

EXHIBIT “A”

Pilot Project: Microtransit Scope of Work and Funding Plan

Using funds allocated by the Urban County Council, the Lexington-Fayette Urban County Government (“LFUCG”) is contracting with the Transit Authority of Lexington-Fayette Urban County Government (“Lextran”) to provide funding for the provision of microtransit services in Lexington-Fayette County as a pilot project. LFUCG has allocated \$725,000 in program funds for the Lextran Microtransit Pilot Project in Lexington-Fayette County. Lextran agrees to utilize all program funds provided by LFUCG to provide transportation services within Lexington-Fayette County as set forth herein.

PROJECT OVERVIEW

The Lextran Microtransit Pilot Project is an on demand, flexible transportation service designed to supplement the fixed route bus and paratransit network. The pilot project will improve mobility in areas where traditional bus service is less effective by providing demand responsive trips within a defined service zone, strengthening first mile/last mile connections, serving lower density neighborhoods, and filling key gaps for residents with limited transportation options.

A feasibility study conducted by Lextran provides a financial baseline for a one-year microtransit pilot project. The estimated total cost of the microtransit pilot project is approximately \$738,000. Funding that has been provided by LFUCG for the Lextran Microtransit Pilot Project will be fully utilized for operational costs associated with the project to the point of exhaustion, with Lextran internalizing as many operational and administrative cost components as possible to maximize the direct provision of services to residents of Lexington-Fayette County using LFUCG’s funding allocation.

Lextran shall provide a dedicated Mobility Manager to oversee day-to-day operations and non-core mobility programs, including microtransit service. Additionally, Lextran issued a Request for Proposals (RFP) for a vendor to provide day-to-day management and operational administration of the Lextran Microtransit Pilot Project and, pursuant thereto, Lextran has contracted with Tidewater Transit LLC to manage day-to-day operations for the Lextran Microtransit Pilot Project, including hiring, training, and retaining a sufficient number of staff to fulfill service requirements. Tidewater Transit LLC will provide a Project Manager, who will be responsible for overseeing, managing, and reporting regarding all aspects of the project, including operations, employee support, and customer service. Tidewater Transit LLC will also pursue additional external funding opportunities to support the continuation or expansion of microtransit service beyond the pilot.

ROLES & RESPONSIBILITIES

Lextran will serve as the contracting lead, providing oversight through the Mobility Manager and administering branding, procurement, invoicing, and reporting. Lextran shall apply LFUCG funds directly to operations to the maximum extent possible. Lextran will cover administrative costs required to complete the pilot and is prepared to provide in-kind resources (e.g., vehicles, maintenance, fuel, secured parking, branding, and vehicle insurance) at no cost to Tidewater Transit LLC.

Under contract with Lextran, Tidewater Transit LLC will deliver end-to-end microtransit operations, including but not limited to drivers, dispatch, on-street supervision, customer service, and the technology platform, compliant with all applicable requirements regarding safety, training, the Americans with Disabilities Act, data-reporting, and Lextran customer-facing standards.

LFUCG is providing funding to Lextran for the Microtransit Pilot Project pursuant to the agreement between LFUCG and Lextran. LFUCG has no contractual relationship with Tidewater Transit LLC, and the Agreement does not create any right of action in favor of Tidewater Transit LLC against LFUCG. To the extent permitted by law, Lextran shall defend, indemnify, and hold harmless LFUCG and its elected and appointed officials, employees, agents, volunteers, and successors in interest, from and against any and all liability, damages, losses and claims that are in any way incidental to, connected with, or that arise or allege to have arisen from the Lextran Microtransit Pilot Project, expressly including but not limited to any and all liability, damages, losses, or claims made by or against Tidewater Transit LLC, related to the performance of services relating thereto. Lextran's obligation to defend LFUCG includes the obligation to investigate, handle, respond to, resist, provide a defense for, and defend claims, at Lextran's expense. LFUCG is a political subdivision of the Commonwealth of Kentucky and acknowledges and agrees that LFUCG is unable to provide indemnity or otherwise save, hold harmless, or defend Lextran in any manner.

SCOPE OF SERVICES & DELIVERABLES

Contract Scope

LFUCG's agreement for funding shall continue through December 31, 2027 or until all LFUCG funding for the Microtransit Pilot is exhausted, unless terminated by LFUCG at an earlier time. Lextran anticipates that microtransit service will launch during the second quarter of FY2027 (October - December).

Microtransit Service Parameters

Lextran plans to operate the microtransit service from 6:00am–8:00pm daily, including weekends and holidays, within Zone 1 – Northwest 9.9 square miles), as identified in the feasibility study for its balanced residential, employment, and paratransit demand. A copy

of the map of the designated microtransit service zone is attached hereto and is incorporated herein by reference.

Service will be curb-to-curb within the established zone under an anywhere-to-anywhere model. The anywhere-to-anywhere model will allow riders to request trips between any two (2) points with the defined service zone, but the entire trip shall remain within the designated service zone. The service will support shared rides and transfers to fixed route service, target predictable wait times (about 20 minutes on average), and allow booking by mobile app, web, or phone. Tidewater Transit LLC's technology platform and fare collection approach shall support the issuance and validation of transfers.

Fares will align with Lextran's system-wide policy – a flat fare per one-way trip with free transfers between microtransit service and fixed route bus service (and vice versa), using Lextran's standard transfer time window. Adjustments to microtransit service fares, discounts, and transfer rules may be adjusted by Lextran in writing to meet program goals and budgetary constraints, to increase project efficiency, and to improve project outcomes; provided, however, that Lextran shall provide LFUCG with written notice of any proposed adjustments to microtransit services not less than thirty (30) days prior to such adjustments becoming effective. By agreement with Lextran, Tidewater Transit LLC will either provide a compliant fleet or opt to use Lextran's accessible Ford Transit vehicles. In all cases, the fleet must be service ready and staffed daily, properly inspected, maintained, and cleaned, and shall meet ADA requirements at all times.

Services provided as part of the Lextran Microtransit Pilot Project, including, but not limited to, zone size, service hours, maximum trip wait time, and minimum fleet requirements may be adjusted in coordination with Tidewater Transit LLC as needed to meet program goals and budgetary constraints, to increase project efficiency, or to improve project outcomes; provided, however, that Lextran shall provide LFUCG with written notice of any proposed adjustments not less than thirty (30) days prior to such adjustments becoming effective.

Roles and Responsibilities

Lextran will provide vehicle branding and fuel (via fuel cards), while Tidewater Transit LLC will supply and maintain all onboard technology and integrations (e.g. booking, dispatch, routing, fare payment). By agreement with Lextran, Tidewater Transit LLC shall staff, train, and supervise operations, ensure licensing and safety requirements (including ADA and customer service training), provide continuous operational supervision, and assign a project manager to coordinate with Lextran.

Funding Plan & Financial Commitments

Lextran will internalize as many cost components as possible, including the provision of service vehicles and maintenance, fuel, secured parking, and branding in an effort to reduce vendor costs. Lextran is committed to using as much of the LFUCG's financial

support for the operations as possible, with Lextran assuming responsibility for additional administrative overhead costs (e.g. program oversight, procurement, marketing).

Fares

Fares will align with Lextran's system-wide policy for fixed route bus service – a flat fare per one-way trip with free transfers provided between microtransit service and fixed route bus service (and vice versa), using Lextran's standard transfer time window.

Recordkeeping and Reporting

In providing these services, Lextran shall maintain records of the following information:

- Number of trips completed, cancelled, customer no-shows, missed or excessively late trips, and trip denials
- On-time performance and wait times
- Vehicle assignments and availability, and if Lextran provides vehicles, all pre-trip checklists and DVIR documents
- Vehicle revenue miles and hours
- Passenger trips by rider type
- National Transit Database (NTD) required reports
- Demand summaries (origin/destination/time of use, boardings per revenue hour)
- Booking abandonment rates
- Incidents, accidents, and complaints
- Road calls, vehicle maintenance
- Ridership trends and analyses (including demographic data, if available)
- Recommendations for service adjustments
- Technology performance summaries
- Call-center performance summaries
- Records documenting exploration of alternative funding sources

This information shall be summarized in reports made to LFUCG required by the Agreement, in the form and manner specified by LFUCG, and such information shall otherwise be timely made available to LFUCG upon request, in the form and manner specified by LFUCG.

Lextran shall, upon LFUCG's request, present a mid-project evaluation to Council, including a funding update and a recommendation for program continuation beyond the pilot project. At the conclusion of this pilot project, or upon exhaustion of all funding for the pilot project, Lextran shall, upon LFUCG's request, make one (1) presentation to the Mayor and Council detailing the status and results of the pilot project and provide such other information as the Mayor or Council may request regarding the pilot project. The presentation to be made to the Mayor and Council at the conclusion of the Microtransit Pilot Project shall include information regarding the availability of alternative funding sources to continue Lextran microtransit services, including a summary of efforts made to secure additional funding and possible alternative funding sources.

LFUCG reserves the right to request such additional reports and/or presentations to the Mayor or Council as LFUCG deems appropriate for the administration of the Lextran Microtransit Pilot Project, and Lextran agrees to timely provide such other additional reports and/or presentations as requested by LFUCG. Upon reasonable demand, Lextran shall make available to LFUCG any and all records related to this agreement as are necessary to support its performance of the services for a period of at least five (5) years following expiration or termination of the agreement or as otherwise required depending upon the source of funds.

Compliance Requirements

Lextran shall, at all times during the pendency of the Agreement, and shall require Tidewater Transit LLC to, at all times during the pendency of the Agreement, comply with all federal, state and local statutory, regulatory, and organizational requirements, including but not limited to the Americans with Disabilities Act, Federal Transit Administration Drug and Alcohol requirements, Title VI requirements, Title VII requirements, Limited English Proficiency requirements, and all other federal and state laws.

Audits

Lextran shall comply with the audit requirements of 200 CFR Part 200, Subpart F, if applicable. LFUCG shall also have the option to request an audit of all revenue and expenditures related to this Agreement. If such an audit is requested by LFUCG, the audit shall be conducted by independent certified public accountants at Lextran's expense, who shall express an opinion as to whether or not expenditures have conformed to state and local law and regulation. For any audit performed, including an audit performed pursuant to 200 CFR Part 200, a copy of the audit, or clean audit opinion letter from an independent certified public accountant, shall be submitted to LFUCG upon request.