LACMTA "Form 60(s)" for all proposed subcontractors. If the subconsultant was competitively bid, submit the Form 60 submitted by each responding firm.

D. Other Direct Costs (ODC)

Provide itemized supporting cost or pricing data, including a description of its relationship to the Work. Specifically identify ODCs (i.e. with and itemized listing) by classification.

E. Travel

Travel shall be itemized to include the number of people traveling, the number of trips, the estimated cost of the transportation (including mode), per diem cost of each traveler, etc. Provide itemized supporting cost or pricing data, attached to "Form 60". Travel costs shall be limited to costs consistent with LACMTA Travel Policy.

F. General & Administrative (G & A)

If applicable, provide supporting cost data and method of calculation.

G. Fee/Profit

Proposer/Consultant shall identify the expected estimated fee/profit (i.e. percent and amount) to be earned and assumptions of risk to support the rate.

H. Modifications

All cost elements shall be identified by separate cost categories. In addition, mark-ups, as stipulated in the Contract Changes clause, shall be identified as a separate cost element within each cost category.

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The cost and pricing data must be accurate, complete and current, and the judgment factors used in projecting from the data to the estimates must be stated in sufficient detail to enable the LACMTA to evaluate the proposal.

LACMTA TRAVEL AND EXPENSE GUIDELINES

All travel and expense invoices shall include an itemized listing supported by copies of the original bills, invoices, receipts, expense reports and miscellaneous supporting data.

All travel and expense invoices submitted for reimbursement, shall be reviewed by LACMTA's Project Manager.

Contractor shall attach all original receipts for expenses such as hotel bills, meal receipts, registration receipts, parking, taxis, vehicle rental receipts along with justifications and explanatory notes as needed, such as vehicle license numbers, addresses, times of day, contacts, purpose of visits, etc. Lost receipts will be handled on a case-by-case basis. Document the expense as completely as possible.

A. Auto Mileage

Auto mileage will be reimbursed at the current business mileage reimbursement rate per the Internal Revenue Code, at 26 U.S.C. § 162.

Requests for mileage reimbursement and reasonable parking expenses must include beginning, midpoints, if any, and ending points (street addresses or city and place), total miles traveled, business purpose or justification for the trip, and original (parking) receipts.

Reimbursable mileage incurred on workdays is the net of total trip mileage less normal commute mileage. Due to tax implications, net workday mileage is used for reimbursable mileage. Normal commute mileage is the mileage from the employee's primary residence to the regularly assigned work location and back. The traveler is responsible for providing the commuting "to" and "from" addresses and/or attaching a Google Maps reference to the invoice for mileage verification. The regular use of bus or rail passes does not alter or affect the reimbursable workday mileage computation. Non-workday mileage is fully reimbursable.

B. Air Travel

Air fares will be reimbursed based on the most direct route at coach class travel rates. Downgrading (exchange) of airline ticket where the Contractor receives financial or personal gain is not permitted. If a trip is postponed, reservations should be canceled immediately.

Travel arrangements should be made as early as possible (preferably 30 days) to take advantage of advanced reservation rates.

C. Combining Business Travel with Personal Travel

With Contractor's consent, Contractor's employees may combine personal travel with LACMTA business only if the personal travel does not increase the cost to LACMTA. Arrangement for personal travel should be handled by the Contractor's employee. LACMTA will not manage personal travel.

Contractor shall not invoice LACMTA for personal travel. When combining business travel with personal travel, Contractor's employee shall provide a business itinerary and a personal itinerary to compare the cost of the business travel and the personal travel. The Contractor's employee is responsible for paying any difference above business cost.

D. Air Travel Insurance

LACMTA does not pay for air travel insurance.

E. Accommodations

LACMTA will reimburse Contractor for lodging expenses consistent with the General Services Administration (GSA) per diem rates (GSA per diems are exclusive of all taxes and fees). Contractor will not be reimbursed for lodging expenses, including tax, that exceed the total allowed per GSA per diem. Contractor must submit an itemized receipt in order to be reimbursed for the cost of lodging. This authorization only applies to LACMTA business travel.

Contractor is responsible for any “no-show” hotel charges.

An exception to the lodging dollar limit may be made for conference hotels or hotels in close proximity to the final business destination when time and commute costs are high when determined by the Project Manager and approved by the Executive Officer.

F. Laundry

LACMTA will pay reasonable laundry and dry cleaning charges only if a Contractor's employee is on travel for LACMTA for a period in excess of four (4) consecutive days.

G. Entertainment

LACMTA will not pay for the rental of premium channel movies or other forms of entertainment.

H. Ground Transportation

Public transportation should be used whenever possible; however, if necessary, rental car expenses including gas will be reimbursed for authorized travel only. Cab fare (on a shared basis whenever possible) is reimbursable. Receipts shall be required to document all ground transportation charges. Vehicles cannot be rented solely for travel between the airport and hotel, except in cases where this is the most economical method or there is no reasonable alternative.

LACMTA will pay for reasonable car rental charges when required. Contractor must receive prior written authorization from the Project Manager to rent a vehicle. Contractor employee requesting the use of a rental vehicle must possess a valid driver's license, proof of current vehicle insurance coverage, are of qualifying age for the rental vehicle agency, and utilize a major credit card.

A traveler authorized to use a rental vehicle should purchase supplemental insurance coverage offered through a rental agency to include both Collision Damage Waiver coverage and Supplemental Liability Insurance when available. Primary insurance coverage for rental vehicle will be through the purchased supplemental coverage with secondary coverage from the traveler's own personal policy.

The Contractor's employees shall rent the lowest automobile classification appropriate for the size or purpose of the group using the vehicle.

1-2 Travelers	Subcompact/Compact
3 Travelers	Medium/Intermediate
4-5 Travelers	Full Size/Standard
6+ Travelers	Van

The Contractor's employees must fuel rental automobiles prior to turn-in.

I. Meals

LACMTA will reimburse Contractor for meal expenses consistent with the GSA per diem rates. Contractor will not be reimbursed for meal expenses, including tax and tip, that exceed the total allowed per GSA per diem. Contractor must submit an itemized receipt in order to be reimbursed for the cost of a meal. LACMTA will not pay for alcoholic beverages.

J. Telephone Usage

The Contractor's employees shall submit documentation regarding all business-related telephone calls charged to LACMTA. Documentation must include the name of the party being called and the purpose of the call. LACMTA will reimburse for business-related telephone calls. Personal telephone calls are not reimbursable unless the Contractor's employee is on travel for LACMTA for more than three consecutive days. In this case, the cost of a call shall not exceed \$10.00 and one call is permitted every other day.

K. General Parking

The Contractor's employees should take advantage of "Early Bird Parking" whenever possible. Reasonable parking expense incurred while conducting LACMTA business is reimbursable.

L. Tolls and Fees

Transportation related toll charges incurred while on LACMTA business is reimbursable.

M. Baggage Handling

Baggage handling service fees are reimbursable at standard reasonable rates.

N. Other Incidental Expenses

Supplies, equipment rental, photocopying, facsimiles, and other documented business related expenses may be reimbursed when traveling on LACMTA business. Such expenses shall be billed at cost.

O. Non-Allowable Expenses

LACMTA will not provide any reimbursement for personal entertainment expenses, alcoholic beverages, travel expenses for family members, movies, personal items, charitable

contributions, or any other expenses not deemed necessary by LACMTA to conduct company business.

P. Other Source of Information

Information not addressed herein regarding the allowability of cost reimbursement expenses is contained in the Federal Acquisition Regulations.